Mid Michigan Community College
Board of Trustees Meeting
Schedule For

September 1, 2015

Superior Room, Harrison Campus - 6:00 p.m.

The September Board Workshop/Meeting schedule will be as follows:

1. 6:00 p.m. – Dinner – Huron Room

2. 6:30 p.m. – Lucy Andarcia, Foreign Language Instructor, and two of her students will present on the Study Abroad course. - Superior Room

3. 7:00 p.m. – The regular board meeting will be called to order - Superior Room
**MID MICHIGAN COMMUNITY COLLEGE**

*Board of Trustees Regular Meeting*

*Harrison, MI 48625 and Mt. Pleasant, MI 48858*

*September 1, 2015*

**Superior Room – Harrison Campus**

<table>
<thead>
<tr>
<th>Topic</th>
<th>Presenter</th>
<th>Action/Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Call to Order</td>
<td>Chairman Jacobson</td>
<td>Action</td>
</tr>
<tr>
<td>A. Welcome</td>
<td>Chairman Jacobson</td>
<td>Information</td>
</tr>
<tr>
<td>B. Public Comments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>II. Approval of Agenda</td>
<td>Chairman Jacobson</td>
<td>Action</td>
</tr>
<tr>
<td>III. Approval of Consent Items</td>
<td>Chairman Jacobson</td>
<td>Action</td>
</tr>
<tr>
<td>A. Minutes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Monthly Financial Report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Monthly Personnel Report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IV. Old Business</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Enrollment Report</td>
<td>Miller</td>
<td>Information</td>
</tr>
<tr>
<td>B. Policy Revision – Second Reading</td>
<td>Barnes</td>
<td>Action</td>
</tr>
<tr>
<td>C. Academic Calendar</td>
<td>Barnes</td>
<td>Action</td>
</tr>
<tr>
<td>D. Self-Funding Health Insurance Update</td>
<td>Hammond</td>
<td>Action</td>
</tr>
<tr>
<td>E. Oil and Gas Lease</td>
<td>Hammond</td>
<td>Direction</td>
</tr>
<tr>
<td>V. New Business</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Correspondence and Announcements</td>
<td>Hammond</td>
<td>Information</td>
</tr>
<tr>
<td>VI. Board Comments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Calendar of Events</td>
<td>Chairman Jacobson</td>
<td>Information</td>
</tr>
<tr>
<td>B. Other Business</td>
<td>Chairman Jacobson</td>
<td>Information</td>
</tr>
<tr>
<td>1. Fall MCCA Meeting</td>
<td>Chairman Jacobson</td>
<td>Information</td>
</tr>
<tr>
<td>2. Comments by Trustees</td>
<td>Chairman Jacobson</td>
<td>Information</td>
</tr>
</tbody>
</table>
Agenda Item: II, Approval of Agenda

Board Consideration: Action

Background:

Item II, Approval of Agenda.

Recommendation:

It is recommended the Board approve the agenda as presented.
Agenda Item: III, Approval of Consent Items

Board Consideration: Action

Background:

A. Minutes – August 4, 2015

B. Monthly Financial Report:
   1. Financial Summary for the period ended July 31, 2015
   2. General fund balance sheet as of July 31, 2015
   3. General fund statement of revenues and expenses for one month ended July 31, 2015
   4. Gifts and Donations: Donations totaling $2,993 were received for the Scholarship and Grant Fund in July 2015.
   5. Donations were received last month for the Scholarship & Grant, Foundation, Northern Tradition, Lakers Athletic Fund, Manning Ford Scholarship, McDonald Scholarship, Grabmeyer Scholarship, IBT Brownson Scholarship, and Golf Outing

C. Monthly Personnel Report for this period.

Recommendation:

It is recommended the Board approve the consent items as described by the Board Chair.
The meeting took place in the Houghton Room, Harrison Campus.

Present: Douglas A. Jacobson, Board Chair; Betty M. Mussell, Vice Chair; Richard S. Allen, Jr., Secretary; Thomas W. Metzger, Treasurer; Carolyn C. Bay, Trustee; Eric T. Kreckman, Trustee; Terry Petrongelli, Trustee; Christine M. Hammond, Ph.D., President; Lillian K. Frick, Vice President of Finance and Administrative Services; Gail Nunamaker, Executive Director of Human Resources; Matt Miller, Ed.D., Vice President of Student & Community Relations; Kim Barnes, Executive Dean of Student & Academic Support Services; Anthony Freds, Chief Information and Organizational Development Officer; Tonya Clayton, Exec. Asst. to the President/Trustees; Al Ayers, ESPA President;

Absent: Michael W. Jankoviak, Ph.D., Vice President of Academic Services; L. Scott Govitz, Executive Director of Economic and Workforce Development; Bud Kanyo, Faculty Senate President;

Guests: Dorothy Boge, Robert Devine Jr., John Stender

Agenda Item I: CALL TO ORDER

The Board Chair called the meeting to order at 7:10 p.m. There were no public comments from the guests.

Agenda Item II: APPROVAL OF AGENDA

With no proposed changes, the Board Chair stated that the agenda stands as approved as reflected in the Board packet.

Agenda Item III: APPROVAL OF CONSENT ITEMS

Vice President Frick informed the Board that the year-end financial statement is preliminary at this time as items are still trickling in.

The Board Chair stated the MCCA Summer conference that took place in July provided helpful ratio information that he would like to discuss at a future Board workshop.

With no changes noted, the Board Chair stated the consent items stand as approved.

Agenda Item IV-A: SELF-FUNDING HEALTH INSURANCE UPDATE

The Board Chair stated the discussion concerning Self-Funding Health Insurance that was held at the last meeting was one of the best discussions the Board has had in a long time. A decision had not been made.

President Hammond informed the Board that the purpose for this agenda item was not to reopen the discussion but to update the Board on the progress of the work requested of administration at the last meeting. Some items have already been sent to the Board. The College has sent out a bid request for a broker/third party agent who has experience in Self-Funding Health Insurance plans so the College can utilize that expertise. The bid due date is August 21 and a recommendation will be brought to the Board at the September 1 meeting. This would still allow time to process the Self-Funding payments by January 1, if the Board decides to approve Self-Funding.

The Employee Health Insurance Task Force has met again and wants to continue with the two health insurance plan options currently being offered. The only concern is the premium cost.
MMCC Board of Trustees Meeting
August 4, 2015 – page 2

Agenda Item IV-B: OIL AND GAS LEASE

The Board Chair introduced John Stender and Robert Devine JR. who are Landsmen working for Clayton Energy to secure an Oil and Gas Lease with the College and Marathon. The College has been provided with a proposed lease. The original lease has been reviewed by an attorney and the recommended changes have been incorporated in the current draft of the lease. Mr. Stender and Mr. Devine were in attendance to respond to any questions and concerns.

A lengthy discussion took place concerning many items involved in the lease. Recommended changes to the lease were discussed as well as the process and the work involved. The Board expressed their desire to keep the College, the land, and facilities in the current safe and beautiful condition.

Mr. Stender and Mr. Devine will provide the Board members with information on how Fracturing is done in Michigan. They will also take the recommended changes back to their managers for discussion and will follow up with the President. The President will continue discussions with Mr. Stender and Mr. Devine and provide a modified lease for the Board’s consideration.

This was an informational session only.

Agenda Item V-A: CORRESPONDENCE AND ANNOUNCEMENTS

The Board Chair reviewed the correspondence items.

President Hammond informed the Board that the closing on the Trevino property on Summerton Road is scheduled for August 7, 2015.

The Saginaw Chippewa Indian Tribe has requested energy records for the last two years for the Pickard building.

President Hammond also informed the Board that the Association of Community College Trustees (ACCT) is holding their annual meeting in San Diego in October. Interested Board members need to notify Ms. Clayton if they plan to attend. Trustee Kreckman stated he would be interested in attending next year and feels it is beneficial for more than one trustee to attend as it helps create a more stimulating discussion.

Agenda Item V-B: POLICY REVISION – FIRST READING

The policy revision for Board Policy 106 Non-Discrimination Policy is being presented as an informational item, for the first reading of a change in board policy. Action as a second reading will be requested at the September 1, 2015 Board of Trustees meeting. The reason for the revision is the contact information for the OCR has changed.

Agenda Item V-C: ENROLLMENT UPDATE

Vice President Miller provided an enrollment update to the Board. Due to the timing of the start of the semester, it was difficult to compare this enrollment period to last year’s enrollment period. We are waiting to see how the timing will impact the final enrollment numbers. The College is trying a few new things to boost enrollment. There are early bird incentives, which include the chance to win prizes if students register prior to August 7. In addition, advisors and admissions staff are making phone calls to students who have not yet registered. The Harrison Campus is showing a decline compared to last year.

Work on the Campus Master Plan continues with President Hammond and Vice President Frick meeting with Neumann Smith this week. There has been a lot of discussion and attention focused on the Harrison campus, recognizing it will take an intentional effort to keep this campus vibrant.
Trustee Allen informed the Board that the average age in Clare County is 44 years, 9 months.

At the MCCA Summer Conference Trustee Petrongelli learned from speaker Rob Johnstone that it is better to work on keeping the students you have than looking for new students, as the students who complete their degree have better changes on a career.

**Agenda Item V-D: MCCA MEMBERSHIP**

Michigan Community College Association (MCCA) 2015-2016 Membership Assessment is $24,127.00. The cost is calculated using a formula that includes a flat amount and the number of students at MMCC. Funds will come from the institutional membership and dues fund.

A motion was made by Trustee Mussell to approve the MCCA Membership Assessment at a cost of $24,127.00. Seconded by Trustee Petrongelli. All ayes; motion carried.

**Agenda Item VI-A: CALENDAR OF EVENTS**

The Board Chair reviewed the calendar of events for upcoming months, an informational item.

President Hammond informed the Board of the 50th Picture day and ice cream social taking place on September 25.

**Agenda Item VI-B: OTHER BUSINESS**

Comments from Trustees:
Trustee Bay shared her experience of attending the MCCA Summer Conference including listening to Chuck Underwood speak on America’s Generations. She indicated it was a great opportunity for the Board to get together as a group to show their pride of MMCC. The MMCC Trustees dined at Copper Falls, a restaurant owned by Beth McClain who is a supporter of MMCC.

Trustee Petrongelli also enjoyed Rob Johnstone’s presentation on college completion issues. She also sat in on a presentation discussing the hiring process of community college presidents. The presenters provided the attendees with a book on the process, and Ms. Petrongelli stated MMCC did more than what was listed in the book and felt really proud of our process.

Trustee Allen stated he felt the College should be offering new programing at MMCC that students cannot get anywhere else such as 3D printing. The printers are now being mass marketed. President Hammond stated the college has reached out to Konica Minolta to discuss programming.

Board Chair Jacobson also enjoyed Rob Johnstone’s presentation and suggested Vice President Miller try to attend one of the presentations Mr. Johnstone has scheduled in the future.

Meeting adjourned at 8:48 p.m.

Recording Secretary,
Tonya Clayton
Exec. Asst. to the President and Board of Trustees

____________________________  ______________________________
Douglas A. Jacobson, Board Chair  Richard S. Allen, Jr., Secretary
GENERAL FUND REVENUE:

- The 2015-16 tuition and fee revenue budget is based on a six (6) percent enrollment decrease over 2014-15 levels. As of July 31st Fall 2015 enrollment showed a 6% decline in billable tuition hours. This represents 29% of the total 2014-15 budgeted tuition and fees revenue.
- State appropriations revenue for 2015-16 will be booked in October, coinciding with the State’s fiscal year and the disbursement of the first payment. Authorized appropriations for 2015-16 increased 1.6% for a total of $4,757,700.
- No property tax revenue was booked since 2015 taxes will not be levied until December 2015.

GENERAL FUND EXPENSES:

- All departmental expenses are in line with 8% of the year elapsed with the exception of:
  - Instruction – expended 1% of the budget due to the decreased activity level in the spring term and related instructional costs.

GENERAL FUND REVENUE OVER EXPENSES:

- The total increase in net assets as of July 31, 2015 is $4.1 million. This represents $4.7 million of income for the Fall 2015 term (starting August 31, 2015) offset by a portion of actual College operating costs for the month of July. This excess will continue to grow until September when Fall 2015 expenses begin to hit the general ledger in earnest.

BALANCE SHEET:

- The cash balance is down roughly $1.6 million from June 30, 2015 due to funding July 2015 activity.
- State appropriations receivable represents one remaining 2014-15 payment.
- Student receivables increased to $4.2 million. Some of this will be collected by the August 31st start of classes date but the greater part of the balance will not be paid until financial aid (student loans) is processed in September for the 2015 Fall term.
- The prepaid expense balance of $463,000 represents the unearned employee balance of the college funded deductible for health insurance for calendar year 2015, the annual Ellucian maintenance contract plus numerous other prepaid items.
• The balance due to other funds of $4.6 million can be broken down as follows:
  o $279,000 due to the designated student activities fund
  o $1.1 million due to the auxiliary services for sales
  o $27,000 due to the scholarship and grant fund
  o $3.7 million due to building and site for current and future college needs
  o $420,000 due from the federal restricted fund for student financial aid
  o $144,000 due from the restricted grant fund
  o $7,775 due to the foundation
• The $768,419 in accrued payroll and other compensation includes expenses incurred but not paid as follows:
  o Accrued salary, wages and vacation of $348,000
  o FICA, Federal and State withholding of $44,000
  o MPSERS/ORP payable of $170,000
  o Health and workers’ comp insurances payable of $58,000
  o Deferred faculty pay of $85,000
  o Unemployment payable of $49,000
  o Miscellaneous payroll deductions
• A significant portion of the Unreserved Net Assets of $4.3 million represents funds set aside by the Board of Trustees to fund current and future college expansion needs.

AUXILIARY FUNDS:

• Total revenue is at 1% of the annual budget due to this being between terms for the bookstore and espresso shop operations.
• Total expenses, at 1% of the annual budget, represent staffing costs for the month of July.
• The excess expense over revenues to date is $8,455. This will reverse once the bookstore financial aid charges start in mid-August.
## MID MICHIGAN COMMUNITY COLLEGE
### BALANCE SHEET
#### July 31, 2015

### Assets

<table>
<thead>
<tr>
<th>Current Assets:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$7,995,560</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>$1,247,961</td>
</tr>
<tr>
<td>Property taxes receivable</td>
<td>$532</td>
</tr>
<tr>
<td>State appropriations receivable</td>
<td>$480,428</td>
</tr>
<tr>
<td>Student receivables</td>
<td>$4,222,638</td>
</tr>
<tr>
<td>Other receivables</td>
<td>$113,595</td>
</tr>
<tr>
<td>Inventories</td>
<td>$3,612</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>$462,761</td>
</tr>
<tr>
<td>Due from (due to) other funds</td>
<td>$(4,555,560)</td>
</tr>
<tr>
<td>Total current assets</td>
<td>$9,971,528</td>
</tr>
</tbody>
</table>

| Long-term investments                | $1,318,478 |
| Total assets                         | $11,290,006 |

### Liabilities and Net Assets

<table>
<thead>
<tr>
<th>Liabilities:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$92,025</td>
</tr>
<tr>
<td>Accrued payroll and other compensation</td>
<td>$768,419</td>
</tr>
<tr>
<td>Other payables</td>
<td></td>
</tr>
<tr>
<td>Planned savings</td>
<td>$82,040</td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>$1,419</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>$943,903</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net assets:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserved for:</td>
<td></td>
</tr>
<tr>
<td>Technology</td>
<td>$433,886</td>
</tr>
<tr>
<td>Program development</td>
<td>$1,340,123</td>
</tr>
<tr>
<td>Retirement incentives</td>
<td>$200,000</td>
</tr>
<tr>
<td>Unreserved</td>
<td>$4,264,787</td>
</tr>
<tr>
<td>Current year excess revenue over/(under) expenditures</td>
<td>$4,107,307</td>
</tr>
<tr>
<td>Total net assets</td>
<td>$10,346,103</td>
</tr>
</tbody>
</table>

| Total liabilities and net assets     | $11,290,006 |
### MID MICHIGAN COMMUNITY COLLEGE

#### STATEMENT OF REVENUES, EXPENSES

For one month ended July 31, 2015

<table>
<thead>
<tr>
<th>OPERATING REVENUES:</th>
<th>Current Fiscal Year</th>
<th>% of Budget</th>
<th>Prior Fiscal Year</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and fees</td>
<td>$ 5,294,508</td>
<td>29%</td>
<td>$ 6,288,298</td>
<td>38%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$(4,959)</td>
<td>-4%</td>
<td>$(803)</td>
<td>0%</td>
</tr>
<tr>
<td>Total operating revenues</td>
<td>$ 5,289,549</td>
<td>29%</td>
<td>$ 6,287,495</td>
<td>37%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES:</th>
<th>Operating expenses:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>$ 105,026</td>
<td>1%</td>
<td>$ 48,627</td>
<td>1%</td>
</tr>
<tr>
<td>Information technology</td>
<td>$ 102,133</td>
<td>5%</td>
<td>$ 301,958</td>
<td>22%</td>
</tr>
<tr>
<td>Public service</td>
<td>$ 36,881</td>
<td>8%</td>
<td>$ 30,094</td>
<td>10%</td>
</tr>
<tr>
<td>Instructional support</td>
<td>$ 259,903</td>
<td>10%</td>
<td>$ 208,129</td>
<td>8%</td>
</tr>
<tr>
<td>Student services</td>
<td>$ 275,866</td>
<td>9%</td>
<td>$ 185,670</td>
<td>7%</td>
</tr>
<tr>
<td>Institutional administration</td>
<td>$ 173,117</td>
<td>4%</td>
<td>$ 246,838</td>
<td>5%</td>
</tr>
<tr>
<td>Operation and maintenance of plant</td>
<td>$ 119,640</td>
<td>5%</td>
<td>$ 120,744</td>
<td>5%</td>
</tr>
<tr>
<td>MPSERS UAAL</td>
<td>$ -</td>
<td>-</td>
<td>$ -</td>
<td>-</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>$ 1,072,566</td>
<td>4%</td>
<td>$ 1,142,060</td>
<td>90%</td>
</tr>
</tbody>
</table>

### Operating income/(loss)

| Operating income/(loss) | $ 4,216,982 | $ 5,145,435 |

### NON-OPERATING REVENUES:

| State appropriations | $ - | 0% | $ - | 0% |
| Property tax levy    | $ - | 0% | $ - | 0% |
| Investment income    | $ - | 0% | $ - | 0% |
| Unrealized gain (loss) on investments | $ - | $ - |
| Gifts                | $ - | $ - |
| Miscellaneous         | $ 300 | $ - |
| Transfers from other funds: | | |
| Restricted grants    | $ - | $ - |
| Auxiliary services   | $ - | $ - |
| Prior Year GF Fund Balance | | |

| Total Non-operating revenues | $ 300 | 0% | $ - | 0% |

### Revenues over/(under) expenses

| Revenues over/(under) expenses | $ 4,217,282 | $ 5,145,435 |

### Inter Funds Transfers

| Planned Savings (Building & Site) | $ 82,040 | 8% | $ 114,244 | 8% |
| Additional Savings (Building & Site) | $ - | - | $ - | - |
| Bond Debt Service (Building & Site) | $ - | 0% | $ - | 0% |
| Restricted Grant Match | $ 27,935 | 5% | $ 45,455 | 10% |
| Total Transfer to Building & Site | $ 109,975 | $ 159,699 |

### Net increase (decrease) in Net Assets

| Net increase (decrease) in Net Assets | $ 4,107,307 | $ 4,985,736 |
MID MICHIGAN COMMUNITY COLLEGE  
STATEMENT OF REVENUES, EXPENSES  
For one month ended July 31, 2015  
AUXILIARY FUND

<table>
<thead>
<tr>
<th></th>
<th>Current Fiscal Year</th>
<th>Prior Fiscal Year</th>
<th>% of Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bookstore</td>
<td>$ 18,000</td>
<td>$ 13,720</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>Food Service</td>
<td>$ -</td>
<td>$ 303</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Espresso Bar</td>
<td>$ 1,918</td>
<td>$ 1,152</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total Revenue:</strong></td>
<td>$ 19,918</td>
<td>$ 15,175</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td><strong>EXPENSES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bookstore</td>
<td>$ 12,740</td>
<td>$ 16,193</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Food Service</td>
<td>$ -</td>
<td>$ 135</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Espresso Bar</td>
<td>$ 2,537</td>
<td>$ 1,015</td>
<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>Auxiliary Services</td>
<td>$ 13,096</td>
<td>$ 9,240</td>
<td>12%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Total Expenses:</strong></td>
<td>$ 28,374</td>
<td>$ 26,582</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td><strong>EXCESS REVENUE OVER EXPENSES</strong></td>
<td>$ (8,455)</td>
<td>$ (11,407)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarship &amp; Grant</td>
<td>Current</td>
<td>Year-to-Date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------</td>
<td>---------</td>
<td>--------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foundation</td>
<td>$1,180</td>
<td>$1,180</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Campaign</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northern Tradition</td>
<td>$775</td>
<td>$775</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lakers Athletic Fund</td>
<td>$70</td>
<td>$70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manning Ford Scholarship</td>
<td>$230</td>
<td>$230</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Students of Promise Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>McDonald Scholarship</td>
<td>$60</td>
<td>$60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grabmeyer Scholarship</td>
<td>$30</td>
<td>$30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IBT Browson Scholarship</td>
<td>$15</td>
<td>$15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HRA Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L UV Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men's Basketball</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Women's Basketball</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bicknell Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lickly Chemistry Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirees Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mark Wilson Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jerry Freeland Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Janice Langdon Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer Info Systems Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Christopher &amp; Estelle Smith Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MidMichigan Medical Center Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Churchill Fund</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clare County MARSP Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catherine King Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Visiting Scholar</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>David Land Memorial Fund</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Christina Swan Memorial Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jean Willis OIS Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Myers Memorial Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Golf Outing</td>
<td>$525</td>
<td>$525</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Misc Fundraisers</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buy A Brick</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gladwin Automotive Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kehoe's Fund</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gene Haas Scholarship</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rust Shaker</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sweat Shaker</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,993</td>
<td>$2,993</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
MEMORANDUM

TO: Board of Trustees
FROM: Gail J. Nunamaker, Executive Director of Human Resources G/J/N
SUBJECT: MMCC STAFFING UPDATE FOR September 1, 2015 MEETING
DATE: 9-01-15

NEW HIRES:

Julie Hipkins, Full-time Faculty, Nursing  Effective: 8-10-15
Julie received her Associate Degree in Nursing from MMCC, and her BSN from the University of Phoenix. She holds an MSN in Nursing Education from the University of Phoenix. Julie’s previous work experience includes working as an Adjunct Instructor with MMCC and Baker College Cadillac, and as a Community Educator and Nurse with MidMichigan Medical Center-Clare. Prior to joining Mid Michigan, Julie was employed as a full-time nursing faculty member at Delta College.

Joshua Long, Adjunct Instructor, Business  Effective: 8-10-15
Joshua holds a B.A. in Accounting and an MBA in General Business Administration from Spring Arbor University. He is currently working towards an M.A. in Education from Central Michigan University. Joshua’s previous work experience includes working as a Compliance/Accounting Team Lead for MSDHA-Step Forward Michigan program, and as an Adjunct Business and Accounting Instructor with Spring Arbor and Career Quest Learning Services. He currently works with the Michigan Department of Education as a Financial Analyst.

Diane Miller, Speech Lectureship  Effective: 8-10-15
Diane holds a B.S. and a M.A. degree in English from Northern Michigan University. She holds a Ph.D. in Rhetoric and Technical Communication from Michigan Technological University. Diane has worked as a Teaching Assistant and Adjunct Faculty member with Northern Michigan University, and as a Graduate Instructor with Michigan Technological University. Since 2006, Diane has worked as an Adjunct Instructor and Assistant Professor with Finlandia University.
Rituparna Mitra, Adjunct Instructor, English  Effective: 8-10-15

Rituparna holds a B.A. in English from Presidency College, and a M.A. degree in English Literature from Jadavpur University in India. She is currently finishing her Ph.D. in English at MSU, with an anticipated graduation in August. Her previous work experience includes working as a Facilitator with the TAP International Teaching Assistant Orientation program at MSU, and as a Writing Consultant and Coordinator at MSU. She has also worked as an Instructor teaching courses in English and Integrated Arts and Humanities.

Daniel Moreau, Adjunct Instructor, Welding  Effective: 8-10-15

Daniel currently works at Marine Automated Docks in Harrison. He has previously worked as a Pipefitter with several companies including Bechtel, Litwin (Total Refinery), Valley Mechanical, M.A.P. Mechanical (Dow, Dow-Corning, Air Products and Hemlock Semi-Conductor), and Signature Truck Systems in Houghton Lake.

Frank Nawrot, Adjunct Instructor, Music  Effective: 8-10-15

Frank holds a B.A. degree in Music from Grand Valley State University, with an emphasis on composition and classical guitar, and has recently completed his Master of Music Composition degree with Central Michigan University. Frank has worked as a private piano and guitar instructor, Graduate Assistant with CMU, and as an Adjunct Music Instructor with Delta College.

Penny Schneider, Adjunct Instructor, Economics  Effective: 8-10-15

Penny holds a Bachelor’s degree in Business Administration/Management from Northwood University. She currently works with The Dow Chemical Company as an Implementation Specialist/Supply Chain Consultant and Improvement Leader. She also works as a Facilitator/Instructor with Dow to provide an Introduction to Dow Supply Chain to newly hired employees.

Greg Sieszputowski, Associate Director, Training & Development  Effective: 8-24-15

Greg holds a B.A. degree in Education from Adrian College, and a Master of Education degree in Educational Leadership from Saginaw Valley State University. Greg has previously worked as a high school teacher and Athletic Director. Greg joined Kirtland Community College in 2010 as an adjunct instructor, and subsequently as a Course Developer. Since 2013, Greg has served as the Director Teaching and Learning.
Cassie Sprague, HR Assistant  
Effective: 8-17-15

Cassie holds an Associate degrees in Business Administration and General Technology from Mid Michigan Community College. She is currently pursuing a B.S. degree in Business and Organizational Leadership from Southern New Hampshire University. Cassie has previously worked as a Bookkeeper and Office Manager with Darell Dunkle & Associates Auctioneers. Since 2012, Cassie has worked as a Data Entry Specialist with Mid Michigan Community Action Agency.

Rebecca Tomac, Adjunct Instructor, Business  
Effective: 8-10-15

Rebecca holds an Associate Degree from MMCC in Business Administration. She received her B.S. degree in Business Forensics and M.S. degree in Business Psychology from Franklin University. Rebecca is currently self-employed as a Consultant and Business Forensics Specialist, and has previously worked as a Substitute Teacher in Bay City and Harrison, and as an Internal Corporate Auditor with Speedway, LLC.

Syed (Sammy) Uddin-Ahmed, Political Science/History  
Effective: 8-10-15

Sammy holds B.A. degrees in Geography & Urban Studies, and Political Science, from William Paterson University, and M.A. degree in Public Policy and International Affairs from William Paterson University. He obtained a second Master’s degree in Modern World History from St. John’s University where he is currently pursuing his Ph.D. Sammy has previously worked as an Instructor with several universities such as the City University of New York, St. John’s University, and Rutgers the State University of New Jersey.

Joel Warner, Bowling Coach  
Effective: 8-01-15

Joel Warner is the new coach of the men’s and women’s bowling programs. Joel has extensive experience as a bowler and coach. For the last five years, he has been working with the women’s bowling team in Clare. Joel holds a Bachelor’s degree from CMU, and currently works in Information Systems for Special Olympics at CMU.

NEW PART-TIME AND STUDENT EMPLOYEES:

Marrisa Becker, PTA Student Lab Assistant  
Effective: 7-28-15

Skylar Berry, Library Intern  
Effective: 7-27-15

Leane Byard, Financial Aid Student Worker  
Effective: 7-21-15

Laura Kelly, Distance Learning Intern  
Effective: 7-21-15

Scott Lebsack, Direct Credit Instructor, Biology  
Effective: 8-10-15
NEW PART-TIME AND STUDENT EMPLOYEES:

Debra Olsen, Books-n-Beans Temp.  Effective:  8-01-15
Rocco Stralle, Bookstore Student Worker  Effective:  7-27-15

REHIRES:

Colin Alton, Reappointment for Mathematics Lectureship  Effective:  8-10-15
Eve Elden, Reappointment for English/Humanities Lectureship  Effective:  8-10-15

SECONDARY POSITIONS:


TRANSFERS:

Aaron Bauman, SI Leader to Library Intern  Effective:  8-04-15
Martha Budd, A/P Specialist to Disbursement Specialist  Effective:  7-01-15
Jeremy Carrier, Shipping & Receiving to Procurement Specialist  Effective:  7-01-15
Jessica Chamberlin, Adjunct Sociology to Sociology Lectureship  Effective:  8-10-15
Ryan Dziedzic, Adjunct Instructor to Science Lectureship  Effective:  8-10-15
Maria Gross, Adjunct Psychology to Full-time Psychology Faculty  Effective:  8-10-15
Ron Holmes, Adjunct Instructor to HVAC Full-time Faculty (Temp.)  Effective:  8-10-15
Laurel McLaughlin, Adjunct Instructor, Nursing, to CSC Coordinator  Effective:  8-10-15
Ilianna Miller, English Lectureship to Full-time English Faculty  Effective:  8-10-15

VACANCIES:

CSC Assistant (PT)  Posting Process
ESL Consultant (PT)  Interview Process
Educational Talent Search Clerk (PT)  Posting Process
<table>
<thead>
<tr>
<th>Position</th>
<th>Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time Faculty, Nursing (TEMP)</td>
<td>Interview Process</td>
</tr>
<tr>
<td>Full-time Faculty, HVAC</td>
<td>Posting Process</td>
</tr>
<tr>
<td>Hospitality Assistant – Coffee Shop (PT)</td>
<td>Re-posting Process</td>
</tr>
<tr>
<td>ITTA Interns (5 – PT)</td>
<td>Interview Process</td>
</tr>
<tr>
<td>Math Lab Support (2 – PT)</td>
<td>Selection Process</td>
</tr>
<tr>
<td>Welding Lab Tech (PT)</td>
<td>Posting Process</td>
</tr>
<tr>
<td>WRC Consultant (2 – PT)</td>
<td>Interview Process</td>
</tr>
</tbody>
</table>
Agenda Item IV-A: Enrollment Report

Board Consideration: Information

Background:

Vice President Miller will provide an enrollment report for the fall 2015 semester.

Recommendation:

None.
Agenda Item IV-B:  Policy Revision – Second Reading

Board Consideration:  Action

Background:

The policy revision for Board Policy 106 Non-Discrimination Policy is being presented for action as a second reading. The contact information for the OCR has changed and is reflected in the policy below.

Non-Discrimination Policy

[ LAST APPROVED June 2, 2015]

Mid Michigan Community College does not discriminate on the basis of sex, age, race, color, ancestry, national origin, gender, disability, marital status, religion, veteran status, sexual orientation, gender identity and/or gender expression, or any other legally protected characteristic, in its education programs or activities in accordance with federal and state civil rights laws, including, but not limited to Title VI of the Civil Rights Act of 1964, Title VII of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, Title II of the American with Disabilities Act, the Age Discrimination in Employment Act of 1967, and the Age Discrimination Act of 1975.

This policy applies to employees, students, and the general public. The College’s policy on non-discrimination is available at the College, published in any College statement regarding the availability of educational services, and in the student and staff handbooks. If you have any questions regarding the college’s discrimination policy or want to file a complaint, please contact the Mid Michigan Community College Civil Rights/TitleIX Coordinators at TitleIXCoordinator@midmich.edu.

Inquiries and complaints related to harassment or discrimination may also be directed at any time to the Michigan Department of Civil Rights at www.michigan.gov/mdcr or the Office of Civil Rights (OCR) at (800) 421-3481 or OCR@ed.gov OCR.Cleveland@ed.gov.

Recommendation:

It is recommended the Board approve the policy change as presented.
Agenda Item IV-C:  Academic Calendar

Board Consideration:  Action

Background:

Dean of Student Services Kim Barnes will present the attached Academic Calendar. The calendar submitted at the June 23rd meeting had incorrect dates.

Recommendation:

It is recommended the Board approve the Academic Calendar as presented.
# ACADEMIC CALENDAR 2015 - 2019

## FALL SEMESTER

<table>
<thead>
<tr>
<th>Event</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classes Begin</td>
<td>S, Aug 29</td>
<td>S, Aug 27</td>
<td>S, Aug 26</td>
<td>S, Aug 25</td>
</tr>
<tr>
<td>Labor Day Holiday - College Closed</td>
<td>M, Sep 7</td>
<td>M, Sep 5</td>
<td>M, Sep 4</td>
<td>M, Sep 3</td>
</tr>
<tr>
<td>Faculty Inservice - No Classes</td>
<td>W, Nov 25</td>
<td>W, Nov 23</td>
<td>W, Nov 22</td>
<td>W, Nov 21</td>
</tr>
<tr>
<td>Thanksgiving Holiday - College Closed</td>
<td>Th, Nov 26</td>
<td>Th, Nov 24</td>
<td>Th, Nov 23</td>
<td>Th, Nov 22</td>
</tr>
<tr>
<td>Classes End</td>
<td>F, Dec 18</td>
<td>F, Dec 16</td>
<td>F, Dec 15</td>
<td>F, Dec 14</td>
</tr>
<tr>
<td>Winter Break - College Closed</td>
<td>Dec 24-Jan 3</td>
<td>Dec 23-Jan 1</td>
<td>Dec 23-Jan 1</td>
<td>Dec 22-Jan 1</td>
</tr>
</tbody>
</table>

## WINTER SEMESTER

<table>
<thead>
<tr>
<th>Event</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classes Begin</td>
<td>S, Jan 9</td>
<td>S, Jan 7</td>
<td>S, Jan 6</td>
<td>S, Jan 5</td>
</tr>
<tr>
<td>Spring Break Begins - No Classes</td>
<td>S, Mar 5</td>
<td>S, Mar 4</td>
<td>S, Mar 3</td>
<td>S, Mar 2</td>
</tr>
<tr>
<td>Classes Resume</td>
<td>S, Mar 12</td>
<td>S, Mar 11</td>
<td>S, Mar 10</td>
<td>S, Mar 9</td>
</tr>
<tr>
<td>Faculty Inservice - No Classes</td>
<td>W, Mar 30</td>
<td>W, Mar 29</td>
<td>W, Mar 28</td>
<td>W, Mar 27</td>
</tr>
<tr>
<td>No Classes-College Closes at Noon</td>
<td>F, Mar 25</td>
<td>F, Apr 14</td>
<td>F, Mar 30</td>
<td>F, Apr 19</td>
</tr>
<tr>
<td>Classes End</td>
<td>F, May 6</td>
<td>F, May 5</td>
<td>F, May 4</td>
<td>F, May 3</td>
</tr>
<tr>
<td>Commencement</td>
<td>S, May 7</td>
<td>S, May 6</td>
<td>S, May 5</td>
<td>S, May 4</td>
</tr>
</tbody>
</table>

## SPRING SEMESTER

<table>
<thead>
<tr>
<th>Event</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classes End (6 wk)</td>
<td>F, Jun 24</td>
<td>F, Jun 23</td>
<td>F, Jun 22</td>
<td>F, Jun 21</td>
</tr>
<tr>
<td>Independence Day - No Classes</td>
<td>M, Jul 4</td>
<td>T, Jul 4</td>
<td>W, Jul 4</td>
<td>Th, Jul 4</td>
</tr>
<tr>
<td>Classes End (12 wk)</td>
<td>F, Aug 5</td>
<td>F, Aug 4</td>
<td>F, Aug 3</td>
<td>F, Aug 2</td>
</tr>
</tbody>
</table>
Agenda Item IV-D: Self-Funding Health Insurance

Board Consideration: Action

Background:

President Hammond will review the attached document concerning the Health Insurance Broker bid with the Board.

Recommendation:

It is recommended the Board approve the contract as presented.
MEMORANDUM

To: MMCC Board of Trustees

From: President Christine M. Hammond, Ph.D.

Date: August 28, 2015

Subject: Recommendation of Employee Benefits Broker

As discussed at the June and August meetings of the Board, the College has issued a Request for Proposals (RFP) to firms that could serve as a broker and consultant in managing employee benefits, particularly in brokering health insurance plans and premiums. Based on a review of the submitted proposals, an extensive interview process, and the check of references, I am recommending the Ballard Benefit Works, Inc. (BBW) be selected to serve in this capacity.

A copy of the Ballard proposal is provided in your Board materials but allow me to summarize several salient points:

MMCC Process
- Consulted with Employee Benefits Task Force – August 3, 2015
- Issued RFP – August 3, 2015
- Bid/proposals due – August 21, 2015
- Interviews – August 24, 2015. The interview team was comprised of representatives of the Employee Benefits Task Force: Al Ayers (Physical Plant), Mary Battaglia (HR), Lillian Frick (VP-Finance), Kirk Lehr (IT), Barb Wieszciecinski (Nursing), and Heather Zamenek (Financial Aid) and me.
- Four firms submitted proposals and were interviewed:
  - Ballard Benefits
  - ConnectCare
  - Saginaw Bay Underwriters (SBU)
  - SetSeg

The Firm
Ballard Benefits Works, Inc. is a spinoff of the brokerage portion of WHEYCO, Inc. The firm was founded in 2009 by Justin W. Spewock, former minority business owner and Benefit Consultant at WHEYCO, INC. and Regional Vice President at
Meritain Health. Eighty percent of the firm’s health insurance business is as a broker (level or self-funded) and the remaining 20% is as a consultant. Selection of Ballard does not mean that MMCC would necessarily adopt a self-funded model but Ballard does have significant experience with such plans.

Services of the firm include account management, data analysis, strategic planning and vendor selection, rebidding of plan and premiums, plan administration and legislative compliance, cost projections and on-going review of expenses, support for wellness programs or strategies for reducing the cost of chronic conditions.

Cost
BBW would work on a fee basis of $53,000 annually, offset by any standard commission from other providers (e.g., the 3.5% required commission from BCBS on stop-loss policies). Ballard is committed to this price for three years. Because of concerns about the capacity of ConnectCare to manage an account of our size and scope, we removed it from consideration after the interview. Each firm calculates its fees in somewhat different ways but the Ballard bid is very competitive and provides some services (such as employee internet-based solutions such as The Plan Selector and MyWave virtual tools) that the others do not. The bid from SetSeg works out to $54,540 and the bid from Saginaw Bay Underwriters was $48,700.

References
Vice President Lillian Frick checked reference for the top two firms – Ballard and SBU. The very strong references from other community colleges adds confidence to our recommendation. For example:

Washtenaw CC -
“Best decision I ever made. I would never go back.”

Kirtland CC -
“Justin is an expert. We went from double digit increases 5 years ago to flat line ever since. Every year has gotten better. Justin finds creative and subtle adjustments that have not impacted our employee coverage but keep our costs low.”

Lake Michigan CC –
“Kathy’s work experience with BCBSM makes her an expert at getting specialized needs and claims approved by BCBSM. She shepherds our employees through difficult times…. “Justin is exceptional, a great ACA resource and has enabled us to hold our costs constant for 4-5 years.”

Summary
The recommendation to step away from SetSeg after more than 20 years is not taken lightly. However, in moving forward we should consider re-bidding this service every 5-7 years to ensure that we are getting the strongest possible service.
Welcome & Introductions – Chris

Each firm will have 10 minutes to summarize the firm and its proposal. The firm will assume that all members of the committee have read the proposal.

Questions

1. Please describe the experience employees are likely to have when they interface with your firm. How questions are routed, who responds, in what time frame? How are complaints handled? (Mary)

2. MMCC is working to become more evidence-based in its decision making. Can you describe the significant components and data you think we should be tracking and how your firm would help our employees understand the complex world of health insurance? (Heather)

3. We need a broker to help us be wise in our strategic planning. Tell us a little about the strategic plan for your firm. How do you expect your firm to be different five years from now than it is today? (Lillian)

4. How will your firm negotiate for the best possible rates among providers and mitigate against unreasonable increases? (Chris)

5. What resources and training are offered and available to our leadership (HR, Business Office, etc.) and to our employees regarding best practices, compliance issues, cost-saving options in the field of health insurance. (Barb)

6. You have seen our current plan, which is quite robust in its coverage. How does our plan compare to those of others who use your services? What is your initial reaction to MMCC’s current approach to health insurance? (Kirk)

7. What are the top three things you think MMCC should consider to reduce its health care premiums. (Al)

In wrapping up, what are the final takeaways you would like to leave with the committee? (Chris)

Thank You.
2015 Employee Benefits Broker
Request for Proposal

GENERAL INFORMATION

1) Provide the history of your firm, particularly your employee benefits division.

Ballard Benefit Works, Inc. (BBW) is a spinoff of the brokerage portion of the combined Brokerage/Third Party Administrator WEYCO, INC. which was located in Okemos, MI and was sold to Meritain Health in August of 2006. WEYCO, INC. had over 200 clients representing more than 180,000 lives. WEYCO, INC. was a direct seller of employee benefit solutions; with 70% direct relationship and the remaining 30% of clients coming through selected outside broker partners. In addition, WEYCO, INC. was a premier broker with several of the large national insurers.

BBW was founded in 2009 by Justin W. Spewock, former minority business owner and Benefit Consultant at WEYCO, INC. and Regional Vice President at Meritain Health. The BBW team is comprised of dedicated team members with more than 90 years of extensive experience in all areas of the industry including but not limited to health care finance, health care delivery, Rx consultation, analytics, compliance, employee benefits and operational support. Since inception BBW has grown over 300% earning clients trust over some of the large and most sophisticated employee benefit shops in Michigan and in the United States.

The focus of our organization and all of its human and technical capital is on concierge level service to our clients for the purpose of effecting optimal strategy in all areas of their employee benefits. The founding principles and objectives of the company are born out of trust, experience, innovation and partnership. We are committed to the long term success of the clients we serve.
2) How many employees are there in your company? Generally, what are their job categories (i.e., management, sales, technical, customer service, etc.)?

BBW currently has a staff of 12 professionals who support our client base and are comprised of the following positions:
- CEO/Consultant
- Account Executive/Benefit Consultant
- Manager of Client Relations
- Account Managers
- Benefit Analysts
- Administrative Support
- Marketing Liaison
- Controller

3) Who would be working directly with Mid Michigan Community College on administrative issues, questions or problem solving? Please provide the roles and qualifications of each person.

We would assign a 3 to 4 member team to work on the MMCC account. That team would include:
Consulting/Strategy - Justin Spewock and Kathy Sage
Analytic Support - Julie Schneider and Lindsey Crandell
Daily Service Support – Kathy Sage; supported by Julie and Lindsey

Justin Spewock, LIC, CGBM: Founder and CEO – Lead Consultant

As CEO of Ballard Benefit Works, Inc., with over 22 years employee benefit consulting and health insurance industry experience, fifteen of those as a broker/consultant, he helps clients develop custom strategies to effectively deliver and manage health care and the entire suite of employee benefit programs. He is adept at dismantling and/or assembling the pieces of the health care delivery system and all employee benefits to the advantage of the clients he serves by providing consulting, analysis, wellness and operational strategy. His clients range in size from 20 to over 20,000 participants.

Prior to the formation of Ballard Benefit Works, Inc. as a spinoff of the agency portion of Meritain Health formerly WEYCO, INC., Justin was a Regional Vice President of Meritain Health and a minority owner of WEYCO, INC. where he developed health care financing and administrative solutions for organizations throughout Michigan and the United States. WEYCO, INC. gained national prominence in its visionary approach to benefits and wellness program development including stop loss pooling, direct hospital contracts and network arrangements, international pharmacy services, Rx analytics and audit.
Justin has facilitated solutions in the area of healthcare financing at all levels of business. He has been a requested speaker in the field. These engagements include:

- 2008 National Public Employers Conference in Tampa, FL
- MCCHRA (Michigan Community City Human Resource Association) conferences
- MCCBOA (Michigan Community City Business Officers Association) Conference
- 2009 International City Managers Association Conference in Montreal on reducing Health Care and OPEB liability.
- Michigan Government Financial Officer's Association (MGFOA)
- Michigan Community Mental Health Association on Health Care Reform. (MCMHA)
- Society of Human Resource Management (SHRM)

In addition, he has managed a diverse client base of large manufacturers such as Hayes Lemmerz International which at the time was the largest producer of aluminum wheel rims in the northern hemisphere with over 8,000 lives, the Detroit Public Schools with over 2,400 lives on the DMC network program and several of the community colleges in the State of Michigan.

Prior to WEYCO, INC. Justin served as manager and benefit consultant for large group and national account business with M-Care as well as the HMO health plan arm of the University of Michigan Hospital. He was manager of M-Preferred, a standalone PPO network within M-CARE, where he sold both the network and HMO solutions to national accounts. Clients sold included large local, regional and national clients such as the Wal-Mart for the state of Michigan.

Justin performed Provider and Hospital Contracting for some of the largest independent networks and health insurers in the country. He was a hospital contractor and network analyst for Blue Cross Blue Shield of Ohio and a provider-relations representative/management trainee for PPOM – now Cofinity.

Justin earned his General Studies Degree with concentrations in Business, English, and Psychology at the University of Michigan, Ann Arbor, where he was a third generation student athlete. Justin followed his Grandfather; Arthur Schlanderer, Hockey, and his Father; Nick Spewock, Football, to wrestle for the Michigan Wolverines. He was honored as one of the team captains, was an Espoir Greco Roman National Champion and was invited as a training partner to the 1988 Olympic Freestyle Wrestling Team training camp. He’s a member of Rotary International and served as assistant coach for the Howell High School wrestling program.

**Kathy Sage: Manager of Client Relations/ Senior Account Manager**

Kathy Sage is a 30 year industry veteran with experience in all aspects of operations, risk management, case management, network development, stop loss analysis and placement with expertise in large case support and management.

She is a graduate of Michigan State University with a Bachelor of Arts degree with a focus in Business Administration and Communications. Her prior positions include Director of Claims,
Operations and Underwriting at MESSA She was responsible for developing an on-line computer enrollment system, negotiated with medical care providers, PBM’s, attorneys and excess loss carriers. She participated in labor relations activities from a managerial perspective including collective bargaining, grievance and arbitration hearings.

Kathy handled the same position at WEYCO, INC. helping the company grow from 25 employees to over 200. She transitions for internal operations to external client support as a senior account manager when WEYCO reached 100 employees. She assisted with stop loss and subrogation recoveries, responded to RFP’s and delivered to Executive and Board level along with cost/benefit analysis.

Kathy is the Manager of Client Relations/Senior Account Manager at Ballard Benefit Works. She is providing a customized approach to strategic planning and service as it relates to today’s dynamic healthcare and benefit climate.

Julie Schneider, MBA: Team Leader – Analytics / Senior Benefit Analyst

Julie Schneider is a 19 year industry veteran and a graduate of Central Michigan University in 1996 with a Bachelor of Science in Psychology and Sociology with a concentration in Criminal Justice and holds her MBA from Walsh College.

Julie has had progressive areas of responsibility from customer service to Account Executive for small to mid size employers and now as Team Leader for Analytics at Ballard Benefit Works, Inc.

She is a Certified Self Funding Profession and is working toward her Certified Employee Benefit Specialist (CEBS) certification.

Lindsey Crandell: Benefit Analyst

Lindsey Crandell is a dynamic new addition to the BBW who brings a tremendous amount of analytic and actuarial skills to the our clients graduating cum laude from Olivet College, with a Bachelors of Arts degree in Actuarial Science with a minor in Environmental Science.

Lindsey had significant distinction as the President of the Actuarial Society on campus at Olivet College, a tutor and trainer of tutors for math at Lansing Community College and Jackson Community College and a key team member for a project based analytic work on an AON risk project for India.

4) How many of your clients do you currently work with on a broker basis? How many of your clients do you currently work with on a consultant basis?

20% of our business is Consultant work; 80% is Broker/Agent
5) Describe the form of professional liability or errors and omissions insurance carried by your company and the amount of coverage.

General Liability Insurance: Hartford Insurance Group, $2 Million Each Occurrence; $4 Million Aggregate
Professional Liability (Errors & Omissions): Scottsdale Insurance Company, $2 Million Each Occurrence; $4 Million Aggregate
Umbrella: Hartford Insurance Group, $3 Million
Insurance Certificate included (attachment A1).

6) What is your average turnaround time for response to client matters?

We are available on an immediate basis. Your BBW team is available on a 24/7 basis by email or phone. Generally, the staff at BBW has the technology and tools available to provide responses within one (1) business day. Depending on the scope of the situation; additional research and discovery may be needed, in such instances, you will be advised of the expected timeframe and will be regularly informed of the progress of the discovery and status. BBW will remain actively involved throughout the process until a satisfactory resolution has been reached.

ACCOUNT SERVICES

1) Describe your account services department.

Ballard Benefit Works maintains one of the most experienced benefit staffs in the industry. We will develop a customized comprehensive rolling 12 month service model to support you on a daily, weekly, monthly, quarterly and semi annual basis. This includes all members of your support team.

We believe in developing a custom relationship and service model for you specifically. Ballard Benefit Works, Inc. and the team that will work with MMCC have extensive experience with all aspects of the material requirements of this RFP that include but not limited to:
- Benefit review identifying gaps/overlaps
- Plan design review, cost, trends benchmarking, network performance
- Financial analysis including claims experience tracking
- RFP preparation and follow-up including all PA 106 and PA 152 responsibilities
- Vendor evaluation, vetting, renewal negotiations, implementation and service
- Plan administration and documentation
- Regulatory compliance State/Federal with particular focus on Health Care Reform
- Consultant and a resource to Human Resources and Finance staff
- Employee communications /education including benefit fairs & open enrollment
- Labor contract negotiation support, if needed
- Web-based enrollment vendor bid and implementation
• Wellness program evaluation, bid and implementation

OUR STATEMENT OF COMMITMENT

At Ballard Benefit Works, we employ all the technology and sophistication of a publicly traded employee benefit consulting company with a home town feel and high level of relationship integrity. We follow through on what we say we will do and we are a committed solution partner to the people we serve. BBW is better known as a health care finance and employee benefit practice rather than an insurance sales shop. Simply put, BBW strives to provide a comprehensive and holistic approach to service by helping each client manage their benefits, culture and operations.

Things that distinguish BBW Account Management from other organizations:

We love what we do! The benefits industry attracts a certain type of person who requires a deep understanding of financial and contractual concepts and numbers. Our team is naturally suited to these demands and we really enjoy the work and service we provide to our clients.

We believe in and strive to provide concierge level service. We believe in high relationship integrity. Our clients demand us to perform well for them and they trust the work we provide and our list of references will attest to this.

We find best in class partners and employ them for our clients. We don’t pretend that we do everything in house. Sometimes the best subject matter experts are located at other entities and we scour the industry to find them in an effort to include them as a benefit to our clients. We find and retain the best in class for our clients.

We pride ourselves on the level of knowledge and service we bring to our clients. All of our clients are assigned a team of specialists dedicated to serving their needs. Each client accesses our team through a single point of contact making working with us seamless and easy.

Team experience – Our team has extensive hands on anecdotal experience in all facets of the industry. BBW’s talent has significant experience working with some of the largest and most sophisticated employee benefit and health insurance companies. This comprehensive experience includes such areas as hospital contracting, network development, operation set up and administration, legal compliance, self funding, deductible reimbursement strategies, insured underwriting methodology, alternative Rx purchasing strategies, comprehensive wellness plan development, and strategy and implementation. BBW will provide MMCC a very seasoned and experienced service and strategy team.

Best in class contractual and compliance support – attorney supported contractual overview analysis.

Best in class member communication and education tools – education is critical.

Established track record with quantifiable client savings and service/operational improvements.
2) **What is your process for ensuring customer satisfaction?**

At BBW we believe in a high level of relationship integrity – we serve and attend to your needs as a trusted solution partner on an immediate basis. And, while we are good at anticipating your needs, expectations and direction, we are always open to constructive feedback to better support you and your members.

The team that supports you works collaboratively with you, your vendors and our resources to ensure your complete satisfaction.

The entire BBW team will be available to MMCC, and we will work together to develop, outline and execute a rolling 12 months service model that will fully deploy all the resources of BBW for you. This will include meetings at regularly scheduled intervals as well as at any time as needed or requested by you. If awarded the contract BBW would conduct our services according to a comprehensive and structured timeline that is collaboratively developed between us.

3) **What is the turnover rate of the employees that perform the bulk of the problem-solving administration within your organization?**

Turnover has been nominal in key positions. Since Ballard’s inception 7 years ago, there has only been two staff turnover from our account management team and only 2 people from our benefit analyst team.

4) **What kind of training (industry, internal, computer, other) does your staff receive?**

Education and training is an integral part of BBW’s regular work schedule. Investing in the growth and education of the team that services you is a core belief at BBW. Our staff attends all required continuing education and ethics courses; as well as regular industry and technology related training, webinars, and workshops on industry advances, legal compliance, advanced analytics and excel and the like. We utilize all tools available to equip ourselves with the knowledge needed to stay ahead of the industry and properly guide you.

One of the largest challenges employers face today is Healthcare Reform, and it feels like it changes almost daily. We attend every workshop we can relevant to our clients, carriers and industry, so that we may properly address issues and concerns, and keep our clients up to date with compliance and regulatory mandates.

In addition, we regularly train with our ERISA attorney on all aspects of the changes of health care reform and other legislation that would impact you as an employer.

5) **Do you provide employee communication services for your clients’ employees? If so, please provide a general description of your capabilities. Please provide a sample of employee communication materials that you have distributed to other clients.**
Yes, we design and create many different employee communication pieces including employee handbooks, wellness newsletters, healthy tips & tricks, compensation/benefit statements, healthcare reform updates, employee benefit guides, and any other relevant educational pieces needed.

In addition to the typically supplied documents BBW prides itself in going that extra step to increase employee education and engagement. We have produced documents and educational tools outlining online tools and services available to employees to help them be better consumers of health care, understand how to navigate the system and pay special attention to cost, preventive medicine and quality of care. Educating employees on what they need to prepare for doctors visits and how to avoid the cost of duplicative testing as well as more cost effective avenues of care is critical in containing health care costs.

Typically communications are produced by BBW in Adobe PDF format and provided via email. BBW sample documents provided (attachment A2).

6) How can you assist in facilitating employee meetings?

BBW will assist in the planning, coordinating, and facilitating of employee meetings to the degree of which HR wants us involved. We can provide as much or as little assistance as you require or need.

7) Do you help facilitate annual open enrollments? And if so, in what capacity?

Yes, BBW takes an active role as a facilitator in annual open enrollment meetings and works closely in coordinating with HR any messaging that is communicated. Typically we will present utilizing PowerPoint, but we also have provided webinar based meetings in the past for those employees that are located offsite or unable to attend by traditional methods. Again, depending on the level of involvement you are comfortable with, we can holistically facilitate or we can present select portions.

DATA ANALYSIS

1) What resources do you use to analyze medical and pharmacy claims?

BBW will help you make educated and cost-saving benefit plan decisions utilizing Decision Master Warehouse. This comprehensive tool is used to analyze and benchmark your claims data, model potential plan designs, estimate renewal costs and enhance employee decision-making. Giving us the ability to provide you with a cost-effective benefits plan tailored to your unique business and employee population.
2) Do clients have access to the data for ad hoc queries?

BBW utilizes two separate tools for data analysis and ad hoc reporting. Decision Master Warehouse for insured and self-funded clients and, at times or if appropriate, Wakely Actuarial Consultants to produce various ad hoc reports to assess health care risk. Both of these tools have room to perform modeling and assess adjustments.

For MMCC, the Decision Master Warehouse tool should provide sufficient ad hoc reporting and BBW will be able to obtain Ad Hoc reports from your current medical and benefit vendors to meet or exceed your reporting needs.

3) Will your organization complete a provider analysis of physicians, clinics and hospitals that treat our plan participants?

Yes, BBW can perform Geo Access to determine distance to providers for various specialties. In addition, we can perform a detailed DISRUPTION analysis showing a map over of all providers actually used by your members, the dollars spent with those providers and if that provider is in network or out of network for the new proposing provider of health coverage.

The disruption work is contingent on the insurer cooperating in providing the necessary information to complete the analysis.

4) Will your organization provide a wellness and preventive health analysis of our employees and claims experience?

Yes, BBW will source either internal analysis or vendor reporting to support wellness decisions.

Ballard’s experience in the area of wellness is unparalleled.

BBW has helped clients address their need to engage in population based health management and create a custom wellness program that achieves definable results without overwhelming the clients with additional administrative burden.

5) What is the cost of customization or ad hoc reports?

BBW does not charge for any ad hoc reporting that we produce for you internally. Should there be data that you require from the carrier that we are unable to obtain at no cost, we will discuss that up front before requesting the data. The availability and cost of generating ad hoc reports will vary by carrier; the cost generally is passed on to the client. However, with the tools we have and the reporting capabilities of vendors, we do not expect there to be any cost for reporting at all.
That being said, between the regular reporting from vendors, our internal decision master warehouse and our internal analytic team, we should be able to fully report on all aspects of your plan and its performance.

6) **Do you use any data analysis programs for claims analysis?**

Yes – one of the best in the market - BBW utilizes Decision Master Warehouse Reports to benchmark your health plan data against nationally recognized norms to help identify cost or utilization problem areas. We will start by examining your health care utilization and costs with the Management Report, a comprehensive analysis that compares your health plan carrier data to reliable benchmark data from Thomson Reuters/ Truven MarketScan® Research Databases and Kaiser Family Foundation. It benchmarks your data against normative values broken down by geographic region, industry and employer size.

Comparisons are available in over 20 medical and Rx categories that include but not limited to:

- Total Health Plan Cost
- Emergency Room and Office Visit Utilization and Cost
- Employee vs. Dependent Claim Cost
- Rx – Brand vs. Generic Utilization
- Rx – Member Cost Share

**STRATEGIC PLANNING/VENDOR SELECTION**

1) **What resources do you have available to help us manage our benefits and outline a benefits strategy consistent with current and future business plans?**

BBW has extensive resources to meet your needs in this area.

BBW utilizes technology resources that allow us to complete sophisticated actuarial-based benchmarking, projections, modeling and individual plan selection education for each MMCC member. These services will help us strategize, define and implement a 2-5 year plan for MMCC. We provide bid and benchmark data for our clients from a variety surveys and studies including: Thomson Reuters Medstat, Kaiser, Towers Watson, Deloitte, Segal, Mercer and Zywave clients representing over 1400 plan sponsors throughout the country.

BBW in itself is a resource for you as we do consulting support for 8 other community colleges as well as the Michigan Community College Association that provides you with a strong comparative benchmark.

And, we aggressively vet each vendor from beginning to end with detailed review of each contract. Our tools enable us to do our job more efficiently, accurately and effectively while keeping MMCC informed and educated on where you stand and what the market can provide.
We have good relationships with all the vendors in the market, however, in no instance do we maintain a relationship with any vendor that would compromise our decision and support discussions with you.

2) How will you help us with the competitive marketing and placement of our plans, including development of marketing specifications, identification of market conditions, and evaluation of proposals, negotiations and placement of insurance contracts for annual renewals?

BBW is a sophisticated one source to complete a comprehensive market bid from beginning to end. We have a detailed understanding of the market, plans, cost and key drivers such that we are able to maximize our efforts in getting you best plans at the best price. We will initiate a complete review and analysis to prepare our proposals which we will use to properly cover the market and draw together a comprehensive market analysis for your company.

The tools we employ allow you to easily evaluate the impact for medical, Rx, HRA and HSA plans based on proven actuarial factors. This tool allows the client to experiment with various plan design combinations in order to find the right fit for its business.

- The Renewal Estimator - calculates projected plan costs based on trend, midpoint and large claim information. We can calculate projected health plan renewal costs based on trend, midpoint and large claim information. Plus, we can use the data from the Renewal Estimator to determine if your carrier is offering you a fair renewal quote.

- The Decision Master Warehouse – This tool assists in benchmarking MMCC’s health plan data against nationally recognized norms in order to identify potential cost or utilization problem areas.

- BBW has extensive experience in developing alternative strategies that help clients remain within the substantially equivalent benefit requirements of their union negotiated benefits. We have faced similar situation with several clients and have been able to work the vendor market to a point to obtain alternate financing or delivery system models that have helped our clients reduce cost while meeting their contractual obligations on the benefit levels. We have found that BBW has been just as or more effective than the publicly traded brokers in our ability to negotiate substantial discounts and terms for our clients.

- Comprehensive Stop Loss Market Access – with our existing relationships we have access to an exceptional number of stop loss markets.

- Data Analytics and Financial Reporting – we pride ourselves on understanding the numbers and reporting them in the way that the client prefers.
• The best in class agency management system available in the market – BBW utilizes the same back room system as a majority of the top 100 agencies in the United States.

• Best in class PBM analysis

• BBW will help benchmark the current plan designs and work through a detailed strategy of next steps for plan options and implementation. We will also assist in education and communication of any plans to be implemented by MMCC.

• Plan design selection and/or recommendations are usually reverse engineered from the client’s long term and short term financial strategies. BBW has developed multiyear plan and contribution implementation strategies based on financial targets and market dynamics. Once BBW has identified the long and short term objectives we will recommend appropriate plan options for consideration. These plans would be laid out 6-9 months prior to the renewal and possibly 12-18 months prior to union negotiated changes.

• BBW is adept at competitively bidding down fixed cost and has access to various pooled products to drive down fees as well. In addition, we have previous experience in assisting clients with union negotiations, communication and education with entities such as the UAW, MEA, Teamsters, Police, Fire, AFL-CIO, SEIU, Steel Workers, IBEW and others. Our approach is to simply be genuine and honest and to provide full disclosure and education. Health care and benefits are critical to everyone however, the industry has become cost prohibitive and extremely complex. BBW has been very successful working with these groups through the change process that is necessary to help an organization achieve optimal results and objectives.

3) How is the “rebidding” process handled?

Our process first and foremost includes having our client’s needs fully understood and documented before we begin the bidding process. We conduct an early to midyear strategy meeting to discuss the trends in health care as well as current challenges you may be experiencing. Once all aspects of the renewal have been discussed and agreed upon Ballard aggressively bids the market for those carriers who will meet your needs. Having ample time to make educated decisions is critical in this process so we make sure to expedite this process.

We rebid the market and competitively bid carriers until best price and product is obtained.

4) How are plan design changes handled?

All plan design changes are fully discussed, evaluated and implemented by BBW per our collaborative work together.
Plan design changes that are discussed and agreed upon in the bidding process are clearly communicated to the carriers and confirmed by each party during the renewal and contracting processes. Once they are confirmed, we update all documentation related to those changes executing a full implementation with each carrier. This includes employee communication pieces, summary of benefits and coverage, contract amendments, etc.

Each plan design change is then clearly communicated to employees at the employee meetings at open enrollment time so that they understand the impact on themselves and their families.

Choosing the right plan design is vital, both in terms of cost and to stay competitive with your recruiting and retention efforts. We offer the tools, experience and ability to provide a comprehensive plan review, benchmark and analysis to find the best plan mix for you.

5) Furnish a list of insurance companies, third party administrators, and other providers for which the consultant is an authorized agent or broker.

BBW is an authorized agent for most major carriers in the local and national market, as well as some regional plans that are relative to our clientele. Our list of vendors is extensive and proprietary in many instances.

6) How will you save MMCC money?

It has been our experience that the aggressive bidding of the market in all funding methods uncovers the best and most cost effective market strategy for the clients we serve. In effect, doing the market analysis and market bid work has proven itself to be effective at uncovering best product at the best price.

In addition, the following outlines various items with which BBW has expert experience to help produce cost savings for you:

- Self Funded Health Care Plans – while many times regarded as the tool of choice for large groups, BBW’s sophistication with self funded plans have helped clients of all sizes outperform the insured market with a properly structured and properly implemented self funded health care plan.
- Managing Health Care Costs – We all know that health care costs continue to be a serious problem and BBW can help. If you have or plan to implement an HSA or HRA plan, we have the resources to support you every step of the way, from design and implementation to employee education. Plus, we offer materials to help employees become smarter health care consumers and promote consumerism strategies that can drive costs down.
- Controlling Your Pharmacy Costs - With drug benefit costs continuing to rise each year, exploring cost-cutting solutions for your pharmacy benefits is more important than ever. With the strength of our relationships and consulting skills we have been able to clarify
the cost game on the pharmacy side and provide transparent PBM's that are helping our clients lower overall cost and effectively manage utilization.

- **Technology Solutions** - We continually look for innovative benefits management resources and value-added services to ensure your satisfaction. We use state-of-the-art technology to deliver these products and services to you.

- **Enrollment Tools** - Open enrollment is an overwhelming time for HR departments and employees alike. Our educational materials, tools and communications can help streamline and simplify the process for your company and employees and hope to facilitate a most cost effective operational process.

- **Stop Loss Placement to eliminate catastrophic claims risk** - BBW is in a unique position based on its industry relationships in that we can access several different stop loss markets and fully analyze the contracts of all vendors for the benefit of MMCC.

- **Decision Master Warehouse** - Imagine taking the guesswork out of the benefits renewal process. Our tool allows us to analyze your benefits plan costs against reliable benchmark information, project the impact of medical plan design changes, estimate your renewal costs, and streamline the plan selection process for your employees.

- **Installation Services and Update Plans** - Our range of value added services includes delivering to the client custom solutions for all of its health care management needs, including benefit plan analysis, contribution strategies, health & wellness education and training, claims analysis, and developing employee policies and consumer driven programs.

7) **How will you demonstrate the savings?**

BBW will demonstrate savings by actively bidding and managing your account, identifying cost saving vendors, plans and operational solutions to ensure that the highest amount of money is being saved.

We will help MMCC develop the best possible benefit structure to help you reduce cost and maintain the highest benefit possible.

8) **How do you review PPO discounts and what is your criteria for recommending changes in network affiliations?**

With Justin being a former hospital contractor and extensive network management background, we have broad experience in evaluating network discounts and alternate network plan performance. We get to the bottom of the network discount disclosure game.
We specialize in evaluating, negotiating with, and recommending insurers and providers to our clients, and we employ rigorous selection criteria and performance objectives when considering a vendor. We will support MMCC by staying on the cutting edge of benefit vendor evaluation, implementation and service. We utilize GeoAccess, Disruption Analysis and Claims Reports when assessing networks for our clients.

9) How would your firm help us decide whether we should offer a cafeteria plan or a modified flexible program?

This type of decision is generally a cultural decision – we can help work up both models to assist MMCC in deciding which would best fit your organization. In the 1990’s, cafeteria plans were done on paper. Today, they can be done on web based enrollment systems and structured in a variety of ways.

We are experts at developing these structures and implementing them from beginning to end.

10) What sort of benchmarking data can you provide?

As stated before, BBW uses a variety of benchmark resources that includes MERCER, Kaiser, PWC, Segal, Milliman, American Society of Employers and the like. In addition, we have access to the Michigan Community College Benchmark information.

While these benchmarks are for types of coverage, we also provide benchmarks for utilization compared to Truven and Milliman to compare your actual population based utilization to national and regional norms. This helps you have a much clearer picture on the drivers of cost within your population and make better decisions.

11) Do you benchmark against national, regional or local data and what is your rationale for your selection?

At BBW we look to utilize the most comprehensive resources for benchmarking our clients from local resources via ASE to national such as MERCER, Milliman and others. We feel this provides our clients a broad view of the market as they are the most comprehensive local and national benchmarks available.

12) When business is written on behalf of MMCC what is your process for validating what was to be bound with the carrier? What documentation do you provide Mid Michigan Community College to ensure this was done properly?

The BBW service team finalizes all documents according to client expectation and confirmation. We then validate that information to the vendors and follow up to make sure it was implemented as finalized.
BBW will forward copies of all finalized documents for your review confirming that all coverage was closed out according to the specifications of the client and properly implemented with the vendor.

**COST PROJECTIONS/ONGOING REVIEW**

1) **How can you help us develop cost projections tied to our fiscal goals?**

We can reverse engineer the entire benefit plan from your fiscal target to an entire benefit suite. We will balance cost efficiency with maintaining value in your plan - we can offer plan design modeling to show you the impact of a change before making any decisions.

2) **Who do you use for actuarial services? Please provide credentials.**

When needed, we employ the services of professional actuaries to assist with calculations critical to your employee benefit plans. Our internal systems are actuarial-based and updated regularly by licensed actuaries. Wakely is our actuary partner. Wakely is one of the top consulting actuaries in the country. We would retain them to do your 2-5 year projection analysis.

3) **How will you help with the management of insurance, including: monthly (or quarterly) supervision and/or preparation of claims activity reports from carriers; executive summary reports; underwriting analysis for annual renewals; annual financial projections for budgeting purposes; and alternative funding analyses?**

- **Financial Calculator** – Ballard Benefit Works has the tools that allow us to provide you with projections that can be used for budgeting purposes. We analyze claims data, enrollment fluctuations and market trends to develop budget projects that you can trust.

- **Claims Monitoring** – We monitor our client’s claims data on a monthly basis, more frequently if needed. Using this information and our knowledge or the marketplace, this allows us to accurately be able to predict what type of renewals our clients will receive. We use this knowledge to prepare our renewal strategy before the renewal has even been received, we determine what tweaks might need to be made to the existing plan and we begin shopping the market.

- **Renewal Analysis** – Ballard Benefits works provides a complete market analysis for our client’s consideration at prior to renewal. We will explore fully insured and self funded plans with multiple carriers to find the right plan design, carrier and funding arrangement that best meet MMCC’s needs.
PLAN ADMINISTRATION AND LEGISLATIVE COMPLIANCE

1) Do you have an in-house benefits attorney? If yes, please provide his or her credentials and the number of years he or she has provided counsel on benefits issues. If no, do you use an external benefits attorney? Which firm do you use?

We do not staff and in house benefits attorney. However, BBW is partnered with some of the best legal minds and highly respected practices focused specifically on employee benefits and compliance. BBW will provide assistance on understanding Health Care Reform as well as all matters affecting employee benefits. Our ERISA/Benefits attorney is Mary V. Bauman, Partner, Miller Johnson, Attorney At Law, 250 Monroe Avenue NW, Suite 800, Grand Rapids, MI. She also serves on the advisory Board for Ballard Benefit Works. Mary has been practicing as an ERISA/Benefits attorney since 1987 and is nationally renowned. She is readily available to assist us in our work for you to resolve complex issues.

2) How does your firm stay current with state regulations that impact multi-state employers?

Change occurs on a nearly weekly basis with regards to Health Care Reform and many of those and other changes affect our clients and the manner in which they conduct business. BBW is committed to always staying on the edge of information and technology on behalf of our clients. We are constantly educating ourselves on current and up-and-coming regulations through continuing education courses, conferences, webinars, research, carrier communications, etc. and then transferring that information to you.

In addition to our strong partnership with Miller Johnson, one of the most highly respected firms in the industry, we utilize Zywave. Zywave is an elite industry standard, a well-recognized and well-respected research engine, which provides timely, well-substantiated, and clearly written legislative briefs, communications, newsletters, etc. Zywave tools and notices are a huge component of our education both internally and externally.

BBW actively participates as a member of several professional organizations such as the International Foundation of Employee Benefits, American Society of Employers, SHRM, etc. who continuously provide industry alerts and time sensitive information. Also, BBW is on the distribution lists of all the major vendors and carriers our clients utilize, keeping us up to date as they make changes and update processes related to their specific targeted information.

3) Will your firm notify Mid Michigan Community College of changes in federal and/or local laws that would affect us?

BBW will notify, as well as, advise MMCC in a timely manner of Federal, State and Local Laws that would be impactful. Depending on the level of education that is required, the severity of the impact, and/or the urgency of the information being communicated, this may be done in person, via conference call or through email alerts.
4) Explain what steps you have taken to become HIPAA compliant.

BBW strives to go above and beyond the level of security that is required within the industry and has taken all the steps necessary to meet and exceed the requirements of HIPAA. We have a designated privacy officer and we maintain current Business Associate Agreements with all of our clients and subcontractors.

BBW’s servers are HIPAA, SOX and PCI compliant. Our IT strategies are consistent with complying with data at rest and data in motion. We have implemented ZixMail Systems as our secure encrypted emailing system. Truecrypt/BitLocker database encryption technology has been installed on all laptops and data points, which includes a four factor authentication system.

Our team again, also works closely with Mary Bauman, Partner, Miller Johnson in Grand Rapids to assist us with HIPAA training, education and continued compliance with the laws that are needed for us, as well as our clients. Mary regularly speaks at our annual company conferences and performs webinars on HIPAA compliance for the benefit of our clients.

On a separate note, We will provide you with a HIPAA Manual for employers as part of our value added services to you. This manual was prepared by Mary and is distributed nationally to employers.

WELLNESS PROGRAMS

1) What tools can you provide Mid Michigan Community College to help implement/continue our wellness program?

Ballard’s experience in this area is unparalleled. BBW has helped clients address their need to engage in population based health management and create a custom wellness program that achieves definable results without overwhelming the clients with additional administrative burden.

BBW will assess your current wellness initiatives, level of engagement and the cultural barometer for lifestyle changes. BBW will then work with MMCC to customize a Wellness Work Plan that will fit your budget and your cultural needs. A Sample Work Plan is provided as attachment W.1.1 as well as a general implementation timeline W.1.2. BBW can reach out to Wellness Vendors for pricing and will work with MMCC in identifying and vetting like minded partners. BBW will work with MMCC in developing an incentive plan to enhance participation and one that will be HIPAA/DOL compliant. We will also assist you with Wellness Fairs and events.

Below is a more detailed breakdown of the process we follow and the key concepts that drive our wellness engine:
• Utilize Your Insurance Plan to its Fullest
  o Your insurance plan is required to provide free preventive care benefits for members, spouses and dependents, such as cancer screenings, Pap smears, PSA tests, mammograms, annual physicals and routine immunizations. These benefits cost employees nothing and can help to catch conditions early and prevent future costly claims.
  o Communicate these benefits to your employees effectively so they take advantage of them. To do so, send age-appropriate reminders, provide vaccination sign-ups for employees and have outside vendors come in-house to provide screenings. While communicating with employees, keep messages positive and constructive by reinforcing how preventive care will improve their health and help lower future medical bills – and be sure to emphasize that it is free.

• Budget for a Wellness Program
  o Identify current costs and challenges and establish a multi-year goal for return on investment.
  o Need more capital? During the next open enrollment, raise your employee benefits cost by $100 to $200 per employee for your wellness budget. As an incentive for participation, allow employees to earn back their $100 to $200 (in cash, premium decreases, gifts, etc.).

• Create a Targeted Plan
  o Identify the biggest problem areas among your employees (smoking, obesity, diabetes, blood pressure, etc.). Choose the areas with the highest prevalence rates to create your initial programs. Keep in mind you can always add more programs later, once your program has been launched.
  o Ask employees what would benefit them the most. Would they be likely to use on-site fitness facilities? Would they prefer discount programs for local gyms? Do they want more education on healthy eating and exercising? Tailor your program to fit your employees’ needs, and they’ll be more likely to participate and see results.

• Make Worksite Modifications and New Policies
  o Implement changes in your workplace to promote healthy living, such as a “Take the Stairs” program, offering healthy vending machine choices, deterring employees from drinking soft drinks and starting a walking group during lunch.
  o If you plan annual company outings, consider adding a fitness component, such as offering a 5k run/walk or company softball game.

• Communicate “What’s in it for Them” to Increase Participation, Morale and Employee Engagement
Instead of emphasizing how your wellness initiatives will benefit the organization, stress the benefits of the program for your employees. Send out positive messages such as: “You will feel better,” “You’ll have more energy to play with your children” or “You’ll lower your future health care costs.”

- Utilize Free Community Resources
  - Make the most of community resource offerings from nonprofit organizations, your county health department, chamber of commerce, health care providers and city government. These entities can provide resources for company-hosted wellness events. Some of these will provide wellness grants to promote their services and benefit local businesses.

- Continue to Support and Evaluate Your Program
  - In order to have an effective wellness program, you need to make an effort to sustain and support it. You should have a team responsible for managing the program, and you must budget to keep supporting it financially. ROI generally does not occur until two to three years into the program, so it is important to remember that and remind upper management in order to maintain executive buy-in.
  - Periodically evaluate your current program. Survey employees to see if they’re satisfied, or what changes they might like to see. Look for ways to increase participation or further the initiatives you’ve put in place.

2) Can you provide examples of low-cost wellness tools?

BBW has the resources available to provide you with low-cost effective wellness tools as well as regular wellness newsletters, many of which are electronic, a very cost effective way to communicate wellness. Historically speaking, the BBW team has personally had an influential impact on how wellness is perceived in the industry today and our leadership has been at the forefront of innovation and implementation with regards to wellness.

We have included samples of wellness pieces, as well as an outline below of some of the kinds of strategies that you can implement while being very cost conscious. Money spent, should be well spent, and we take advantage of many tools available today through our vendors and carriers, some at no cost. Also, as we identify new effective and affordable/free wellness solutions, we not only educate you on them but help you integrate them into your customized MMCC wellness program.

Workplace wellness programs that support employees and the environment they work in not only have a positive impact on employee morale, they often present a positive return on investment for the employer, too. Workplace wellness programs can often be expensive. However, there are many ways employers can make positive changes for little or no cost, examples of those are detailed below:
**Employee Engagement**

- Praise and recognition are free and they keep employees actively engaged in the program as well as support to their peers; use posters, newsletters and emails.
- Encourage both short and long term goals so that the small victories can be achieved frequently and provide positive momentum.
- Offer employee-led campaigns, demonstrations or programs.
- Share success stories of individuals within the organization that made a change and the positive impact it has on their families.
- Include family/spouses, as support at home can be crucial in making or breaking a program.
- Simple tracking mechanisms and tools to assist in daily or weekly measuring (smart phone app, logs).
- Set up programs that have strong social support systems and incentives:
  - Buddy or team physical activity goals
  - Programs that involve workers and family
- Map out 1 mile safe path walking maps surrounding your location.

**General Health Education**

- Have a policy outlining the requirements and functions of a comprehensive workplace wellness program.
- Have a wellness plan in place that addresses the purpose, nature, duration, resources required, participants and expected results of a workplace wellness program.
- Give employees copies of the physical activity, nutrition and tobacco use policies.
- Promote and encourage employee participation in the physical activity/fitness, nutrition and weight management programs.
- Provide health education information to employees.
- Have a committee that meets at least once a month to oversee the wellness program.
- Offer regular health education presentations on various physical activity, nutrition and wellness-related topics.
- Ask health associations, health care providers and/or public health agencies to offer free on-site education classes.
- Host a health fair as a kick-off event or as a celebration for completion of a wellness campaign.
- Conduct preventive wellness screenings for blood pressure, body composition, blood cholesterol and diabetes.
- Provide confidential health risk assessments.
- Offer on-site weight management/maintenance programs for employees.
- Add counseling for weight management/maintenance, nutrition and physical activity as a member benefit in health insurance contracts.

**Nutrition**

- Provide healthy eating reminders, prompt employees using posters, email, payroll stuffers, etc.
- Offer fruits and vegetables in vending machines and in the cafeteria.
- Provide cookbooks and cooking classes for employees’ families.
- Ensure on-site cafeterias follow healthy cooking practices and set nutritional standards that align with the Dietary Guidelines for Americans.
- Offer healthy foods at meetings, conferences and catered events.
- Use point-of-decision prompts near vending machines and cafeteria to promote healthier choices.
- Offer locally grown fruits and vegetables at the workplace (this could be a workplace farmer’s market or a community-supported agriculture drop-off point).
- Price non-nutritious foods in vending machines and cafeterias at higher prices.
- Make kitchen equipment available to employees.
- Provide an opportunity for on-site gardening, if possible.

**Beverage Consumption**
- Make water available throughout the day.
- Offer healthy drink options, such as juice and tea, in vending machines and the cafeteria.
- Modify worksite vending contracts to increase the number of healthy options.
- Price non-nutritious beverages at a higher cost.

**Physical Activity/Weight Management**
- Allow access to on- and off-site gyms and recreational activities before, during and after work hours.
- Encourage and support participation in after-work recreation leagues.
- Provide cash incentives or reduced insurance costs for participation in physical activity and/or weight management or maintenance activities.
- Provide shower and/or changing facilities at the workplace.
- Provide outdoor exercise areas such as fields and trails for employee use.
- Provide bicycle racks in safe, convenient and accessible locations.
- Offer on-site fitness opportunities, such as group classes or personal training.
- Provide discounted or subsidized memberships at local health clubs, recreation centers or YMCAs.
- Set up programs to encourage physical activity, such as pedometer walking challenges.
- Offer flexible work hours and breaks to allow for physical activity during the day.
- Host walk-and-talk meetings.
- Map out on-site trails or nearby walking routes and destinations.
- Have employees map out their own biking or walking route to and from work.
- Post motivational signs at elevators and escalators to encourage stair usage.
- Provide exercise/physical fitness messages and information to employees.
- Provide or support physical activity events on-site or in the community.
- Start employee activity clubs such as walking or bicycling clubs.
- Sponsor a “bike to work” day and reward employees who participate.
• Set up a suggestion box for fitness and health tips.

**Portion Control**
• Label foods to show serving size and/or nutritional content.
• Provide food models, food scales for weighing and pictures to help employees assess portion size.
• Offer appropriate portion sizes at meetings, workplace events and in the cafeteria.

**Breastfeeding**
• Support nursing mothers by providing rooms for expressing milk in a secure and relaxed environment, a refrigerator for storage of breast milk, policies that support breastfeeding and lactation education programs.
• Offer flexible scheduling and/or on-site or near-site child care to allow for milk expression during the workday.
• Adopt alternative work options (e.g., teleworking, part-time, extended maternity) for breast-feeding mothers returning to work.
• Educate personnel on the importance of supporting breast-feeding coworkers.

**Tobacco Cessation**
• Establish a company policy prohibiting tobacco use anywhere on the property.
• Provide prompts/posters to support your tobacco-free policy.
• Establish a policy supporting participation in smoking cessation activities during duty time.
• Provide counseling through a health plan-sponsored individual, group or telephone counseling program.
• Provide cessation medications through health insurance.

3) **How can you help evaluate and refine our wellness program over time?**

BBW knows that in order to be effective your program must constantly be monitored, assessed and updated to adjust to the changes in culture, as well as the changes in technology, resources and the budget available. BBW will actively work with you on coordinating the program and its updates as well as provide you with wellness communication tools and trends you need to achieve maximum benefit.

Our team will actively research industry trends, benchmarks and utilize case studies to identify strengths and weaknesses and how employers adjust their programs over time to maintain and increase engagement.

4) **What is your process for measuring the success or failure of a wellness program?**

Success or failure of a program is really a misplaced assessment of wellness. Should a college athletic team have a trainer? Have a team physician? Engage in better diet and training? You
are managing an “athletic team” they just aren’t playing sports. They are playing in the
business in which you employ them. Some of them are playing hurt – through bad diet,
exercise, life issues, family issue and the like. Investing in resources to help them perform like a
good athletic team – like a good trainer or team physician - is as critical to your success as
anything else you do. That is what a good wellness program will do – so it isn’t a question of
success or failure but of what is the right thing to do.

As with any major business initiative, the driving factor in developing and maintaining a
wellness program is getting a strong return on investment (ROI). If your program is successful,
your employees will become healthier and you will have fewer medical claims and expenses. In
addition, if you are self-insured or experience rated, dollars saved from your wellness program
go straight to your bottom line.

Wellness programs can address these issues by helping to lower stress, prevent illness, reduce
sleep deprivation and increase employee morale.

If you know how much you are spending on health care, you can estimate how much you are
spending on absenteeism and presenteeism with the following calculations:

- Absenteeism: 0.2 x annual health care cost
- Presenteeism: 1.8 x annual health care cost

A recent report in Health Affairs, a health care policy journal, suggests that workplace wellness
programs can a yield substantial ROI, both in terms of employee health and the employer
budget. The report, which examined and compared dozens of previously published studies,
found that for every dollar spent on wellness, medical costs dropped an average of $3.27 and
absenteeism costs fell $2.73. If developed and implemented effectively, your company could
achieve similar ROI on your wellness initiative.

There are many strategies that companies can implement to increase the ROI of their wellness
programs and benefit both the company and its employees and there are many factors for
measuring those successes of a wellness program. BBW can provide employee surveys, data
and analysis tools and communications to gauge and communicate your program successes and
identify improvements and or changes that need to be made over time. The overall return on
investment will be reflected in claims experience, employee satisfaction, employee attendance
and productivity. We look at those key factors and adjust them on the financial weight and
impact.
**HR TOOLS**

1) **Describe how you keep your clients abreast of employment laws in a timely manner.**

Our service model is structured in the manner that we are never out of touch with our clients. Communication is paramount in maintaining healthy and successful business relationships. We have several mechanisms in place to assist us in educating our clients and keeping them up to speed with all of the compliance requirements and timelines, and most importantly identifying the issues that are and are not applicable to your business.

We respect each and every client workflow and their own preferences, letting you set the tone and frequency of communications and establishing guidelines and expectations during our implementation process so that we can customize our relationship to best meet your needs according to your structure.

Most commonly we communicate utilizing the following:

- **BBW Notices** – BBW understands how challenging it is to keep up with all that is required of your organization in today’s market. That is why we will always proactively gather information that is relevant to your group and break it down specifically to your needs. There is nothing worse that receiving a legislative notice and not knowing how or if it applies to your organization. We want to take that work and worry away from our clients so you will know what is applicable to you and how to apply it. Together, we can determine the topics that best suit your needs. We also will provide you with educational articles and newsletters to keep you informed of hot benefits and HR-related topics and trends to keep you ahead of the curve and prepared for the changes ahead.

- **BBW Meetings** – most importantly we believe in constant communication and interaction with our clients. Whether the preferred method is face to face, conference calls, web-based meetings, phone calls, etc. We will customize our communications to your preferences. We are equipped with the technology to hold meetings in any forum environment and respect your time and preferences with regards to how you conduct business.

2) **What resources do you provide to help Mid Michigan Community College remain compliant?**

BBW reviews the entire suite of required notice for employers with our attorneys on an annual basis so we can provide you with the most comprehensive guidance on what needs to be communicated and when.

This includes employee notices, DOL required items and the like.
• Employee Benefit Communications – Many employees don’t take full advantage of their benefits because they simply do not understand them. We educate employees about your benefits and how to best use their plan with a range of materials from BBW. Plus, our communications can help employees understand how various laws impact them and their families, such as health care reform, COBRA and FMLA.

• Education & Training – We provide exceptional service through our education and training opportunities. Our employee seminars are designed to help educate employees, promote health care consumerism, and reduce high claim utilization and high-dollar claim expenses, all while providing an atmosphere for team building. Together, we can determine the topics that best suit your needs. We also will provide you with educational articles and newsletters to keep you informed of hot benefits and HR-related topics.

3) What types of materials can you provide to communicate pertinent information to employees?

Education is critical. BBW can create a multi-tiered strategy to effectively educate members on the available choices and information resources. BBW creates a wide variety of electronic documents for distribution based on your desired level of communication and preferences. Our typical employee communications pieces include employee handbooks, wellness newsletters, compensation statements, healthcare reform updates, benefit guides, and educational pieces related to all areas of employee benefits such as HSA and FSA resources.

Currently, email is the most common vehicle for communicating information and initiatives due to the ease of access to the internet and the cost effectiveness of the distribution method. Typically communications are produced in Adobe PDF format so that there are not any compatibility issues. Please refer to attachment A2; full samples will also be provided at time of presentation.

4) Do you have any Internet-based employee communication tools?

Simplicity is critical in the complicated world of benefits and often it benefits employees to have one point of entry. Depending on the structure of the client and their internet accessibility we identify the best way to communication information to employees. Whether it is through an existing company intranet, web-based enrollment system, online payroll/timekeeping vendor or through the MyWave Client Portal the possibilities are endless. Because much of our employee communications are proprietary we do not make them available on our private website.
Employee internet-based solutions currently available include:

- **The Plan Selector** - empowers your employees with a tool to help them make cost-effective enrollment decisions. Health care consumerism is a growing trend. Why not help your employees make informed enrollment decisions with the Plan Selector? This tool allows us to input your plan design options (including employee rate tiers, copays, deductibles, HSAs, HRAs, Rx data and more), providing you with a valuable decision making tool for employees to choose the best plan for their health and budget needs.

- **MyWave® Client Portal** - We offer our clients a web-based client portal that allows them to access information and resources from our agency online, participate in employee benefit surveys to find out how they compare to others from around the country and easily connect with a nationwide network of industry peers.

- **MyWave® HR** – Could your HR department use a little extra support? Whether you’re looking for ready-to-print employee flyers featuring targeted health and wellness issues or searching for legislative information, MyWave HR provides the resources and tools to help streamline your everyday work tasks.

- **MyWave® Benefits** – Access your employer group benefits at a glance. MyWave Benefits is your one-stop information center that allows you to view your agency’s benefit plan information online.

**FEES**

1) **Describe your proposed form of compensation (i.e., commission, annual retainer, fee-for-service). If you are proposing a fee, please include your fee schedule/hourly rates.**

BBW would propose working on a fee basis with MMCC. Our annual fee to consult with MMCC on all aspects of this RFP and our services. We will waive the standard monthly commissions on each coverage quoted.

Our fee would be $55,000 annually and would be divided and billed on a monthly basis. In addition, it would be offset by any standard commission that cannot be removed from a product that is offered at MMCC. For instance, BCBSM cannot remove the 3.5% commission on their stop loss product. We would quantify this amount and remove it from our monthly billable fee.

BBW is open to working on a commission basis if MMCC so chooses that as a method of compensation. BBW would accept standard commission from vendors and disclose those amounts to MMCC. While we would prefer a fixed consulting fee verse a fluctuating commission scenario – we are flexible to the preference of MMCC.
2) Please indicate all services that you will provide to Mid Michigan Community College that include a separate fee structure.

BBW would provide all employee benefit consulting, marketing, education, communication, portal, etc. at no additional cost. BBW will provide the following at no additional cost:

A. COBRA at an agreed to third party at no cost assuming all revenues will remain the same
B. HIPAA Compliance Manual
C. DOL Wrap Document
D. Handbook redevelopment and update
E. All PA 152 and PA 106 Compliance work requirements

REFERENCES/OTHER

1) How many clients of similar size to Mid Michigan Community College have you lost in the last three years? Explain.

BBW has not lost any client of similar size to MMCC in the last 3 years.

2) Please provide references that include name, address, phone number and length of time associated with your organization. Indicate whether your firm’s role was as a broker, consultant or both. Please provide a minimum of four references, including at least one that is a previous client.

- Lake Michigan College (150 employees) – Full Scope/All Lines – Benton Harbor MI –
  - Anne C Erdmann, Vice President of Administration, 269.927.8127

- Washtenaw Community College (600 employees) – Ann Arbor, MI
  Client/Agent Relationship– Full Scope / All Lines – 2001 to present
  - Chris Mihaly, Director of Human Resources 734.973.3497
  - Doug Kruzel, VP of Administration 734.973.3605

- Kirtland Community College – Full Scope / All Lines – 2010 to present
  - Dale Shantz, Director of Human Resources, 989.275.5000 x271
  - Jason Brogue, Vice President of Finance, 989.275.5000

- Capital City Bank Group (1,000 employees) – Tallahassee, FL
  Client/Agent Relationship– Full Scope / All Lines – 2011 to present
  - Linda Marie Nwokeji, Vice President of Human Resources 850.402.8388

- Caparo Vehicle Components (180 employees) – Novi, MI – Terminated due to closure.
  Former Client/Agent Relationship– Full Scope / All Lines – 2005 to 2012 – Company closed by parent company in UK
3) **What is your process for assistance with claims resolution for Mid Michigan Community College employees?**

BBW's dedicated account service team will facilitate claims resolution communications between the HR staff and the carrier for any escalated claims issues. Once notice of an issue is submitted, BBW will document the issue and contact the related parties.

While many times claims resolution can occur quickly, often times it may take in-depth investigation and facilitation of information between multiple parties. Our team is committed to keeping communications open, timelines clear and consistent and expectations detailed so that resolution can be handled in the most organized, consistent and expeditious manner. We may require a signed HIPAA release agreement by the claimant to investigate certain claims for resolution. We are happy to have all these releases completed in order to finalize any service issue.

4) **Are you a “preferred” agency with any insurance carriers? If so, for how long?**

Yes – BBW is a Premier Agency with BCBSM and Meritain Health. We have been a premier agency since inception in 2009.

5) **What is your client satisfaction rate for the last 5 years?**

BBW has not formally surveyed our clients for satisfaction given our boutique size. We have very honest and open relationships with our clients and have always worked diligently with them on any open issues and have done a very good job anticipating needs, deliverables and improvements. We find it unacceptable to allow any service or process issue to remain unresolved and focus on concierge level service support for our clients.

6) **Do you provide any client survey services?**

Yes, we do provide member surveys for our clients. BBW prepares and completes these for our clients as a part of our service work. Through our client portal, we do provide benchmark surveys for a variety of coverages and services. In addition, we benchmark our clients to local, regional and national averages, coverage and trends.

7) **Do you provide any educational seminars / webinars or events for clients? If so, please provide us with a list.**

Yes we do. Education is a fundamental component of our client relationships. In addition to our formal presentation events listed below; we regularly schedule educational opportunities through webinars and conferences both internally and externally and utilizing the resources of our carrier partners and vendors.
The following outlines a list of webinars/events we have provided to our clients in the past.

Meritain/WEYCO
Prior to 2009

- David Janda, MD – Ann Arbor, MI
  - Prevention and the Pitfalls of the Current US Medical Delivery system
- Dr Steve Aldana – Author “The Culprit and the Cure” and BYU Professor Wellness
- Jeffrey Wigand – Tobacco industry whistleblower and primary consultant to multiple countries on smoking policy, the movie The Insider played by Russell Crowe was based on his experiences
- Dr. Dee Eddington – Ann Arbor, MI
  Legendary wellness leader

Ballard Benefit Works, Inc.
2009 to Current

August 2009
- Keynote: Mary V. Bauman, Attorney Partner, Miller Johnson, Grand Rapids - “What Employers need to do to get ready for Health Care Reform Legislation”
- Allen Becker, Clinical Director, CVS Caremark - “Looking Ahead and Solutions to Manage Drug Trend”
- Jeff Rubleski, Director of Sales, BCBSM - “Health Insurance Update – Key Trends, Consumerism and Wellness Ideas for you Workforce”

February 2010
- Mary V. Bauman, Attorney Partner, Miller Johnson, Grand Rapids – “Healthcare Reform & HIPAA/HITECH Requirements”

August 2011
- Mary V. Bauman, Attorney, Partner, Miller Johnson, Grand Rapids - “Health Care Reform – The Latest out of Washington DC”

May 2012
- Mary V. Bauman, Attorney, Partner, Miller Johnson - “The Latest Health Care Reform Developments”
- Brian Klepper, PHD, Chief Development Officer, WeCare Onsite Clinics, Orlando, FL – “Why Only Non-Health Care Business Can Save America from the Health Care Industry”
- Toby Hall, VP / Chief Actuary of Underwriting, Delta Dental – “Understanding Provider Reimbursement & Debunking the Myths”
May 2013
- Mary V. Bauman, Attorney, Partner, Miller Johnson - “Health Care Reform Update – How to Prepare for 2014 and How it Affects YOU!”

May 2014
- Mary V. Bauman, Attorney, Partner, Miller Johnson – “What Employers Need to Do to Get Ready for Pay or Play?
- Alan Beaulieu, Principal of ITR Economics – “Fiscal Reality – Health Care and Preparing for Prosperity?”

Mary 2015
- Mary V Bauman, Attorney, Partner, Miller Johnson – “Getting Ready for New Required Employer Reporting and Other Recent ACA Developments”
- Heather Abbott, Survivor of Boston Marathon Bombing – “Overcoming Adversity”
- Tom Emerick, President of Emerick Consulting – “Strategic Health Plan Economics, Global Healthcare Challenges and Evidence-Based Medicine”

8) What is your experience with higher education, specifically how many community colleges do you service?

BBW’s experience in higher education is one of the highest in the state. We currently work with 8 of the community colleges and are the Agent of Record for the Michigan Community College Association. In addition, we are a licensed solution partner for the MCCA developing plans and concepts to improve services and reduce cost to the community colleges of Michigan.

9) Describe any other facets of your organization and your firm’s experience that are relevant to this proposal which have not been previously described and that you feel warrant consideration.

BBW has a detailed understanding of the needs of MMCC from prior work with both the organization and key executives. We have the industry expertise, market presence, skilled service team and operational solutions to be very effective in taking care of MMCC.

10) Tell us in 150 words or less, why we should work with your firm and what sets you apart from any other agency.

This is a very good question and I am glad it is in the proposal.

I don’t have any smartly termed phrases, market share stats or marketing spin competitive advantage comments to put forth – you have already read about what we can do in the RFP. What I can say is – we know the benefits business on a holistic basis, we love what we do and we are committed to the clients we serve.
We would rather you choose us for the solution partner we are and who we have proven ourselves to be, rather than any marketing spin or witty comments we can put forth.
# Certificate of Liability Insurance

## Important Notes
- If the certificate holder is an additional insured, the policy(s) must be endorsed. If Subrogation is waived, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsements.

### Insured Information
- **Provider:** Ballard Benefit Works, Inc., 915 North Michigan Ave., Howell, MI 48843
- **Insurer:** Hartford Insurance Group

### Coverages

<table>
<thead>
<tr>
<th>Type of Insurance</th>
<th>Policy Number</th>
<th>Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial General Liability</td>
<td>35SBANT1932</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Commercial Auto Liability</td>
<td>35SBANT1932</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Umbrella Liability</td>
<td>35SBANT1932</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Workers Compensation and Employers Liability</td>
<td>35WECVPS742</td>
<td>$500,000</td>
</tr>
<tr>
<td>Professional Liability</td>
<td>A81002621</td>
<td>$2,000,000</td>
</tr>
</tbody>
</table>

### Cancellation

- **Certificate Holder:** County of Oakland, Purchasing Division, 2100 Pontiac Lake Rd., Waterford, MI 48323
- **Cancellation Reason:** Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

---

© 1998-2014 ACORD Corporation. All rights reserved.

ACORD 25 (2014/01) The ACORD name and logo are registered marks of ACORD.
Sample HR and Employee Communications

**Legislative Briefs**
Select Reporting and Disclosure Requirements for Group Health Plans

**Health Care Reform**
Health Care Reform Timeline

**HR Tools**
Employee Benefits Survey

**Wellness Services**
Topic Specific Newsletter

**Know Your Employee Benefits**
Educational Newsletter

**Plan Designs**
Health Savings Accounts

**Handbook & Policies**
Employee Handbook

**Employer Education Articles & Newsletters**
Benefits Bulletin

**Live Well, Work Well**
Wellness Newsletter
Agenda Item IV-E: Oil and Gas Lease

Board Consideration: Direction

Background:

President Hammond will present the attached lease.

Recommendation:

It is recommended the Board direct the President regarding resolution of this matter.
OIL, GAS AND MINERAL LEASE
(PAID-UP LEASE)

This Oil, Gas and Mineral Lease, made and entered into this 15th day of August, 2015, is by and between Mid-Michigan Community College whose address is 1375 S. Clare Ave., Harrison, Michigan 48625, (hereinafter referred to as “Lessor”) and Clayton Energy Company of P.O. Box 301, Jackson, Michigan 49204 and Marathon Oil Company whose address is 5555 San Felipe, Houston, Texas 77056-2701 (hereinafter referred to as “Lessee”).

For and in consideration of one or more dollars paid in hand and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor hereby grants, demises, leases, and lets exclusively unto Lessee for the purposes of (i) investigating, exploring, prospecting, drilling, mining, completing, equipping, developing, and operating for, and producing (a) any oil, natural gas, distillate, casinghead gas, condensate, and all other associated hydrocarbons of whatsoever nature or kind, (hereinafter referred to as “Oil and Gas”); (b) any other non-hydrocarbon substances including without limitation water, brine, carbon dioxide, sulphur, potassium, and any other minerals or by-products resulting from the aforementioned activities, (hereinafter referred to as “Other Constituents”), and (ii) all ancillary activities related to the activities described above, including without limitation conducting secondary, tertiary, and other recovery operations, conducting geophysical, seismic, drilling stratigraphic test wells, coring and other exploration activities, injecting gases, fluids, and other substances into subsurface strata, establishing and utilizing facilities for the disposition of salt water and Other Constituents, laying pipelines, storing Oil and Gas and/or Other Constituents, temporarily housing its employees, drilling and operating water wells for Operations, building and operating roads, tanks, ponds, power stations, electrical lines and poles, communication towers, compressors, and other structures and things thereon to produce, save, take care of, treat, process, store, dispose of, and transport said Oil and Gas, Other Constituents and water, from the following described land and from any pool or unit established pursuant to Paragraph 4 hereof, together with any vested or contingent reversionary rights and after-acquired interest, whether by operation of statute or by conveyancing document, therein situated in the County of Clare, State of Michigan, to wit:

Township 18 North, Range 4 West

Section 11: All of Section 11, except the E ½ of the SE 1/4, W1/2 SW1/4, S1/2NW1/4 and the S1/2NW1/4

Tax Parcel No. 011-011-100-01

See Exhibit “A”

Containing 560 acres, more or less, and all lands and interests therein contiguous or appurtenant to the land specifically described above that are owned or claimed by Lessor, or to which Lessor has a preference right of acquisition, including but not limited to all lands and interests based on accretion or avulsion, all lands underlying all avenues, streets, roads or highways and all riparian or submerged lands along and/or underlying any rivers, lakes or other bodies of water, although not included within the boundaries of the land particularly described above. It is the intent to lease all of Lessor’s interest in Section 11, Township 18 North, Range 4 West, Hatton Township, Clare, County, Michigan. The land covered by this lease shall be hereinafter referred to as said Land. Lessor agrees to execute any lease amendment requested by Lessee for a more complete or accurate description of said Land and such amendment shall include words of present lease and grant.

For the considerations stated above, Lessor and Lessee by its acceptance hereof agree as follows:

1. Subject to the other provisions contained in this lease, this lease shall be for a term of five (5) years from the date first written above (hereinafter referred to as the “Primary Term”) and as long thereafter as further “Operations”, as defined in this paragraph, are conducted on said Land or lands pooled and unitized therewith. If Operations are commenced on said Land or lands or leases pooled or unitized therewith prior to the end of the Primary Term, then this lease shall not terminate until all Operations on said Land or lands or leases pooled or unitized therewith are discontinued for one hundred eighty (180) consecutive days. The word “Operations” as used herein shall include without limitation any of the following: producing, treating, processing, storing or transporting Oil and Gas (whether or not in paying quantities); any act preparatory to drilling (such as obtaining permits, surveying, staking, clearing, constructing or maintaining any drillsite location or access road, hauling equipment or supplies, etc.); drilling, testing, completing, equipping, reworking, recompleting, deepening, sidetracking, plugging back,
maintaining, protecting or repairing of a well; any other actions conducted in search for or in an endeavor to obtain, restore, maintain or improve production of Oil and Gas.

2. Lessee covenants and agrees to pay the following royalties: (a) To deliver to the credit of Lessor into tank reservoirs or into the pipeline to which Lessee may connect its wells, one-eighth (1/8) one-sixth (1/6) of the oil, condensate, and distillate produced and saved from said Land, Lessor's interest to bear one-seventh (1/7) one-sixth (1/6) of the cost of treating same to render it marketable, or from time to time, at the option of Lessee, Lesse may sell the oil, condensate, and distillate produced and saved from said Land and pay Lessor one-eighth (1/8) one-sixth (1/6) of the net amount realized by Lesse, computed at the wellhead; (b) To pay Lessor on natural gas or casinghead gas produced from said Land and sold by Lessee, one-eighth (1/8) one-sixth (1/6) of the net amount realized by Lesse, computed at the wellhead, (c) To pay Lessor one-eighth (1/8) of the net amount realized by Lessee, computed at the wellhead, from the Lessee's share of the gas produced and saved from said Land, and paid in this lease, the term “net amount realized by Lesse, computed at the wellhead” shall mean the gross proceeds received by Lessee from the sale of Oil and Gas and/or Other Constituents minus post-production costs incurred by Lessee between the wellhead and the point of sale. As used in this lease, the term “post-production costs” shall mean all cost and expense of (a) treating and processing Oil and Gas to separate and remove Other Constituents including but not limited to water, carbon dioxide, hydrogen sulfide and nitrogen, and (b) separating liquid hydrocarbons from any gas, other than condensate separated at the well, and (c) transporting Oil and Gas and/or Other Constituents, including but not limited to transportation between the wellhead and any production, processing, refining, or treating facilities, and transportation to the point of sale, and (d) compressing any Oil and Gas and/or Other Constituents for gathering, processing, transportation, delivery, or disposal purposes, and (e) metering Oil and Gas and/or Other Constituents to determine the amount sold and/or the amount used by Lessee, and (f) sales, charges, commissions and fees paid to third parties (whether or not affiliated) in connection with the sale of the Oil and Gas and/or Other Constituents, and (g) any and all other costs and expenses of any kind or nature incurred by Lessor or Other Constituents payable to the Lessor or Other Constituents, and (h) net income to the Lessor and/or Other Constituents produced, including, without limitation, severance taxes and privilege and surveillance fees, and deduct a proportionate share of the amount so paid from any monies payable to Lessor hereunder. Lessee shall have the right, but not the obligation, to market and sell all Oil and Gas and/or Other Constituents to any third party or any Affiliate of Lessee in Lessee’s sole and absolute discretion. In lieu of any implied covenant to market, Lessee expressly agrees to market Oil and Gas produced from Lessee’s wells located on said Land or on land pooled or united therewith, but Lessee does not covenant or agree to store, reinject, or recycle Oil and Gas and/or Other Constituents, to market under terms, conditions or circumstances which in Lessor’s judgment are uneconomic or otherwise unsatisfactory, or to bear more than Lessee’s revenue interest share of the cost and expense incurred to make the Oil and Gas and/or Other Constituents marketable. Lessee shall have free use of Oil and Gas, Other Constituents and water wells drilled by Lessee, for Operations hereunder, whether Operations are conducted on said Lands, lands pooled or united therewith or on other lands.

3. If at the expiration of the Primary Term or at any time or times after the Primary Term herein, there is a well or wells on said Land, or land or leases pooled or united therewith, capable of producing Oil and Gas and/or Other Constituents or log or testing results indicate that a well that has been drilled to its total depth will be capable of producing Oil and Gas and/or Other Constituents upon final completion on said Land or lands or leases pooled therewith but Oil and Gas and/or Other Constituents are not being sold or used and this lease is not then being maintained by Operations or otherwise, this lease shall not terminate, (unless released by the Lessee), and it shall nevertheless be considered that Oil and Gas and/or Other Constituents is being produced from said Land within the meaning of paragraph 1 herein. However, in this event, Lessee shall pay or tender as shut-in royalty to Lessor, in the US Mail to Lessor’s address above, regardless of changes in ownership of said Land or shut-in royalty payments, a sum determined by multiplying one dollar ($1.00) one hundred dollars ($100) per acre for each acre then covered by this lease, provided however, in the event said well is located on a unit comprised of all or a portion of said Land, Lessee shall pay or tender as shut-in royalty a sum determined by multiplying one hundred dollars ($100.00) per acre for each acre of said Land included in such unit on which said shut-in well is located. If such bank (or any successor bank) should fail, liquidate, or be succeeded by another bank or for any reason fail or refuse to accept such payment, Lessee shall re-tender such payment within thirty (30) days following receipt from Lessor of a proper recordable instrument naming another bank as agent to receive such payment or tender. Such shut-in royalty payment shall be due on or before the expiration of one hundred eighty (180) consecutive days after (a) the expiration of the Primary Term, or (b) the last date of Operations on any well, located on said Land, or lands or leases pooled or united therewith, or (c) the date this lease is included in a unit on which a well has been previously shut-in, or (d) the date this lease ceases to be otherwise maintained, whichever be the later date. It is understood and agreed that no shut-in royalty payments shall be due during the Primary Term. In like manner and upon like payments or tenders on or before the next ensuing anniversary of the due date for said payment, the Lessee shall continue to pay such shut-in royalty for successive periods of one (1) year each until such time as this lease is maintained by Operations. However, if Operations commence on any well, located on said Land, or lands or leases pooled or
unitized therewith within the applicable 180 day period, a shut-in royalty payment shall not be required or, if a shut-in royalty payment is tendered, no additional shut-in payment will be due until the next ensuing anniversary of the due date for said tendered payment regardless of how many times Operations may be commenced and shut-in during such one (1) year period. As long as any well is shut-in, it shall be considered for the purposes of maintaining this lease in force that Operations on this lease shall continue in effect both before and after the Primary Term. Lessee’s failure to pay or tender or to properly or timely pay or tender shut-in royalty or shut-in payment for the royalty or shut-in payment shall not operate to terminate this lease. Lessee agrees to use reasonable diligence to produce, utilize or market the Oil and Gas and/or Other Constituents capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities, other than well facilities and ordinary lease facilities of flowline, separator, and lease tank, and shall not be required to settle labor trouble or to market Oil and Gas and/or Other Constituents upon terms unacceptable to Lessee. If at any time Lessee pays or tenders royalty or shut-in royalty as herein provided, and two (2) or more parties are, or claim to be, entitled to receive same, Lessee may, in lieu of any other method of payment herein provided, pay or tender such royalty or shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as Lessee may elect.

4. (a) Lessee is hereby granted the rights to pool or unitize said Land, or any part of said Land, with other lands, as to any or all minerals or horizons, to establish an oil unit and/or units of any size or shape containing not more than one hundred sixty (160) acres for a vertical well and not more than 2560 acres for a horizontal well, and a gas unit or units of any size or shape containing not more than approximately six hundred forty (640) acres per unit for a vertical well and not more than 2560 acres for a horizontal well; provided, however, that if units larger than those permitted above, either at the time established or hereafter, are required, permitted, or allowed under any governmental rule or order to drill or operate a well at a location, to obtain the maximum allowable from any well or for any location, then the maximum unit size authorized hereby may be enlarged or reformed to conform to the size required, permitted, or allowed by such governmental rule or order. Lessee may enlarge the unit to any size, up to the maximum area permitted herein, and may require said unit to include any other lease or leases, including after-acquired leases, within the general area. Lessee may create, enlarge, reform, reduce, vacate, or terminate the unit or units at the election of Lessee at any time, and from time to time and any number of times, during the continuance of this lease, either before or after Operations commence by recording a written declaration to that effect in the office of the Register of Deeds in the county or counties in which such unit is located. Such unit shall become effective on the date provided in the instrument, or the date filed of record if no such date is provided in the instrument. A unit established hereunder shall be effective for all purposes of this lease, whether or not all interests in the lands within the boundary of the unit are effectively pooled or unitized. Lessee shall have no duty to obtain effective pooling or unitization of all interests within the boundary of the unit. Any Operations conducted on any part of the lands pooled or unitized which contains any portion of said Land, regardless whether such Operations were commenced before or after the date of this lease or the effective date of the instrument creating the unit, shall be considered for all purposes, except the payment of royalties, to be Operations on said Land whether or not the well or wells are located on said Land. Production from the unitized area shall be allocated in the same proportion as the number of surface acres in said Land, which are included in the unit, bears to the total number of surface acres in the unit and royalties shall be paid based on the allocated portion of this lease or separate tracts (or tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of said Land), no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided.

(b) In addition to the rights to pool or unitize granted to the Lessee in Paragraph numbered 4 (a) above, for the purpose of promoting the development of hydrocarbon production from any formations, Lessee at any time, and from time to time during the life of this lease shall have the right and power as to all or any part or formation or strata of the land below 200 feet herein leased, without Lessee’s joinder, to unitize the same with other lands, formations, strata or leases covering lands in the same general area as the leased premises by combining the leasehold estate and Lessor’s royalty estate created by this lease with any other lease or leases, royalty or mineral estate in and under another tract or any number of other tracts of land, regardless of the ownership thereof, so as to create by the combination of such interests or any of them one or more unitized areas of such size and shape for the drilling and operation of one or more wells as determined by Lessee to be developed and operated by primary, secondary or tertiary methods as though such lands and interest were all included within the terms hereof and constituted a single oil, gas and mineral lease. All such production from such unitized area shall be divided or allocated among the various tracts comprising such unitized area based on a formula derived from parameters utilized by Lessee and incorporated in a unitization agreement recorded in office of the Register of Deeds in the county or counties in which such unit is located. The unitization agreement shall include other provisions designed to allow for Operations of the unitized area in an orderly manner. Any Operations conducted on any part of the unitized area which contains any portion of the said Land, regardless whether such Operations were commenced before or after the date of this lease or the effective date of the instrument creating the unit, shall be considered for all purposes, except the payment of royalties, to be Operations on the said Land whether or not the well or wells are located on said Land. Royalties payable from the unitized area shall be computed on the basis of the production allocated to the portion of said Land included within such unitized area.
5. Lessee may at any time or times execute and deliver to Lessor or to the office of the Register of Deeds in the county or counties in which such unit is located, a release or releases covering any portion of said Land and/or portions of subsurface strata or stratum at least 200 feet below the surface and thereby surrender this lease as to such portion and/or portion of subsurface strata or stratum and be relieved of all obligations as to the acreage, strata or stratum surrendered. Lessee shall retain rights of ingress and egress across and through any released portion and/or strata of this lease in order to have necessary access to that portion and/or strata of the leased premises which remains in force and on which Lessee continues to conduct Operations.

6. Lessee shall have the right, at any time during or after the expiration of this lease, to remove all property and fixtures placed by Lessee on said Land, including the right to draw and remove all casing. Upon Lessor’s request and when reasonably necessary for utilization of the surface for some intended use by the Lessor, Lessee will bury all pipelines below ordinary flow depth 200 feet. No wellhead shall be within two hundred (200) 1000 feet of any permanent residence now on said Land without Lessor’s consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in such ownership of said Land or royalties, however accomplished, shall operate to enlarge the obligation or diminish the right of Lessee. Notwithstanding any other actual or constructive knowledge of Lessee, no change or division in such ownership shall be binding on Lessee until forty-five (45) days after Lessee shall have been furnished, by registered U. S. mail at Lessee’s principal place of business, with a certified copy of the instrument or instruments properly filed and recorded evidencing same to establish the validity of such change in ownership or division of interest in the opinion of Lessee or other evidence satisfactory to Lessee. If any such change in ownership occurs by reason of the death of the owner, Lessee may nevertheless exercise the same, to the credit of the deceased, to the extent of funds provided above. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof and until furnished with a recordable instrument, executed by all such parties, designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease, nor cause a termination or reversion of the estate created hereby, nor be grounds for cancellation hereof in whole or in part. In the event Lessee considers that Operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the specific and detailed facts relied upon as constituting a breach hereof, and Lessee, upon receipt of such notice of any alleged breach, shall have ninety (90) days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument as specified in the notice. The service and sufficiency of said notice shall be precedent to the bringing of any action by Lessor under said lease for any cause, and no such action shall be brought until the lapse of ninety (90) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. After the discovery of Oil and Gas and/or Other Constituents in paying, on said premises, Lessee shall reasonably develop the acreage retained hereunder; but, in discharging this obligation Lessee may, but shall not be required to, drill more than one well in each permitted unit, pooled unit or unitized area.

9. Lessor hereby warrants and agrees to defend the title to said Land and agrees that Lessee may, at its option, discharge any tax, mortgage, lien or other debt upon said Land, either in whole or in part; and if, the Lessor, it is so done, it shall on lien with the right to apply royalties accruing hereunder toward satisfying same. When required by state, federal or other laws, Lessee may withhold taxes with respect to royalty and other payments hereunder and remit the amounts withheld to the applicable taxing authority for credit to Lessor. Without impairment of Lessee’s rights under the warranty in event of failure of title, it is agreed that if Lessor owns an interest in the Oil and Gas and/or Other Constituents on, in or under said Land less than the entire fee simple estate, then the shut-in royalties and royalties to be paid Lessor shall be reduced proportionately.

10. (a) This lease shall be subject to all applicable federal and state laws, local ordinances, executive orders, rules or regulations, (provided, however, rules or regulations establishing drilling, spacing or production unit size and orientation shall not limit Lessee’s pooling rights under Paragraph 4) and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such law, order, rule or regulation. When drilling, reworking, production, completion or other Operations are prevented or delayed by such laws, rules, regulations or order, or by inability or delay in obtaining necessary approvals, licenses, permits, equipment, services, materials, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for Oil and Gas and/or Other Constituents or adverse market conditions or failure of purchasers or carriers to take or transport such Oil and Gas and/or Other Constituents, or by any other cause not reasonably within Lessee’s control, this lease shall not terminate because of such prevention or delay, and at Lessee’s option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other Operations are so prevented, delayed or interrupted, provided however, that no such rule, regulation, or order shall prevent Lessee from declaring
or pooling an oil and/or natural gas development unit or units under the provisions contained herein larger
than the well spacing, drilling or production unit prescribed or permitted by such rule, regulation or order.

(b) The specification of causes of force majeure herein enumerated shall not exclude other
causes from consideration in determining whether Lessee has used reasonable diligence wherever
required in fulfilling any obligations or conditions of this lease, express or implied, and any delay of not
more than six (6) months after termination of force majeure shall be deemed justified.

11. This lease states the entire contract between the parties, and no representation, covenant, or
promise, whether implied, verbal, or written, on behalf of either party shall be binding unless contained
herein; and this lease shall be binding upon each party executing the same and their successors, heirs,
and assigns, regardless of whether or not executed by all persons above named as “Lessor”.

12. If at any time within the Primary Term of this lease and while the same remains in force and
effect, Lessor receives any bona fide offer, acceptable to Lessor, to grant an additional lease (top lease)
covering all or part of the aforesaid lands, Lessee shall have the continuing option, by meeting any
such offer, to acquire such top lease. Any offer must be in writing, and must set forth the proposed
lessee’s name, bonus consideration and royalty consideration to be paid for such lease, and include a
copy of the lease form to be utilized, which form should reflect all pertinent and relevant terms and
conditions of the top lease. Lessee shall have thirty (30) days after receipt from Lessor of a complete
copy of any such offer, to advise Lessor in writing of its election to enter into an oil and gas lease with
Lessor on equivalent terms and conditions. Upon receipt of such notice, Lessor shall execute and deliver
such new lease and Lessee shall pay the bonus due upon receipt of such new lease. If Lessee fails to
notify Lessor within the aforesaid thirty (30) day period of its election to meet any such bona fide offer,
Lessor shall have the right to accept said offer.

13. This lease may, at Lessee’s option by mutual agreement of the parties, be extended as to all or
part of the lands covered hereby for an additional primary term of five (5) years commencing on the date
that the lease would have expired but for the extension. Lessee may exercise its option by paying or
tendering to Lessor an extension payment equal to One Hundred percent (100%) of the per acre bonus
payment paid to Lessor for the signing of this lease, for the land then covered by the extended lease, said
bonus to be paid or tendered to Lessor in the same manner as provided herein with regard to the
payment of shut-in royalties. If Lessee exercises this option, the Primary Term of this lease shall be
considered to be continuous, commencing on the date of the lease and continuing from that date to the
end of the extended primary term. Lessee’s option shall expire on the first to occur of the following: (a)
the termination or expiration of this lease or (b) the second anniversary of the expiration of the Primary
Term stated in Paragraph numbered 1 above.

14. Lessor agrees that Lessee shall have no obligation to record this Oil, Gas, and Mineral Lease
with the Register of Deeds; however, this Oil, Gas, and Mineral Lease may be identified in a
Memorandum of Oil, Gas, and Mineral Lease signed by Lessee that will be filed of record with the office
of the Register of Deeds in the county or counties in which said Land is located.

15. If any provision of this lease shall, for any reason, held to be invalid, illegal or unenforceable in
any respect, such invalidity, illegally, or unenforceability shall not affect the other provisions herein.

16. Notwithstanding any representations stated herein below, this lease has been prepared after
negotiations between the parties and, in the result of any ambiguity, no weight shall be given in favor of or
against either the Lessor or Lessee in resolving such ambiguity on account of that party’s drafting of this
lease, or any specific provision herein.

——— Executed as of the day and year first above written.

LESSOR:

MID-MICHIGAN COMMUNITY COLLEGE

Christine Hammond, Its President

STATE OF MICHIGAN )
COUNTY OF CLARE )

The foregoing instrument was acknowledged before me this day of August, 2015, by Christine Hammond, President of Mid-Michigan Community College.
EXHIBIT “A”

This Exhibit “A” is attached to and made part of a certain Oil, Gas and Mineral Lease dated August 1, 2015 by and between Mid-Michigan Community College whose address is 1375 S. Clare Ave., Harrison, Michigan 48625, as Lessor and Clayton Energy Company whose address is P. O. Box 301, Jackson, Michigan 49204 Marathon Oil Company whose address is 5555 San Felipe, Houston, Texas 77056-2701, as Lessee.

1. Provided that Lessor is the current surface owner of the affected lands at the time of Lessee’s surface operations, Lessee and Lessor shall mutually agree on the location of all drill site(s), pipeline(s) and access road locations prior to any action being taken, which consent of the Lessor shall not to be unreasonably withheld, delayed or conditioned.

2. Lessee shall construct or install all well sites, access roads and pipeline right-of-way in a manner which would minimize any related soil erosion. Further, any related surface reclamation shall be done in a manner which restores said land as nearly to original contours as reasonably practical in the sole discretion of Lessee.

3. Lessee agrees to defend, indemnify and hold harmless Lessor from all claims, demands, costs and causes of action against Lessor arising out of the gross negligence of Lessee, its employees, agents, representatives and contractors, directly related to its operations on the leased premises.

4. Provided that Lessor is the current surface owner of the affected lands at the time of Lessee’s surface operations, Lessee agrees to pay Lessor, at a reasonable rate, for all surface damages caused by Lessee’s operations to growing crops, trees and timber.

5. A. Should oil be produced from any well, the gross proceeds of sale of lease products of such oil shall be free to the Lessor of any cost to whichever point is first encountered: 1) the point of sale to an independent nonaffiliated third party purchaser; or 2) to an affiliated purchaser, provided the sale is at prevailing market rates; or 3) the point of entry into an independent nonaffiliated third party owned pipeline system; or 4) the point of entry into an affiliate owned pipeline system, provided transportation rates are at prevailing market rates.

B. Should gas, including casinghead gas, be produced and saved from any well, the gross proceeds of sale of lease products of said gas shall be free to the Lessor of any cost to whichever point is first encountered: 1) the point of entry into a facility to remove CO2, H2S, N2 or obtain plant products, or 2) the point of entry into an independent nonaffiliated third party owned pipeline system; or 3) the point of entry into a pipeline system owned by a gas distribution company, or any subsidiary of such gas distribution company which is regulated by the Michigan Public Service Commission; or 4) the point of entry into an affiliated pipeline system, if the rates charged by such pipeline system have been approved by the Michigan Public Service Commission, or if the rates charged are reasonable, as compared to independent pipeline systems, based on such pipeline system’s location, distance, cost of service and other pertinent factors.

C. The Lessee agrees that all royalties accruing to the Lessor herein shall be without deduction of any costs incurred by the Lessee except as agreed herein. The Lessor is not liable for any taxes incurred by the Lessee and no deduction may be taken for any tax in computing the royalty. Lessor's royalty is to be free and clear of all costs, claims, charges and expenses of any nature, except as herein provided, and except for the reasonable costs of CO2, H2S and N2 removal, there shall be no deduction for the cost of gathering, separating, dehydrating, compressing or treating the gas to make it...
marketable. Unless otherwise specifically agreed in writing, there shall be no deduction for transportation costs prior to entry of gas into a pipeline system as set forth in 5 B. (2) through (4).

6. Should an oil and gas well be drilled within five hundred (500) feet of the Lessor’s water sources on the leased premises, Lessee shall notify Lessor at least thirty (30) days prior to commencement of drilling operations of the well. At that time, Lessee, through an independent professional of its choosing and at its own expense, shall offer to Lessor to acquire samples from the water sources on the leased premises. Should Lessor accept the offer to acquire the requested water samples and the samples were acquired and should Lessor experience a material adverse change in the quality of Lessor’s water supply during or immediately after Lessee’s drilling operations, Lessee shall, within 24 hours of Lessor’s written request, sample Lessor’s water supply or allow the same independent professional to sample the Lessor’s water supply. Should these samples reflect a material adverse change in the water quality and the Michigan DEQ determines its cause is as a result of Lessee’s drilling operations, Lessee agrees to provide Lessor with potable water until such time, not to exceed 60 days, as Lessor’s water source has been repaired or replaced with a source of substantially similar quality as existed prior to pre-drilling conditions, whether by repairing Lessor’s existing well or by drilling a new well or providing public water. Lessee shall assume all expenses incurred to repair Lessor’s existing well or to provide a new well or provide a connection for public water and all damages to Lessor’s property. If Lessor experiences a material adverse change in the quality of Lessor’s water supply, Lessee shall pay all expenses associated with the sampling and testing until Lessor’s water quality is restored to pre-drilling conditions.

7. It is hereby agreed and understood that wherever the royalty amount referred to herein reads 1/8th (one-eight) it shall be amended to read 1/6th.
August 18, 2015

Ms. Christine Hammond
Mid Michigan Community College
President
1375 S. Clare Ave.
Harrison, MI 48625

Via email and mail: chammond@midmich.edu

Re: Proposed (Revised) Oil and Gas Lease

Dear Ms. Hammond:

I have reviewed the proposed (revised) Oil and Gas Lease and also reviewed the questions set forth in your email of August 16, 2015. In response to the questions:

1. I am enclosing the Assessor’s Map showing the location of the Non-Development areas. This appears to be the location of the buildings currently on the college property. So long as Mid Michigan Community College is satisfied that development may take place on any other areas, then the Non-Development Agreement is sufficient. Depending on where a well may possibly be located, the well could be within about 400 feet of an existing building.

2. It appears sufficient to put in “all related Hydrocarbons” without striking the word “Mining.”

3. I don’t necessary have any different language concerning “quality and quantity.” You are welcome to call me to discuss this further.

4. As noted in the Non-Development area, it is possible that a well could be placed within several hundred feet of a structure. Mid Michigan Community College
will need to decide if the Non-Development areas are sufficient.

5. There is no response or change needed pertaining to gas storage.

6. There is no response or change needed as to production from the surface to 200 feet below the surface.

7. In general the State of Michigan requirements should be sufficient for restoring the site.

8. I would agree that the revisions concerning this paragraph refers only to the drilling of the well.

9. There is no problem in separating paragraph 6 into two paragraphs.

I am forwarding a copy of the revisions that you sent plus my response letter to Doug Jacobson and Richard Allen.

Sincerely,

David J. Dreyer
Attorney at Law

DJD/aew

Enclosure (1)
Agenda Item V-A:  Correspondence and Announcements

Board Consideration:  Information

Background:

Announcements may be made at this time.

Recommendation:

None.
VI-A: Calendar of Events

Board Consideration: Information

Background:

Sept 18  MCCA President’s Committee – 10:00 a.m., Conference Call
Sept 20  MMCC Annual Fall Festival and BBQ - Noon
Sept 25  MCCA Executive Committee – 10:00 a.m., Lansing
Sept. 25  MMCC Ice Cream Social and 50th Picture – 3:00 p.m., Harrison Campus
Oct 1 -2  MCCA Student Success Summit – 8:00 a.m., Lansing
Oct 6   MMCC Board of Trustees Workshop – 6:00 p.m., CLAB 187, Mt. Pleasant
Oct 6   MMCC Board of Trustees Regular Meeting – 7:00 p.m., CLAB 187, Mt. Pleasant
Oct 22 & 23  MCCA Autumn Board of Directors Meeting – St. Clair County Community College
Nov 3   MMCC Board of Trustees Workshop – 6:00 p.m., Houghton Room, Harrison
Nov 3   MMCC Board of Trustees Regular Meeting – 7:00 p.m., Houghton Room, Harrison
Nov 6   MCCA President’s Committee – 9:00 a.m., Lansing
Nov 20  MCCA Executive Committee – 10:00 a.m., Lansing
Nov 25  Faculty Professional Development Day – No Classes
Nov 26 – 28  Thanksgiving Break - College Closed
Dec 1  MMCC Board of Trustees Workshop – 6:00 p.m., Michigan Room, Harrison
Dec 1  MMCC Board of Trustees Regular Meeting – 7:00 p.m., Michigan Room, Harrison
Dec 6   MMCC Community Holiday Celebration – 6:00 p.m.
Dec 11  MMCC Staff Holiday Celebration Party – 5:00 p.m.
Dec 18  Fall 2015 Ends

Recommendation:

None
Agenda Item: VI-B: Board Comments-Other Business

Board Consideration: Information

Background:

1. Fall MCCA Meeting – St. Clair County Community College, October 22 and 23

2. Any comments may be offered by Trustees at this time.

Recommendation:

None.