

CLARK STATE COMMUNITY COLLEGE BOARD OF TRUSTEES REGULAR MEETING

Minutes November 19, 2013

The Clark State Community College Board of Trustees met in regular session in the Conference Room of the Greene Center on Tuesday, November 19, 2013. Chairman Jim Doyle presided and called the meeting to order at 6:11 p.m.

Roll Call: Present: Andy Bell, Sharon Evans, Brad Phillips, Heather Tiefenthaler, Vice Chair
Heather Corbin, Chairman Jim Doyle, and President Blondin

Excused: Peggy Noonan

Others Present: Cynthia Applin, Director of Institutional Research and Planning; Jane Cape, Dean of Business and Applied Technologies; Martha Crawmer, Dean of Arts and Sciences; Kris Culp, Vice President of Advancement; Dixie Depew, Controller; Theresa Felder, Vice President of Student Affairs and Greene Center Operations; Matt Franz, Director of Information Technology; Jennifer Dietsch, Director of Marketing; Brendan Greaney, Success Center Specialist, Greene Center; Jeff Greeneley, Ohio Attorney General's Office; Duane Hodge, Director of Workforce Development, Sales and Outreach; Joseph Jackson, Vice President for Business Affairs; Natalie Johnson, Greene Center Academic Affairs Coordinator; Marvin Nephew, Director of Human Resources; Cindra Phillips, Manager of Online Learning and Instructional Resources/Staff Senator; Mark Schmidt, Associate Professor, Health, Human and Public Services/Faculty Senate President; Cort Schneider, Disability Office Manager/Staff Senator; Stu Sector*, Executive Director of the Performing Arts Center; Holly Snyder, Manager of Bookstore and Office Services Center; Mellanie Toles, Assistant to the President; and Kathy Wilcox, Dean of Health, Human and Public Services

Recognition of Guests

Chairman Doyle welcomed the guests. Dr. Blondin introduced Ohio Attorney General's Office representative, Jeff Greeneley, and newly appointed Vice President of Student Affairs and Greene Center Operations, Theresa Felder. Remaining guests introduced themselves.

Public Comment

There were no public comments.

Approval of Minutes

Chairman Doyle asked for a motion to approve the minutes of the Regular Board Meeting held on October 15, 2013. Trustee Phillips made a motion to approve the minutes as presented; Trustee Bell seconded, and the motion passed unanimously. Trustee Evans made a motion to approve the minutes of the Special Board Meeting held on October 29, 2013. Trustee Corbin seconded, and the motion carried unanimously.

Presentation

Vice President Felder provided an overview of Greene Center updates, including physical changes to the Center. She also reported on the changes made to enhance academic services and partnerships with area colleges, businesses and industry, noting that over 1,385 employees from 39 companies in Greene County have been served with corporate training in the past three years.

Ms. Felder reviewed enrollment data from the last several years in comparison to 2011 Greene Center Business Plan projections. The projections have been significantly exceeded each year, and in 2013, the Center achieved over \$5 million in revenue versus the projection of \$3.4 million. It was noted that while revenue projections have been significantly exceeded, expenses have held close to original projections.

While reviewing student demographics, Vice President Felder indicated that we still have a lot of growth potential in Greene County and in the 18-24 age group. She also noted that Greene Center students have a 71% persistence rate, compared with 63% at the Springfield campus and 64% at the Logan Center.

Considerations for continued growth at the Greene Center include increasing marketing efforts; determining the timing for a second building for expanded capacity; determining new program need; continuing to focus on serving Wright Patterson Air Force Base and area contractors; and increasing partnerships and collaborations with area high schools, colleges, and businesses. Reorganization of the Greene Center Advisory Committee to provide community input in decision making is also a priority.

Chairman Doyle thanked Ms. Felder for her presentation, noting that the Board is very proud of the efforts underway at the Greene Center.

*Stu Sector exited the meeting at 6:57 p.m.

Board Finance and Facilities Committee Report

The Board Finance and Facilities Committee met Thursday, November 14, 2013, at 7:30 a.m. in the TLC Boardroom. Those planned to be present included: Committee Chair Heather Corbin; Committee members Andy Bell, Peg Noonan and Brad Phillips; Board Chair Jim Doyle; Dr. Blondin, President; Vice President Joseph Jackson; John McKinnon, Larry Weeks and Brad Billet with Clark Schaefer Hackett; Dixie Depew, Controller; Kathy Klay, Director Financial Aid; and Matt Franz Director of Information Technology.

Agenda items included:

- Exit Conference with Clark Schaefer Hackett
 - 2012 – 2013 Audited Financial Report
- Annual Planned Allocation for Use of Reserve Funds
- Six-Year Capital Plan
- Reserve Expenditures
- Tax Issues
- Other

Minutes of the meeting have been distributed to all Trustees.

Financial Statements through October 2013

The revenues and expenses for the General Fund and each of the Auxiliary Enterprises through October 31, 2013, were distributed to Trustees prior to the meeting. Most General Fund revenue and expense items are

tracking favorably with budget. Following are areas where we continue to closely monitor progress versus budget:

- State Share of Instruction (SSI) – The FY 2014 final figure should be received from the Ohio Board of Regents (OBR) within the next 60 days. We are confident that the figure that we will actually receive for this fiscal year will be higher than the FY 2014 budget amount of \$10,330,500.
- Student Fee revenue reflects Fall Semester enrollment. Preliminary (not yet certified by OBR) numbers for Fall Semester show that total enrollment is flat compared to Fall 2012. Budget is based on an enrollment increase of 2%.
- Total enrollment is further broken down to show that enrollment at the Greene Center has increased 6.3% and enrollment at Ohio Hi-Point has increased 91%, while enrollment at the Springfield campus has declined 3.8%.
- Continuing Education (non-credit) revenue is comprised of about \$110,000 for the STNA, Fire, Phlebotomy and EMS non-credit classes, \$145,000 for workforce development initiatives, \$168,000 for water mitigation classes and \$70,000 for personal interest type classes. We are falling far short of the revenue projections for workforce development and water mitigation primarily because of the fact that the Workforce Investment Act (WIA) funding has dried up. We are adjusting projections for this fiscal year.
- Communications expenses are showing a negative variance to budget and this is due to the timing of expenditures for institutional dues and advertising.
- Occupancy expenses are showing a negative variance to budget and this is due to the timing of expenditures for building maintenance contracts, equipment maintenance contracts and bond principal payments.
- The Bookstore and Parking Auxiliary Enterprises are showing a net surplus.
- The Commercial Transportation Training Center revenue is also being adversely impacted by the lack of WIA funding.
- The Food Service operation is reflecting a loss similar to the amount last year at this time, even though we have closed the Market Fresh Restaurant and are only operating out of the Eagle’s Nest located in the Sara T. Landess Technology and Learning Center (TLC).

Performing Arts Center Endowment Report

The Foundation agreed to invest the Performing Arts Center (PAC) Endowment funds that were transferred from the College as a restrictive endowment fund known as the Clark State Performing Arts Center Endowment Fund. Eligible investments are spelled out in the agreement. The income generated from these funds must be used for the purpose of operating, programming and maintaining the PAC. The Foundation agreed to issue quarterly reports to the Clark State Board of Trustees regarding the status of the investment of the funds. Following is a recap at 9/30/13:

Investment @ Cost (2002 - 2004)	\$1,267,243
Interest Earnings (June 2002 to present)	\$877,956
Commonfund Management Fees (June 2002 to present)	\$(54,141)
Foundation Management Fees (2007 - 2013)	\$(110,886)
Transfer to College for Hollenbeck-Bayley Center (June 2012)	\$(220,000)
Expenditures for Performing Arts Center (August 2009-Present)	\$(169,253)
Market Gain/(Loss) (June 2002 to present)	\$158,041
Balance 9/30/13	\$1,748,960
Quarterly (Jul-Sep) Rate of Return	0.37%
Barclays Aggregate Bond Index (Jul-Sep Quarter)	0.57%

September Return	0.85%
Barclays Aggregate Bond Index (September)	0.95%

The Foundation Board approved transferring these funds into the High Quality Bond Fund at their June 2003 meeting. In August 2006, the Foundation Board approved assessing management fees to endowment accounts it manages. This figure (\$110,886) represents the 1.25% fee for seven fiscal years (FY 2007 – FY 2013). Marc Bernhardt from The Commonfund met with the Foundation Finance/Investment Committee on September 23, 2013, to review fund performance, asset allocation, spending policy, and provide a market forecast.

Performing Arts Center and Hollenbeck Bayley Creative Arts and Conference Center Financials

The Clark State Performing Arts Center (PAC) opened in the fall of 1993 and has served to enrich our communities through performances, presentations, lectures, conventions and other events. In addition to being the performance home for the Springfield Symphony Orchestra and the Springfield Arts Council, it has been the home for Project Jericho as well as the College's Theatre Arts academic program. In August 2011, the Hollenbeck Bayley Creative Arts and Conference Center (HBC) opened and has served as the venue for many events hosted by the College as well local non-profit and business entities. An overview of revenues and expenses for each of these facilities for FY 2013 and FY 2012 was distributed to Trustees prior to the meeting.

The biggest challenges that we face in operating these facilities, which have resulted in the City and the Chamber being able to attract conventions, conferences and other events resulting in increased revenue for local vendors, hotels and restaurants include:

- Properly maintaining facilities in order to not get into a deferred maintenance quandary.
- Follow a repair and replacement schedule for equipment and technology so that the facilities remain state-of-the-art.
- Sponsor performances/shows that attract a diverse audience from our region.

Moody's Investors Service Ratings Review

Every three years Moody's analysts have a discussion with college leadership in order to present information to a Ratings Review Committee to determine if the rating and outlook assigned to the College's bonds should be affirmed, upgraded or downgraded. Over the past two months we have submitted information to the analysts and then a conference call was held with Dr. Blondin, Kris Culp, Joe Jackson and the Moody's analysts. The purpose of the call was to delve further into the information that we provided and to give College leadership an opportunity to expound upon all of the positive things happening at the College.

Information provided included:

- a strategic overview (new programs, strategic updates)
- changes in senior leadership, Board makeup and College policies
- recent enrollment trends and future expectations
- tuition and financial aid strategy
- on-line education
- regional recruitment strategies
- academic strengths
- competitor institutions

- demographic expectations (high school graduates)
- operating performance
- trend of state appropriations
- investment management and liquidity ratios
- gifts and grant revenue
- Foundation assets
- future capital plans and debt plans
- on-going/completed capital projects over the last three years
- future State capital support

We are pleased to report that Moody's affirmed the Aa2 enhanced rating and the A2 underlying rating on the Series 2010 Bonds issued by the Ohio Building Authority and affirmed the A2 rating on the General Receipts Bonds issued in 2006. The A2 rating reflects Clark State's solid market position with positive operations, healthy state report and improved financial resource coverage of debt and operations. The outlook on both the enhanced and underlying ratings is stable.

Strengths:

- The Series 2010 Bonds are supported by the Ohio Community and Technical College Credit Enhancement Program, which provides additional security.
- Expendable financial resources grew to \$23.6 million in FY 2013, up 18.6% over the prior year, and provided fairly strong coverage of debt for the rating category at 1.5 times.
- Stable market position as a low cost provider of traditional and technical Associate degrees as reflected in enrollment levels.
- Operating performance has improved the past four years from a Moody's calculated operating margin of negative 1.3% in FY 2009 to a positive 5.7% in FY 2013, providing improved debt service coverage.
- Notable philanthropic support for a community college.

Challenges:

- The College's modest operations and increasing reliance on student charges limit financial flexibility. State caps on tuition increases challenge the College's ability to increase revenues.
- Increasing age of facilities signals the future need for additional capital investment.
- Even though demographics have recently stabilized in the main service area of Clark County, the College faces a highly competitive student market in Ohio with many other private and public colleges and universities in the state.

Outlook: The stable outlook reflects Moody's expectation for steady enrollment, continued positive operating performance and slower but continued balance sheet growth with no additional debt plans.

What Could Move the Rating Up: A positive outlook or upgrade on the College's rating could result from continued balance sheet growth in excess of peers, combined with maintenance of positive margins and steady enrollment.

What Could Move the Rating Down: A deterioration of balance sheet resources or liquidity due to operating deficits, enrollment pressure or weakening demographics of the region, as well as sustained weaker cash flow could result in negative rating pressure.

Security Report

We are keenly aware of the importance of making a significant effort to improve upon the safety and security of all of the College's campuses. We currently have in place plans, procedures and guidelines that have served us well in responding to events such as weather emergencies, bomb threats, hazardous

chemicals, injuries, crime, medical emergencies, communicable disease, crisis preparation and emergency communication structures.

As we have developed, updated and implemented these plans over the years, we have determined that there is much more that could and should be done in order to adequately prepare for and respond to events that may occur. Over the last couple of years, efforts have concentrated on active shooter training and protocol. There have been experts invited to campus to conduct this training and many of the recommendations they made have been implemented. However, one glaring need that remains is to be able to quickly lock down facilities including individual classrooms and offices. In order to address this deficiency, we will implement some type of one-card that would be issued to all students, faculty and staff and could be used for accessing library services, paying for food services, accessing facilities and classrooms/offices among other applications.

We are also considering having a comprehensive safety and security assessment performed that would include a thorough review of the following:

- Physical protection systems
- General safety analysis
- After hours security review
- Facility usage assessment during a crisis

We currently contract with the City of Springfield for two dedicated police officers for our Springfield campuses. These officers provide coverage from 7:00 a.m. to 11:00 p.m. Monday through Thursdays and 7:00 a.m. to 4:30 p.m. Fridays. At the Greene Center we contract with Securitas to provide (unarmed) guard service Monday through Friday with the actual times based on need. We need to assess whether these coverages are sufficient including whether coverage is needed at either or both locations on Saturday.

We currently have 53 security cameras installed at the Springfield and Greene Center campuses. Eighteen of these 53 cameras monitor activity in the parking lots and outside the entrances to buildings. This security camera program needs to be further developed to add additional cameras at certain facilities, including more cameras in parking lots. The College's campuses are relatively free of violent crime as reflected in the Clery reports filed with the U.S. Department of Education, widely distributed to the campus community and posted on our website. Safety and security is something that needs constant attention to make sure that our best efforts are being employed to keep students, faculty, staff, patrons and visitors safe. There is a broad-based Safety Committee that works to achieve these goals. That group has identified the need to conduct tabletop exercises and simulated training events so that, in the unfortunate event of an emergency situation, we have a trained core group of faculty and staff who have the knowledge, training and skills to take charge in order to mitigate losses.

Human Resources Update

Filled Positions:

Non-Exempt:

- Part-time Records Clerk (.50 FTE), *Michele Keeley*, effective October 29, 2013
- Computer Technician-Evenings and Weekends (1.0 FTE), *Eric Ebbs*, effective November 4, 2013. Eric's previous position of Instructional Technology Specialist was eliminated due to reorganization.

Exempt:

- Director, Community Outreach (1.0 FTE), *Corey Holliday*, effective November 4, 2013
- Academic Coordinator, Student Support Services (1.0 FTE), *Robert Gast*, effective November 12, 2013

Position Eliminated Due to Reorganization:

- Instructional Technology Specialist, effective November 1, 2013

Promotions:

- *Kris Culp*, promoted from Vice President, Advancement Grade Level 13 to *Vice President, Advancement GL 14* effective November 4, 2013. Assumed additional responsibilities for the Performing Arts Center, the Hollenbeck Bayley Creative Arts and Conference Center, and the Director, Community Outreach.
- *Theresa Felder*, promoted from Dean, Greene Center to *Vice President, Student Affairs and Greene Center Operations*, effective December 2, 2013. Will assume additional duties of all Clark State Community College Student Affairs.
- *Corey Holiday* from Director, Admissions to *Director, Community Outreach*, effective November 4, 2013

Open/Advertised Positions/Searches/Interviews:

Non-Exempt:

- Systems Analyst [2 positions] (1.0 FTE)
- Custodian, Night Shift (1.0 FTE)

Exempt:

- Vice President, Academic Affairs (1.0 FTE)
- Director of Student Services, Greene Center (1.0 FTE)
- Director of Admissions (1.0 FTE)

Liaison Reports

Clark State Foundation

- The Foundation fund balance as of September 30, 2013, is \$12.7 million.
- The Finance/Audit/Investment Committee met with our investment managers from Security National Bank for a report on investment performance. They plan to conduct an RFP process for investment management in early 2014.
- The Foundation allocated \$80,000 to match the Title III endowment incentive. Over four years, the grant with the match has now reached \$640,000, with one year remaining.
- Pend Armistead, our major gifts campaign consultant, came in for a one day visit to review our current efforts and assess timing for a possible next campaign.
- The Foundation inducted 40 new Champion City Scholars into the program. The Foundation Board approved allowing students from the Global Impact Academy to be considered for the program.
- The Circle of Friends continues planning for the next gala in Spring 2014.

Council of Governments

- Center enrollment is at 79 children (71% of capacity).
- The Center has been awarded a contract for thirty-six half-day (18 FTE) children from the Ohio Department of Education Expansion Grant, which will fill the previously inactive Green Preschool room. The Center could earn up to \$144,000 annually based on full enrollment of thirty-six children. Center staff is working diligently to fill these slots.
- The Center has established a partnership with Springfield City Schools to determine and address gaps between preschool and Kindergarten.

- The Center has also established a partnership with “Strengthening Families OHIO” to help ECEC parents prepare their children for great life outcomes.

Action Items

The following item was presented for Board approval:

Personnel Recommendations ~ Exempt Employees

In accordance with established hiring procedures and after approval by President Blondin the following recommendations for exempt employees are being presented to the Board of Trustees for formal approval:

New Hires:

- Director, Community Outreach (1.0 FTE), *Corey Holliday*, effective November 4, 2013
- Academic Coordinator, Student Support Services (1.0 FTE), *Robert Gast*, effective November 12, 2013

Promotions:

- Kris Culp promoted from Vice President, Advancement, Grade Level 13, to *Vice President, Advancement, Grade Level 14*, effective November 4, 2013.
- Theresa Felder promoted from Dean, Greene Center, Grade Level 12, to *Vice President, Student Affairs and Greene Center Operations, Grade Level 13*, effective December 2, 2013.

Impact on students and/or student learning:

- *Vice President, Advancement, Grade Level 14* manages scholarships, grants, and other monies from various individuals and organizations that support numerous students’ financial needs removing barriers that allow the students to complete their education goals.
- *Vice President, Student Affairs and Greene Center Operations* is a new position that is responsible for all Greene Center operations and all student affairs and services provided to Clark State students. This is part of the College’s reorganization efforts designed to help increase enrollment, retention, and completion.
- *Director, Community Outreach* is a new position that is responsible for building partnerships awareness, trust, and support between the College and *all* the communities within our service district.
- *Academic Coordinator* will work in our Student Support Services unit providing direct support services to select first generation, at risk students.

Implications for budget, personnel, or other resources: Funding for these positions is in the 2013-2014 budget.

It was requested that the Board of Trustees move to accept the personnel recommendations as indicated.

2012-2013 Audited Annual Financial Report

The audit report for the College and the Foundation was submitted to the Auditor of State for review on October 15, 2013. This review is now complete and the Auditor of State has certified the report with the Clerk of the Bureau, the report is now considered to be public information.

At the October 15, 2013, Board meeting, a high level summary of the report was presented. An exit interview was held with the Board Finance and Facilities Committee on November 14, 2013. Following are items that were highlighted at that meeting:

- Unqualified (clean) opinion
- Schedule of expenditures of federal awards (page 42) totaling \$38.8 million
- Notes to the schedule of expenditures of federal awards (page 43)
- Report on internal control (page 44-45) – No deficiencies in internal control over financial reporting were identified
- Report on compliance and other matters (page 46-47) – The College complied with all requirements
- Schedule of findings/questioned costs (page 48) – None noted
- There was no management letter with recommendations.

A graph showing financial ratios and composite score over the past 10 years was distributed. The composite score of 4.0 (on a scale of 5.0) increased from a composite score of 3.9 for FY 2012.

Impact on students and/or student learning: There is no direct impact as a result of this audit engagement. However, the prudent and efficient use of assets does have a resulting positive effect on student learning in the way of providing adequate state-of-the-art equipment and facilities as well as retaining qualified professional faculty and staff. Clean audits also reflect positively on the reputation of the College, which is beneficial during fundraising campaigns, Moody’s ratings reviews and issuance of debt (bond ratings).

Implications for budget, personnel, or other resources: The total cost of the audit was \$47,000. The portion attributable to the College (\$40,525) is included in the current year operating budget. The portion attributable to the Foundation (\$6,475) is included in the Foundation’s operating budget.

It was requested that the Board of Trustees accept the FY 2012-2013 audit report.

Annual Planned Allocation for Use of Reserve Funds

The Financial Condition policy of the Policies and Governance document establishes a target for reserve funds of 15% of the current operating budget. As of June 30, 2013, College Reserves are 35.7% of the 2013-2014 Educational and General Budget. The proposed annual allocation plan for reserve funds is in compliance with the Financial Planning/Budgeting section of this document. Please note that taking action on this plan does not authorize these expenditures:

	PLANNED ALLOCATION
UNAPPROPRIATED RESERVES	<u>1,013,975.00</u>
APPROPRIATED RESERVES	
ADA Modifications	75,000.00
Branding/Marketing	100,000.00
Campus Master Plan Implementation	250,000.00
Equipment - Instructional	250,000.00
Equipment - Non-Instructional	150,000.00

Equipment - Student Success Center	200,000.00
Facilities Planning	100,000.00
Fiscal Contingency Planning	750,000.00
LRC Renovation	475,000.00
Land Acquisition/Demolition	400,000.00
Legal/Audit Contingencies	150,000.00
New Certificate and Degree Programs	250,000.00
Repair/Replacement Projects	
<i>Parking Lot/Sidewalk Improvements</i>	200,000.00
<i>Facilities Repair/Replacement</i>	300,000.00
<i>Vehicle Replacement</i>	100,000.00
<i>Water/Sewer Infrastructure Projects</i>	50,000.00
<i>Restroom Renovations</i>	200,000.00
Safety/Security	100,000.00
Self Funded Dental Benefit	243,008.00
Service District Outreach	100,000.00
Severance	200,000.00
Strategic Plan for Energy Management Implementation	1,000,000.00
Strategic Plan Projects	500,000.00
Student Assistance	250,000.00
Student Success Center	2,000,000.00
Technology	500,000.00
Unemployment Compensation	125,000.00
SUBTOTAL APPROPRIATED RESERVES	<u>9,018,008.00</u>
TOTAL RESERVES	<u><u>10,031,983.00</u></u>

15% requirement = \$4,212,000

Several items that were included in last year's Plan have been completed and removed including PAC interior renovation and Greene Center renovations. Other projects were significantly completed during last fiscal year but final payments are being made from the current fiscal year, including water/sewer infrastructure and start-up costs for the New Media and Diesel Tech academic programs.

New projects include the Branding/Marketing effort, Safety/Security, LRC Renovation and Restroom Renovations. The appropriations for Land Acquisition/Demolition and Student Assistance have both been increased.

This plan was presented to the Board Finance and Facilities Committee at its November 14, 2013, meeting.

Impact on students and/or student learning: The projects listed under Appropriated Reserves are initiatives that are not funded in the annual operating budget due to the fact that they are expenditures for capital or nonrecurring items.

Implications for budget, personnel, or other resources: None. Reserve funds are separate and distinct from operating funds.

It was requested that the Board of Trustees approve the annual allocation plan for the reserve funds as presented. Actual expenditure of appropriated amounts for these initiatives will require Board action in accordance with the College's Purchasing Policy.

Reserve Expenditure Recommendation – Technology

Over the past four months technology needs have been evaluated and it has been determined that additional capital investments need to be made in order to accomplish strategic projects and/or gain operational efficiencies. Following is a brief description:

- iDashboards - Server software that will provide a visualized data dashboard to the Board of Trustees and Faculty/Staff which will align with College needs and Strategic Key Performance Indicators. (\$58,000)
- Informer - Server software that enables users to accurately report on data in our administrative software system (Colleague). Additionally it will allow employees to access data without having to involve IR or IT to pull reports for them. (\$32,000)
- Sierra - Server software that will replace obsolete software which currently serves as the Library Catalog server. This software is required to remain a partner with OhioLINK. (\$36,000)
- Video/Teleconference System - This system will be for a turnkey installation of a professional video/teleconference system between The Sara T. Landess Technology and Learning Center Boardroom and the main conference room at the Greene Center. This reliable system will be the first deployment of a point to point system to enable remote, real-time collaboration between geographically separate campuses. (\$40,000)
- Networking/Infrastructure Hardware - This hardware will add needed redundancy to our core server infrastructure. Currently a single piece of hardware maintains the entire server infrastructure. If it were to fail, every system would crash. (\$34,000)

This recommendation was presented to the Board Finance and Facilities Committee at their meeting on November 14, 2013.

Impact on students and/or student learning: Please see the descriptions above for the direct and indirect impact on students and student learning.

Implications for budget, personnel, or other resources: There are no implications for the Operating Budget. Request is for the release of up to \$200,000 from College reserves to purchase technology infrastructure.

It was requested that the Board of Trustees approve the expenditure of up to \$200,000 from College reserves for upgrading technology infrastructure across two campuses.

Smoke-Free Environment/Alternative Nicotine Products

In August 2012 the Smoke-Free Environment Policy was expanded to include smokeless tobacco products (chewing tobacco, snuff, etc.). We are now receiving complaints that students (and even some employees) are "smoking" electronic cigarettes in the buildings. Staff Senate has discussed this issue and has requested that our Smoke-Free Environment/Smokeless Tobacco Policy be expanded to prohibit electronic cigarettes just as we do all tobacco products.

We inquired of the Attorney General's (AG's) Office:

- What public colleges and universities in Ohio already treat the use of electronic cigarettes the same way they treat cigarettes
- Which institutions already ban smoking completely from their campus

The AG's Office posted these questions on their list serve for both 4-year and 2-year institutions. As you might imagine, policies and procedures across the state vary widely. Some do prohibit the use of electronic cigarettes in buildings, some do not address electronic cigarettes, some campuses have gone completely tobacco free, and others have created task forces to debate whether to go tobacco free. Additionally in July 2012 the Board of the Ohio Board of Regents voted to urge the State's public colleges and universities to ban smoking and all tobacco products on their campuses (please refer to the OBR website if you are interested in additional information about this issue <https://ohiohighered.org/campus-tobacco-ban>).

We have worked with the AG's Office to revise our policy and procedures, as follows:

3358:5-13-03 ~~Smoke-Free Environment/Smokeless Tobacco~~ Alternative Nicotine Products

- (A) Smoking is defined as the burning of tobacco or any other material in any type of smoking equipment, including but not restricted to, cigarettes, electronic cigarettes, cigars, or pipes. Because medical studies have conclusively shown that exposure to secondhand smoke from tobacco causes illness and disease, including lung cancer, heart disease, and respiratory illness, smoking in the workplace is a statewide concern and, therefore, it is in the best interests of public health that smoking of any tobacco or other plant products be prohibited in public places and places of employment and that there be a uniform statewide minimum standard to protect workers and the public from the health hazards associated with exposure to secondhand smoke from tobacco.
- (B) Alternative nicotine product means an electronic cigarette or any other product or device that consists of or contains nicotine that can be ingested into the body by any means, including but not limited to, chewing, smoking, absorbing, dissolving, or inhaling.
- (C) The Board of Trustees of Clark State Community College, in an effort to protect the health, safety and welfare of students, employees, and visitors to the College, prohibits smoking and the use of ~~smokeless tobacco~~ alternative nicotine products in all buildings, in the areas immediately adjacent to building entrances and in other enclosed areas owned or leased by the College and in all vehicles owned or leased by the College pursuant to chapter 3794 of the Revised Code.

- (D) The Board of Trustees of Clark State Community College also prohibits the use of ~~smokeless tobacco~~ alternative nicotine products in all College-owned buildings and College-owned vehicles.
- (E) The implementation and administration of this policy shall be under the direction of the College President.

Effective: November 19, 2013

Prior Effective Dates: 10/26/87, 6/21/93, 7/1/98, 10/28/05, 2/1/07, 8/20/12

3358:5-13-03.1 Smoke-Free Environment/~~Smokeless Tobacco~~ Alternative Nicotine Products Procedures

- (A) Enclosed areas are defined as any area with a roof or other overhead covering of any kind and walls or side coverings of any kind on more than two sides. The College has designated entrances at all buildings as “no smoking.” Individuals must move to other areas of the College to smoke. Additionally, the use of ~~smokeless tobacco~~ alternative nicotine products in all College buildings and vehicles is prohibited.
- (B) Smoking is permitted on outdoor patios as long as tobacco smoke does not enter any area in which smoking is prohibited (i.e., through windows, entrances, ventilation systems or other means).
- (C) Other areas on property owned or leased by the College may be declared as non-smoking as long as signage conforming to the requirements of chapter 3794 of the Revised Code is posted.
- (D) Supervisors shall discuss the issue of smoking breaks with their staff. Together they shall develop effective solutions that do not interfere with the productivity of the staff.
- (E) The College may assist employees who wish to quit smoking by facilitating access to recommended smoking cessation programs and materials.
- (F) Posted “no smoking” signs shall not be obscured, removed, defaced, mutilated or destroyed.
- (G) Any violation of these procedures shall be handled through the standard disciplinary procedure appropriate to the individual’s relationship to the College (e.g., dean of students for students). Violators may also be subject to prosecution for violation of Ohio’s Smoking Ban (Ohio Revised Code Chapter 3794).
- (H) Additional information is available through the Ohio Department of Health website at <http://www.odh.ohio.gov>.
- ~~(I) “No smoking” signs or the international “no smoking” symbol (consisting of a pictorial representation of a burning cigarette enclosed in a red circle with a red bar across it) shall be conspicuously posted where smoking is prohibited including at each entrance to every building. Signs shall be of sufficient size to be clearly legible to a person of normal vision throughout the areas they are intended to mark. All signs shall contain a telephone number for reporting violations to the Ohio Department of Health.~~
- ~~(J) The Ohio Department of Health shall prescribe a schedule of fines for violations designed to foster compliance. The amount of a fine for a violation shall be up to a maximum of \$100 per violation.~~

- ~~(K) — The Ohio Department of Health shall prescribe a procedure for providing the College of written notice of a report of a violation and the opportunity to present in writing any statement or evidence to contest the report and shall prescribe procedures for making findings whether the College violated the law and for imposing fines for violations.~~
- ~~(L) — Violations may be reported by any member of the public including but not limited to by mail, e-mail or toll free telephone. A person shall not be required to disclose his or her identity in order to report a violation.~~
- ~~(M) — Upon the receipt of a first report of a violation, the Ohio Department of Health or its designee shall investigate the report and, if it concludes that there was a violation, issue a warning letter to the College.~~
- ~~(N) — Upon a report of a second or subsequent violation, the Ohio Department of Health or its designee shall investigate the report. If the director of health or director's designee concludes, based on all of the information before him or her, that there was a violation, he or she shall impose a civil fine upon the College in accordance with the director of health's schedule of fines.~~
- ~~(O) — Violations may be appealed through the Franklin County Court of Common Pleas.~~
- ~~(P) — The director of health may institute an action in the court of common pleas seeking an order in equity for repeated violations of the law or failure to comply with its provisions.~~
- ~~(Q) — Smoking is permitted on outdoor patios as long as tobacco smoke does not enter any area in which smoking is prohibited (i.e., through windows, entrances, ventilation systems or other means).~~
- ~~(R) — Other areas on property owned or leased by the College may be declared as non-smoking as long as signage conforming to the requirements of chapter 3794 of the Revised Code is posted.~~
- ~~(L) — Supervisors shall discuss the issue of smoking breaks with their staff. Together they shall develop effective solutions that do not interfere with the productivity of the staff.~~
- ~~(M) — The College may assist employees who wish to quit smoking by facilitating access to recommended smoking cessation programs and materials.~~
- ~~(N) — Posted "no smoking" signs shall not be obscured, removed, defaced, mutilated or destroyed.~~
- ~~(O) — Any violation of these procedures shall be handled through the standard disciplinary procedure appropriate to the individual's relationship to the College (e.g., dean of students for students).~~

Effective November 19, 2013

Prior Effective Dates: 2/1/07, 8/20/12

Impact on students and/or student learning: Students will be able to learn, study, socialize, meet and eat in pleasant environments in campus facilities. This could have a positive impact on students or student learning. Students, faculty and staff would no longer be subjected to vapors from electronic cigarettes while in campus buildings.

Implications for budget, personnel, or other resources: None

It was requested that the Board of Trustees adopt the Smoke-Free Environment/Alternative Nicotine Products Policy as presented, effective November 19, 2013.

Six-Year Capital Plan

Governor Kasich reaffirmed his commitment to advancing higher education institutions by giving us the opportunity to collaborate on a state-wide list of priority capital construction projects. Chancellor Carey of the Ohio Board of Regents (OBR) communicated instructions for each institution's requirement to submit a six-year capital plan. This plan has been submitted to OBR and the Ohio Association of Community Colleges (OACC). The staff of the Higher Education Capital Funding Commission comprised of OSU, IUC and OACC will schedule a conference call with each institution to review the capital request and discuss how it aligns with both the Commission's Guiding Principles and the state's overall needs. A list of recommendations on projects to be funded will then be returned to each institution in early December. The Governor has repeatedly highlighted the need to concentrate state resources on maintenance and repair of current facilities instead of building new structures.

The following principles helped guide the formulation of Clark State's six-year plan. (The plan was distributed to Trustees prior to the meeting and is available in the Office of the Vice President for Business Affairs.) The state's investment in our campuses should:

- Help build world class programs
- Focus on maintaining the investments the state has already made in existing campus facilities
- Stimulate creativity by advancing strategic collaborations through partnerships, both on campus and with others in the private and public sector
- Reflect the needs of today's students by strengthening their learning environments, insuring their safety and encouraging new degree and certificate completion opportunities
- Strengthen our ability to respond to new or increased workforce development opportunities in the state
- Encourage joint efforts to reduce construction costs and generate on-going efficiencies

The guidance issued by the Office of Budget and Management (OBM) regarding the preparation of our Six-Year Capital Plan (FY 2015/FY 2020) and Two-Year Capital Budget requests for the FY 2015/FY 2016 capital biennium included a small portion of the capital budget going to community projects to support targeted economic development projects of local or regional importance. OBM will coordinate a process to receive and review such recommendations for possible inclusion in the capital bill. The Kasich administration intends to work closely with the General Assembly throughout the community project planning process, with the expectation that members of the General Assembly will take an active interest in this process.

The community project process will utilize three separate processes in order to generate project recommendations:

- Economic Development Projects in the Major Metropolitan Areas – Eight organizations across the state will develop and implement processes that work with area organizations and officials to recommend a prioritized list of the community projects they believe have the most significant regional economic importance. In our region the organization will be the Dayton Development Coalition. Their unified list must be submitted to OBM and legislative leaders by mid-December.
- State-wide Arts Process – A separate group of arts leaders has been tasked to determine those projects that they believe will have the greatest state-wide and/or regional benefit on the arts facilities of the state. Dr. Blondin has been appointed by the OACC to serve on this group. The group will coordinate a process for identifying, reviewing and prioritizing arts related project requests from across the state to be considered by the Governor and General Assembly, with recommendations due by mid-December.

- Project Requests from Across the State – Communities and organizations outside the eight major metropolitan areas, that are aware of projects that meet the criteria, are welcome to submit recommendations for consideration to OBM and their respective legislators.

The Six-Year Capital Plan was presented to the Board Finance and Facilities Committee at their meeting on November 14, 2013.

Impact on students and/or student learning: Before projects identified for funding in the first two years of the six-year plan will have a positive impact on students and student learning by expanding our Greene Center campus in order to offer additional programs and services implementing energy efficiencies to provide a more comfortable learning environment. Safety and security upgrades to campus facilities and renovation of the lower level of the LRC to bring the majority of academic programs in Springfield to the Leffel Lane campus so that all students have easy access to Academic and Student Support Services.

Implications for budget, personnel, or other resources: There will be no impact on the General Fund operating budget as these are all capital projects to be funded by state appropriations, with a possible local match from reserves.

It was requested that the Board of Trustees approve the six-year capital plan for FY 2015-FY 2020 as presented.

Post-Issuance Compliance Policy

Clark State Community College uses bonds as one means of financing capital projects in support of its mission. A Post-Issuance Compliance Policy outlines action required to be in compliance with federal income tax and securities laws and bond documents for each issue. The IRS wants to see that the College has a written policy of post-issuance compliance. This will help if we are ever audited and it will help if/when we go to issue new debt. The policy follows and sets out the College's ongoing responsibilities, for which the Vice President for Business Affairs is responsible as the named compliance officer.

Post-Issuance Compliance Policy

Statement of Purpose

The Clark State Community College ("Clark State") uses bonds as one means of financing capital projects in support of its mission. This Post-Issuance Compliance Policy (the "Policy") outlines the policies and procedures to promote compliance with federal income tax and securities laws, as well as the requirements set forth in the bond documents for each bond issue. The policy is to strictly follow the U.S. Constitution and Federal laws and the Ohio Constitution and laws of the State of Ohio. For purposes of this policy, the term "bonds" means any obligation of Clark State incurred for the purpose of borrowing money, including, without limitation, bonds, notes and certificates of participation in capital leases.

I. Monitoring of Post-Issuance Compliance

Monitoring of post-issuance compliance for bonds will be the responsibility of the Vice President for Business Affairs (the "Compliance Officer"). The Compliance Officer may designate employees within their respective offices to carry out their duties under this Policy on their behalf in the same manner and with the same effect as any similar designation for any other purpose permitted by law.

II. Compliance with Covenants in Bond Documents

The Compliance Officer shall ensure compliance with all financial and operational covenants made by Clark State in the bond documents, including but not limited to financial reporting, insurance requirements, the recording of mortgages, restrictions on incurring additional indebtedness, restrictions on the disposition of property, and restrictions on granting liens or encumbering property.

III. Federal Tax Law Compliance

A. Proper Use of Proceeds

The Compliance Officer shall ensure that bond proceeds are allocated to expenditures in a manner that is consistent with the purpose for which each bond issue is undertaken, as set forth in any tax compliance certificate or agreement related to each bond issue.

B. Investment of Bond Proceeds

The Compliance Officer shall ensure that bond proceeds are invested in investments that are permissible under the terms of the Ohio Revised Code, the bond documents, and any applicable federal tax laws.

C. Arbitrage Rebate Calculations

The Compliance Officer shall ensure the timely completion of arbitrage rebate calculations and filings.

D. Administration of Direct Pay Bonds

The Compliance Officer shall ensure the proper administration of each issue of bonds qualifying for the payment by the Federal government of a credit equal to a percentage of interest on such bonds, including the timely completion and filing of any forms required by the Internal Revenue Service to maintain or establish the applicable status of the bonds for purposes of federal income taxation.

E. Use of Bond-Financed Facilities

The Compliance Officer shall consult with Bond Counsel for Clark State before entering into any agreement or other arrangement for the sale, lease, or use of bond-financed property, including, but not limited to, service, vendor, and management contracts, research agreements, licenses to use bond-financed property, or naming rights agreements. The Compliance Officer or designee shall review such agreements for compliance with federal tax laws and complete a Private Business Use Contract Review Worksheet (attached as Exhibit A) to document that such review has been completed.

F. Post-Issuance Transactions

The Compliance Officer shall consult with Bond Counsel for Clark State before making any modifications or amendments to the bond documents for a bond issue, including, but not limited to, entering or modifying investment agreements; making any change in security for the bonds; engaging in post-issuance credit enhancement transactions (e.g., bond insurance, letter of credit) or

hedging transactions (e.g., interest rate swap, cap); terminating or appointing successor trustees; releasing any liens; or reissuing the bonds.

G. Remedial Action

In the event that it is determined that any use of bond proceeds or bond-financed facilities is inconsistent with the character of the status for federal income tax purposes of the bonds, the Compliance Officer shall consult with Bond Counsel for Clark State for the purpose of determining the nature and extent of any remedial action necessary or proper for Clark State to take with respect to such bonds or bond-financed facilities.

IV. Federal Securities Law Compliance

A. The Compliance Officer shall ensure compliance with all applicable federal securities laws and regulations, including the continuing disclosure requirements of Securities Exchange Act Rule 15c2-12.

B. To the extent required by any continuing disclosure agreement, the Compliance Officer shall:

On an annual basis, submit annual financial information to the entities required by the continuing disclosure agreement, including (i) audited financial statements, and (ii) the annual information required by the continuing disclosure agreement.

Make a timely report of any significant material events (as defined by the continuing disclosure agreement) related to Clark State's outstanding bond issues to the entities required by the continuing disclosure agreement.

C. The Compliance Officer shall coordinate all continuing disclosure filings with the Ohio Treasurer of State's Office to ensure compliance with any continuing disclosure agreement and Securities Exchange Act Rule 15c2-12.

V. Recordkeeping

A. Responsibility for Records Maintenance

1. The Compliance Officer shall be responsible for maintaining records related to Clark State's outstanding bond issues.

2. The Compliance Officer shall maintain a central list of records related to each of Clark State's outstanding bond issues. The list shall identify:

- (a) the name and date of the document related to the issue,
- (b) the person or office responsible for the document, and
- (c) the physical or electronic location of the document.

B. Bond Records to be Maintained

1. The following records shall be maintained for each outstanding bond issue for the term of the outstanding bond issue plus three years:

- (a) Basic records relating to the bond transaction, including the trust indenture, loan, lease, or other financing agreement, IRS Form 8038-G with proof of filing, and Bond Counsel opinion shall be maintained by the Compliance Officer's office;
 - (b) Documentation evidencing the expenditure of bond proceeds, such as construction or contractor invoices and receipts for equipment and furnishings, as well as records of any special allocation made for tax purposes shall be maintained by the Compliance Officer's office;
 - (c) Documentation evidencing the lease or use of bond-financed property by public and private sources, including, but not limited to, service, vendor, and management contracts, research agreements, licenses to use bond-financed property, or naming rights agreements shall be maintained by the Clark State office executing such agreement for use of bond-financed property; and
 - (d) Documentation pertaining to investment of bond proceeds, including the yield calculations for each class of investments, actual investment income received from the investment of proceeds, and rebate calculations shall be maintained by the Compliance Officer's office.
2. The Compliance Officer shall maintain Clark State's audited financial statements for not less than seven years.

VI. Bond Counsel Review

The Ohio Treasurer of State's Office will, from time to time, provide Bond Counsel to assist Clark State in implementing this policy, including, but not limited to, assistance in the following areas:

1. Rebate calculations and compliance;
2. Records retention;
3. Periodic review of the central list of records related to bonds for compliance with federal tax laws regarding private business use;
4. Other federal tax law compliance, including any annual reporting requirements that may be imposed by the Internal Revenue Service; and
5. Federal securities law compliance, including compliance with any continuing disclosure agreements.

Clark State may request that the Ohio Treasurer of State's Office provide Bond Counsel to assist in implementing this policy.

VII. Training Requirements

Within six months of becoming a Compliance Officer, and on an annual basis thereafter, the Compliance Officer and his designees shall undergo training regarding basic federal tax concepts relating to bonds and records required to be maintained under this policy.

VIII. Annual Policy Review

On an annual basis, or sooner if deemed necessary by the Compliance Officer, the Compliance Officer shall review this policy and assess Clark State's compliance with this policy. The Compliance Officer shall make changes to this Policy as appropriate to ensure compliance with any covenants in the bond documents or the requirements of federal tax and securities laws and any other applicable law.

Impact on students and/or student learning: If the compliance officer does not fulfill the required responsibilities to be in compliance with all financial and operational covenants made by the College and stated in the bond documents, it could jeopardize the College's bond ratings and the ability to issue future debt for financing capital needs.

Implications for budget, personnel, or other resources: None

It was requested that the Board of Trustees adopt the Post-Issuance Compliance Policy as presented to be effective November 19, 2013.

Trustee Phillips made a motion to approve all of the action items as presented. Trustee Bell seconded, and the motion passed unanimously.

Report of the President

Dr. Blondin asked each of the Senate representatives to provide updates on their current initiatives. On behalf of Faculty Senate, Mark Schmidt reported the following:

- The faculty are looking forward to finals in 2-3 weeks;
- Faculty Senate is working very closely with Matt Franz and the Technology Team regarding how communication takes place to ensure faculty needs are met;
- Eight of the twelve Faculty Senators are involved in the strategic planning process;
- Accepting a challenge from Dr. Blondin, the faculty are reviewing the faculty committee structure to determine how it can be streamlined for greater efficiency/effectiveness; and
- Discussions are underway regarding how Prior Learning Assessment and the credit hour limit mandated by the State for credit programs will affect Clark State.

On behalf of Staff Senate, Dr. Cort Schneider reported the following:

- Staff Senators will attend a presentation to learn more about the Halogen performance management software;
- Staff Senate will hold an assembly to get input from staff regarding merit pay as it is tied to staff performance evaluations, and a recommendation will be made to administration accordingly;
- Staff Senate President Nina Wiley and Faculty Senate President Mark Schmidt will be taking on a more collaborative role with the co-chairs of the Strategic Planning and Resource Council to ensure equal staff and faculty representation; and
- The approval of the recommendation to increase the credit hour cap on the Institutional Fee Benefit to better align with financial aid standards was very much appreciated by staff.

On behalf of Student Senate, Dr. Schneider reported that the group is working a book exchange through which students can save money by exchanging textbooks with each other as well as development of a Student Senator-to-student mentoring program to assist first- and second-year students to achieve greater success. Student Senate has also suggested the purchase and placement of a Fallen Veterans statue to be located in the Memorial Garden, which would help Clark State reach out with honor and goodwill to

students who have served in the military; a follow-up meeting will be held to discuss further details.

President Blondin reported the following:

- The national search for a Vice President of Academic Affairs is well underway, with 15 applicants at this point. The application period will close at the end of November.
- Duane Hodge has been doing terrific work on an economic development proposal that aligns the academic and research capabilities of Clark State, Wright State, and Sinclair.
- A new organizational chart, which includes many of the recent organizational changes, was distributed to Trustees. Additional changes will be made to reorganize and gain efficiencies over the next year as Dr. Blondin develops her team.
- Kris Culp, the Advancement Department, and the academic deans were congratulated for receiving the AACCC Plus 50 Grant, which will assist students who are over 50 in getting the training they need to return to the workforce. The \$15,000 grant will fund 50 students in medical assisting and medical office administration.

Report of the Board Chair

Chairman Doyle indicated that the groundbreaking ceremony was quite nice, and Dr. Rafinski was very appreciative of the naming of Ryan's Place and the connector itself in her family's honor. He also reviewed the list of upcoming events, noting that information regarding the ACCT National Legislative Summit was sent out today. Trustees interested in attending were asked to contact Mellanie Toles.

Trustees' Open Forum

There were no comments.

Executive Session ~ Real Estate

Trustee Bell made a motion to move into Executive Session to discuss real estate, and Trustee Phillips seconded it. The motion passed 6-0 by a roll call vote. Executive Session commenced at 7:20 p.m.

Trustee Bell made a motion to exit Executive Session and return to general session at 7:40 p.m. Trustee Evans seconded, and the motion passed 6-0.

Adjournment

Trustee Bell made a motion to adjourn the meeting, and Trustee Phillips seconded. The motion passed unanimously, and the meeting adjourned at 7:41 p.m.