

COLUMBUS STATE

COMMUNITY COLLEGE

COLUMBUS STATE COMMUNITY COLLEGE

Board of Trustees Committee of the Whole

Pete Grimes Board Room

January 15, 2015

MINUTES

Present: Richard D. Rosen, Chair
Michael E. Flowers, Vice-Chair
A. Lynne Bowman, Board
Jami S. Dewolf, Board
Valoria C. Hoover, Board
Anne Lopez-Walton, Board
Dianne A. Radigan, Board
Poe A. Timmons, Board
Dr. David T. Harrison, President
Dr. Jack Cooley, Senior Vice President

Terri Gehr, Senior Vice President
and Chief Financial Officer
Kimberly Hall, Vice President and
General Counsel
Allen Kraus, Vice President
Carol Thomas, Vice President
Dr. Diane Walleser, Vice President
Jackie DeGenova, In-House Counsel
Kevin James, Ex Officio, Faculty
Matthew Schultz, Ex Officio, Student

Absent: Kirt A. Walker, Board, and Doug Rellick, Ex Officio, Staff

CALL TO ORDER:

The regularly scheduled meeting of the Board of Trustees, Committee of the Whole, was held on Thursday, January 15, 2015, in the Pete Grimes Board Room of Franklin Hall at Columbus State Community College. The meeting was called to order by Chair Richard D. Rosen at 12:50 p.m.

ROLL CALL:

Present: Richard D. Rosen, Chair
Michael E. Flowers, Vice-Chair
A. Lynne Bowman
Jami S. Dewolf
Valoria C. Hoover
Anne Lopez-Walton
Dianne A. Radigan
Poe A. Timmons

Absent: Kirt A. Walker

DAVID T. HARRISON Ph.D. PRESIDENT

CERTIFICATION OF COMPLIANCE:

President Harrison advised that the record should show that notice of this meeting has been given in accordance with the provision of Section 121.22(F) of the Ohio Revised Code.

APPROVAL OF MINUTES:

Member Bowman moved, Member Dewolf seconded, that the minutes of the regular meeting of the Board of Trustees, Committee of the Whole held on Thursday, November 13, 2014, be approved as presented.

A vote was taken which resulted in:

AYES: Members Rosen, Bowman, Dewolf, Hoover, Lopez-Walton,
Radigan, Timmons,

NAYS: None

ABSTAIN: Flowers

(1) **REPORT OF INDEPENDENT AUDITORS ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

Ms. Terri Gehr introduced the staff members who were responsible for the audit process this year. They are: Ms. Shipley, Controller and Deputy Treasurer; Ms. Jan Ellis, Assistant Controller; and Ms. Ann Helfrich, Supervisor.

Ms. Shipley outlined details of the audit for the fiscal year ending June 30, 2014 that was conducted by the College's independent auditors, Parns & Company, LLC. Mr. Grant, the engagement audit partner, provided an overview of the audit process and their work product, which included the audit of the June 30, 2014 and 2013 Financial Statements of the College and the Development Foundation as a component unit for which a separate report was issued. Parns & Company, LLC filed the audit electronically with the Auditor of the State in mid-October. The auditors rendered an unqualified opinion on the financial statements of both the College and the Foundation.

The Committee of the Whole agreed to refer this item to the Board of Trustees for approval.

(2) **REVISED FISCAL YEAR 2015 OPERATING BUDGET**

Ms. Terri Gehr explained the revised FY15 Operating Budgets for the College's General Fund and the Auxiliary Fund.

General Fund

Revenues. The FY 2015 state subsidy calculated by the Ohio Board of Regents and approved in December 2014 by the State of Ohio's Controlling Board yielded an allocation \$830,624 higher than originally budgeted.

Enrollment was budgeted for FY 2015 at 3% lower than the prior year. Autumn 2014 enrollment was 5.8% lower than last year. Spring 2015 is trending about 9.5% below last year. Summer 2015 enrollment, part of which is accounted for in this fiscal year, remains budgeted comparable to Summer 2014. Based on these actual and updated enrollment assumptions, tuition revenue in the revised FY 2015 budget is projected to be \$3.8 million below the operating budget approved by the Board in May.

Coupling revised tuition revenue with adjustments to fees, partnership, and miscellaneous revenue as well as state subsidy, total revenues in the proposed revised FY 2015 budget total \$137,662,480 or \$2,816,060 (2.0%) less than originally budgeted.

Expenses. FY 2015 expense priorities continue to include enhancing strategic enrollment recruitment and management; improving retention through a redesigned academic advising program, orientation, and student success projects; establishing a student placement center; retaining annual contracted faculty; maintaining and upgrading our technology infrastructure; and maintaining sufficient funds for professional development. Compensation adjustments were also a priority in the FY 2015 budget and were implemented as planned.

To manage the shortfall in revenue, expenses will be reduced in early February to levels commensurate with revised revenue estimates. The expenditure reduction necessary to yield a balanced budget is \$2,515,661, for a total operating expense revised budget of 135,286,095. Reductions will include adjunct budget savings due to lower enrollment, vacancy savings generated while positions are being filled, and bad debt expense lower than originally budgeted. While expenditures may be adjusted between and among spending categories as reductions are made in early February, the total budget will not exceed projected revenues.

Auxiliary Fund. Total revenues for auxiliary enterprises are projected to be \$3,044,310 or 11.4% lower than originally budgeted. This is mostly the result of lower enrollment and numerous textbook affordability initiatives. Expenses are projected to decrease by \$49,026 or 2.3% compared to the original budget. The auxiliary fund is expected to balance within the revenues the enterprises are projected to generate.

The Committee of the Whole agreed to refer this item to the Board of Trustees for approval.

(3) **FINANCIAL STATEMENTS AS OF, AND FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014**

Ms. Gehr reported on the College's financial statements as of, and for the twelve months ended December 31, 2014.

The Committee of the Whole agreed to refer this item to the Board of Trustees for approval.

(4) **JOINT RESOLUTION – COLUMBUS CITY SCHOOL DISTRICT BOARD OF EDUCATION**

Dr. Harrison presented a Joint Resolution with the Columbus City School District. He explained that, in 2014, American Electric Power and the AEP Foundation partnered with Columbus State to establish the Credits Count program, a 5-year, \$5 million grant to improve college and career success for Columbus City School District students. The work associated with Credits Count has been a catalyst for other possibilities to provide opportunities for students through the Columbus State/Columbus City Schools alliance. The partners wish to expand and elevate the collaboration through a Resolution that would be adopted by both governing boards. While not legally binding, this joint Resolution signifies a shared commitment to expanding opportunities for students through deep and sustained collaboration in areas such as facilities, technology, professional development, and curriculum, among others.

The Board agreed this Resolution could go forward to the Columbus City School Board next week provided that there was language indicating that the Resolution is not a legally binding instrument. Dr. Harrison agreed to contact Superintendent Dan Good to develop language that addressed the Board's guidance.

The Committee of the Whole agreed to refer this item to the Board of Trustees for approval.

(5) Updates from Dr. Harrison

- Copies of the *Quality and Value Initiative for Ohio Higher Education* were distributed to the Board for their review. Mr. Jack Hershey will attend the Board meeting next week to discuss this Initiative in more detail.
- Small briefing sessions will be scheduled with the Board members in February to provide an update on the College's work pertaining to the Discovery District and Creative Campus.

There being no further items to come before the Committee, the meeting was adjourned at 2:09 p.m.



David T. Harrison, Ph.D.
Secretary, Board of Trustees