

CLARK STATE COMMUNITY COLLEGE BOARD OF TRUSTEES REGULAR MEETING

Minutes
October 15, 2013

The Clark State Community College Board of Trustees met in regular session in the Boardroom of the Sara T. Landess Technology and Learning Center on Tuesday, October 15, 2013. Chairman Jim Doyle presided and called the meeting to order at 6:16 p.m.

Roll Call: Present: Andy Bell, Sharon Evans, Peggy Noonan, Brad Phillips, Heather Tiefenthaler****, Chairman Jim Doyle, and President Blondin

Excused: Vice Chair Heather Corbin

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; Matt Franz, Director of Information Technology; Ron Gordon**, Director of Athletics/Evening Administrator and Staff Senator; Jennifer Dietsch, Director of Marketing; Duane Hodge, Director of Workforce Development, Sales and Outreach; Joseph Jackson, Vice President for Business Affairs; Kathy Klay*, Director of Financial Aid; 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; Mellanie Toles, Assistant to the President; and Kathy Wilcox, Dean of Health, Human and Public Services

Recognition of Guests

Chairman Doyle welcomed the guests and asked them to introduce 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 September 17, 2013. Trustee Bell made a motion to approve the minutes as presented; Trustee Phillips seconded, and the motion passed unanimously.

Presentation

Financial Aid Director Kathy Klay provided a presentation entitled "Financial Aid Changes and Updates." She began with the general eligibility guidelines for financial aid and noted that when students complete their FAFSA form, they are able to list up to ten schools they are interested in attending. If Clark State is listed, we begin corresponding with the student upon admittance. We also have the ability to extract information regarding those who have not applied, so Admissions can reach out to them.

Ms. Klay also provided an overview of the financial aid process, including typical processing time, verifications required by the Department of Education, class attendance requirements, and academic progress requirements.

She noted that of the 7,558 Clark State students who completed the FAFSA in 2012-13, 2,990 of them had no estimated family contribution (considered highest need students). A total of 4,236 students received Pell grants, with an average award of \$2,968; the total disbursed was \$12,600,000. A little over 8,700 students received student loans, with an average loan amount of \$5,100; the total disbursed was \$41,800,000.

Clark State's three-year cohort default rate on student loans is 24.7%, compared to the national average for two-year public colleges of 20.9%. Community colleges in our region range from 17.3% to 26.3%. In an effort to reduce the default rate, the College recently launched an educational program called SALT through American Student Assistance, which helps students and alumni make healthy financial and career decisions. Students are currently being trained as SALT ambassadors.

A brief question-and-answer period followed the presentation. Although Ms. Klay has not yet sought advice from other colleges with lower default rates, the group agreed it was a good idea. It was noted that the government shutdown has not affected financial aid funding, but the biggest issues involve not being able to receive technical help or tax return transcripts because the government offices are closed.

Chairman Doyle thanked Ms. Klay for her informative presentation.

*Ms. Klay exited the meeting at 6:53 p.m.

2012-2013 Audited Annual Financial Report

The audit report will reflect an unqualified opinion, no material weaknesses, no significant deficiencies, no citations for non-compliance, and no management recommendations. The report is undergoing final review by Clark Schaefer Hackett as this report is being written, so it is subject to change.

The audit report for the College and the Foundation will be submitted to the Auditor of State for review on October 15, 2013. Until this review is complete and the Auditor of State has certified the report with the Clerk of the Bureau, the report is not considered to be public information.

Statement of Net Position – This statement was previously titled Statement of Net Assets. Total net position increased \$1.75 million (4.0%). This increase was the result of a combination of the following increases and decreases:

- Total current assets increased \$1.7 million
- Capital assets decreased \$1.2 million
- Current liabilities decreased \$575,000
- Non-current liabilities decreased \$687,000

Statement of Revenue Expense and Changes in Net Position – The \$1.75 million increase in net position is less than the \$2.6 million increase for the previous fiscal year because of:

- Total operating revenues increased \$1.25 million
- Total operating expenses increased \$1.2 million
- Total operating loss of \$21.5 million is \$22,000 more than the FY 2012 operating loss
- Non-operating revenues increased \$1.2 million

- Capital grants, gifts and appropriations decreased \$2.1 million
- Net position at the end of the year totaled \$45.2 million

Preliminary Senate Bill 6 ratios composite score increased from 3.9 in FY 2012 to 4.0.

An exit conference is scheduled with the Board Finance and Facilities Committee and representatives from Clark Schaefer Hackett & Co., for November 14, 2013, at 7:30 a.m. in TLC 113.

Action on the audit report by the full Board will be requested after it has been reviewed by the Board Finance and Facilities Committee and certified by the Auditor of State.

Greene Center Year-End Finances

Revenue and expenditure information for the year ended June 30, 2013, reflecting actual versus budget, was distributed to Trustees prior to the meeting. Vice President Jackson noted the following:

Revenue

OBR State Share of Instruction (SSI) and Student Tuition revenue reflects the fact that actual enrollment exceeded budgeted enrollment by 9.7%. Enrollment at the Greene Center comprised 19% of the total College enrollment for FY 2013.

Total revenue is showing a positive variance from budget due to the enrollment increase and sales in the Bookstore.

Expenditures

There are nine full time faculty assigned to the Greene Center – four in Arts and Sciences, four in Business Technologies and one in Health. There is seven non-exempt staff including staff in Admissions, Financial Aid, Bookstore and IT along with the Receptionists and Administrative Support. There are four exempt staff including the Dean, Associate Director, Academic Coordinator and Success Center Specialist. Adjunct faculty salaries exceeded budget in order to accommodate the increased enrollment.

Actual revenues exceeded budget by \$478,600 while actual expenditures were less than budget by \$114,500. This resulted in a surplus of a little over \$593,000.

Quarterly Financial Reports

The quarterly revenue/expenditure report along with the Balance Sheet and the Statement of Restricted Income and Charges were distributed to Trustees prior to the meeting. The following was noted:

Revenue

Ohio Board of Regents State Share of Instruction (SSI) – The FY 2014 budget is based on preliminary enrollment, success points and course completion numbers for FY 2013. These numbers will be certified by the Ohio Board of Regents in October.

Student Fees – Summer enrollment was projected to increase 2%. Actual enrollment shows an increase of 20.4%. However, Summer enrollment will now be accounted for as the last academic term for the fiscal year versus the first. Fall enrollment was projected to increase 2%. Actual enrollment shows we are flat, which has a negative budget impact of \$205,600. We continue to enroll students for the compressed eight-week academic term which begins in October and for dual enrollments of high school students.

Most other revenue line items are lagging budget.

Total revenue is down \$810,000 (7.4%) from the previous fiscal year. The decrease in student fee revenue is due to the change in accounting for Summer Term. SSI has increased about \$316,000 (12.6%).

Expenditures

Instruction – Expenses decreased \$1,170,000. Full-time faculty salaries and adjunct faculty salaries for Summer 2013 are now reflected in the previous fiscal year (\$842,000).

Operation/Maintenance of Plant – Expenses increased \$236,000 (35.5%) because the Greene Center bond payment last year was not reflected until October (\$270,000).

Student Services – Expenses increased \$154,000 (39.1%) due to reclassifying the Greene Center budget (first quarter expenses totaled \$108,000) from General Administration.

General Administration – Expenses decreased \$100,000 (18.9%). This decrease is the result of reclassifying the Greene Center budget to Student Services.

Public Service – Expenses increased \$172,000 (57.5%). Adjunct faculty salary/benefits for Business and Industry and Non-Credit Continuing Education are up \$63,000. Also, fees paid to PAC performers are up \$80,000 (timing difference).

Total expenses are down \$704,700 (11.9%) primarily due to the change in accounting for Summer 2013 instructional salaries/benefits for faculty.

Auxiliary Enterprises

Bookstore – Revenue is up 7.5%; however, expenses are up 6.2%. The surplus will increase during October for sales related to Fall Semester B Term.

Commercial Transportation Training Center – Revenue is up \$32,500 (37.3%) while expenses are down \$36,000 (25.4%).

Balance Sheet

Total current funds have increased \$2.3 million (11.3%) compared to the first quarter of FY 2013. This increase is a result of a \$1.85 million (12.8%) increase in General Funds (cash increased \$960,000; Agency Fund receivables increased \$1.2 million) a \$295,000 (10.6%) increase in Auxiliary Funds (cash increased \$298,000), and a \$143,000 (4.7%) increase in Restricted Funds. Allowance for Doubtful Accounts increased \$146,000 (10.1%).

Total Investment in Plant is \$44.7 million compared to \$45.9 million last year at this time due to FY 2013 depreciation expense of \$1.9 million.

Restricted Statement

The restricted budgets, along with the grantor stipulations, were approved by Trustees at the September 2013 Board meeting. The attached report reflects one additional grant that has been funded from Arts Midwest, which will support specific performance and residency activities. Any grants/contracts where the expended/encumbered amount exceeds the received amount is the result of a timing issue. Many programs

require quarterly billings which will go out during the month after quarter end. The student financial aid Pell grants are drawn monthly on the 15th. A description of all of the programs reflected can be found in the attachment to the Restricted Statement.

Greene Center Quarterly Financial Report

A report reflecting the first quarter financial information at the Greene Center was distributed to Trustees prior to the meeting. Vice President Jackson noted the following:

- Revenues are tracking favorably with budget. Enrollments at the Greene Center are about 4.8% over budget (6.9% over last year).
- The negative budget variances are due to timing issues. The bond principal payment was posted in September, marketing dollars were spent to impact Fall Semester enrollments and Bookstore inventory was purchased for the Fall Semester B Term, which begins in October.
- The total annual expenditure budget has increased from \$3.9 million to \$4.0 million (2.1%) to accommodate a full array of academic and support services for students attending at the Greene Center.
- In a partnership with Greene/Montgomery County ABLE/GED program, we now offer ABLE classes at the Greene Center for students who do not meet the placement scores for developmental reading, writing, and/or math. As a service to the community, we are planning to offer additional spots in the classes for students who have not yet applied to Clark State, but have requested ABLE services.
- We now offer Ohio Link library services in our Success Center, in addition to offering our students access to the Wright State library.
- We have over 50 students in the Gateway program for Fall Semester, with 10 students living in the Wright State dorms. This program continues to expand and gain popularity.
- We continue to work with foster care youth in the Gateway program and have a pending grant to add resources to work with these students.
- We now have transfer agreements in place with Central State and there will be more of a Central State presence on our campus for recruiting purposes.
- Clark State's Corporate Training division has trained more than 500 WPAFB employees over the past three years. We also continue to offer a significant active duty discount for tuition for credit classes and programs.
- We continue to work with area contractors. Woolpert and ATIC offer internships for our students and the Geospatial program has a 100% hiring rate after graduation.
- We continue to be active in all five Greene County Chambers (Beavercreek, Bellbrook, Fairborn, Xenia, and Yellow Springs). Theresa Felder sits on the Xenia Chamber Board.
- Our enrollment is continuing to grow, and we are showing growth for fall term despite losing Wright State University developmental math and increased losses due to changes in non-attendance reporting.

Human Resources Update

Filled Positions:

Exempt:

- Associate Director, Student Services – Greene Center (1.0 FTE), *Jennifer Penick*, effective September 23, 2013

Resignations:

Exempt:

- Associate Director, Student Services – Greene Center (1.0 FTE), *Jennifer Penick*, effective September 24, 2013

Open/Advertised Positions/Searches/Interviews:

Non-Exempt:

- Records Clerk (.50 FTE)
- Custodian, Night Shift (1.0 FTE)

Exempt:

- Vice President, Academic Affairs (1.0 FTE)
- Senior Systems Analyst (1.0 FTE)
- Director, Community Outreach (1.0 FTE)
- Associate Director of Student Services, Greene Center (1.0 FTE)
- Academic Coordinator, Student Support Services (1.0 FTE)

Liaison Reports

Clark State Foundation

- The Foundation fund balance as of June 30, 2013 is \$12.6 million.
- We are delighted that Patti Phillips has joined the Foundation Board to help us expand our services to students in Greene County. She is already working to recruit additional Board members from Greene County.
- The Finance/Audit/Investment Committee held its semi-annual meeting with Commonfund in September to review investment performance, and the Committee was satisfied with the report. Competitive proposals will be sought from selected investment managers in early 2014 because we have not undertaken such a process in 20 years; it will not necessarily result in any changes.
- Last year's fundraising revenue was exceeded by 44 percent, raising a total of \$411,026.
- The Board agreed that we should fund a Champion City Scholar who has graduated from Springfield High School and wants to enroll at Clark State, but is not a U.S. citizen. The Attorney General's Office has decided that the student can pay in-state tuition because she is a resident.
- The Board established a \$2,500 cap on fees for students participating in the Champion City Scholars program to protect the Foundation from having to pay extremely large fees for certain programs such as aviation.
- In celebration of the PAC's 20th anniversary, we are including a brick campaign as part of our membership drive. Anyone who gives \$100 or more to the Circle of Friends will have an engraved brick outside of the PAC.
- Because Kris Culp is participating in Leadership Champaign County, Foundation Board meetings have been moved to the third Wednesday of every month starting in October.
- The annual Foundation Board social was held at Steve Sidlo's home on September 12 with Trustees Jim Doyle and Andy Bell in attendance.
- Each Foundation committee met this summer to establish success measures for the 2013-14 year to push the Foundation's work forward.

Council of Governments

- Center enrollment is at 75 children (67% of capacity). Staffing levels are adequate at this time.
- The Center is awaiting word from the Ohio Department of Education regarding a state initiative to contract with existing quality child care providers in specific geographic areas, including Springfield, to provide "early start" child care services for three- and four-year-old children. There is currently an inactive preschool room that would be perfect for this program, and Center Director Clark has applied to offer thirty-six (36) half-day slots. If awarded, the Center could earn up to \$144,000 annually based on full enrollment of thirty-six children.

- The Center is working with the public schools to determine how best to help prepare children to make the transition from preschool to kindergarten. Ultimately, they would like to document their students' kindergarten readiness scores to monitor their kindergarten preparation success.
- Director Clark is entertaining a proposal from Springfield City Schools to have an ECEC on-site "Learning Café" to educate community families regarding the importance of early childhood engagement and what quality child care looks like.

Action Item

The following item was presented for Board approval:

Real Estate Acquisition

The Campus Master Plan identifies property that, if it becomes available for purchase, would be advantageous for the College to acquire such property. We have been working on such an opportunity for three parcels of property adjacent to the Leffel Lane campus. Discussions have been held with the Board Finance and Facilities Committee to keep them informed of these discussions.

We have entered into a Purchase Agreement for property located on the corner of Auburn Avenue and Huron Avenue. This offer is contingent on Board of Trustees and State of Ohio approvals. One side of the property abuts existing College property West of the Fire Tower (see attached site map). The parcels are appraised at \$33,000, which was the amount offered to, and accepted by, the seller. A Phase I Environmental Site Assessment was performed. This assessment revealed no evidence of any recognized environmental conditions in connection with these properties.

Impact on students and/or student learning: Acquisition of the Auburn Avenue/Huron Avenue property will allow for future development of training facilities at the Leffel Lane campus.

Implications for budget, personnel, or other resources: There are no implications for the Operating Budget. The funds for the purchase of this property will come from College Reserves.

Trustee Bell made a motion to approve the expenditure of \$33,000 from College Reserves for the purchase of property on the corner of Auburn Avenue and Huron Avenue, contingent upon State of Ohio approvals. Trustee Phillips 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.

Faculty Senate President Mark Schmidt indicated that faculty are in the middle of mid-terms this week and are currently gearing up for strategic planning. They have been working on revising the Student Evaluation of Instruction (SEI) forms to evaluate both online and traditional courses. Other current initiatives include faculty scholarships for students, revision of the Faculty Excellence Award process, and work with Marvin Nephew on possible Institutional Fee Benefit revisions. He noted that Cynthia Applin recently delivered a presentation regarding State Share of Instruction, which was very informative and helpful to faculty.

Staff Senate Vice President Ron Gordon reported that staff has been working on their annual fall fundraisers, which will help provide Thanksgiving dinners to those less fortunate. Other initiatives include efforts to increase communication campus-wide and to increase staff engagement. Staff Senate looks forward to establishing a presence on the portal under the Teams Tab. Mr. Gordon also reported that Student Senate initiatives include a mentoring program, a book exchange that will help keep student costs

down, assisting veterans returning to college, and brainstorming with the Eagles Nest regarding ways to increase sales.

**Mr. Gordon exited the meeting at 7:07 p.m.

President Blondin reported the following:

- Updated enrollment information by county was distributed to Trustees.
- The timeline for the Vice President of Academic Affairs was briefly reviewed. Search consultant Jackie Woods was on campus yesterday to elicit feedback.
- Dr. Blondin hosted a Superintendents Dinner and a Counselors Luncheon recently; both were excellent, well-attended events.
- House Bill 59, the current budget bill, included a provision that stated high schools could no longer collect tuition (\$36/credit hour) from students/parents for taking dual enrollment classes. The unintended consequence of the law is that the high schools do not know if they should pay us for these classes. The law went into effect on September 29th, and we are working diligently with school districts to come up with some conclusions. The Attorney General's Office is in the process of issuing an opinion regarding whether the MOUs completed before September 29 are valid. Approximately 600 students are affected. OACC is involved in this issue, and we are in the process of a dual enrollment consultation to standardize what is going on across the state; recommendations are to be presented in December.
- Sinclair President Steve Johnson recently contacted Dr. Blondin to discuss his interest in renting space at Pentagon Pointe behind the Greene Center to offer non-credit training. Dr. Blondin indicated that she would need to discuss it with the Board, but Clark State is not interested in entering a partnership unless it is mutually beneficial. She felt that the discussion needed to take place in the context of regional economic development and asked the Dayton Development Coalition to convene a meeting. The meeting is slated for October 23, at 1:30 p.m. at Wright State University. Wright State President David Hopkins has also been invited. Although Dr. Johnson indicated they want to expand their non-credit workforce programs, their talking points allude to credit classes. Dr. Blondin stated that she does not think it is a viable solution to keep the door closed to them, and there is some room for partnership. The group agreed that we have a significant investment in Beavercreek, and we need to protect it. It was also agreed that any agreement with Sinclair must be presented to the Board for official approval.
- The November 19th Board Meeting will be held at the Greene Center.

***Dixie Depew exited the meeting at 7:30 p.m.

Report of the Board Chair

Chairman Doyle reported the following:

- Chairman Doyle and Dr. Blondin will attend the Ohio Board of Regents' Statewide Trustees Conference on Monday, October 21, in Columbus.
- The Association of Community College Trustees (ACCT) will hold its National Legislative Summit from February 10-13, in Washington, DC. Registration information was distributed to all Trustees.
- The Board Nominating Committee will consist of Trustee Bell (Chair) and Trustee Phillips.
- At the recent ACCT Leadership Congress in Seattle, Chairman Doyle heard an impressive presentation by South Arkansas Community College, which has been very successful in partnerships for economic and workforce development. In spite of their small size, they are doing amazing things and offering very innovative programs. He also noted that the conference will be held in Chicago next year and encouraged more Trustees to attend.

Trustees' Open Forum

There were no comments.

Executive Session ~ Personnel Matters

Trustee Bell made a motion to move into Executive Session to discuss personnel, and Trustee Tiefenthaler seconded it. The motion passed 6-0 by a roll call vote. Executive Session commenced at 7:43 p.m. with the College's legal counsel present.

***Trustee Tiefenthaler exited the meeting at 7:43 p.m.

Trustee Bell made a motion to exit Executive Session and return to general session at 7:46 p.m. Trustee Noonan seconded, and the motion passed 5-0.

Adjournment

Trustee Bell made a motion to adjourn the meeting, and Trustee Phillips seconded. The motion passed unanimously, and the meeting adjourned at 7:58 p.m.