

COLUMBUS STATE

COMMUNITY COLLEGE

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Board of Trustees Committee of the Whole

Pete Grimes Board Room, Franklin Hall

January 19, 2018

MINUTES

Present: Robert P. Restrepo, Jr., Chair
Catherine M. Lyttle, Vice-Chair
Dianne A. Radigan, Immediate-Past Chair
Corrine M. Burger, Board
R. Anthony Joseph, Board
Dr. Richard D. Rosen, Board
Poe A. Timmons, Board
Dr. David T. Harrison, President
Dr. Michael Babb, Vice President
Dr. Rebecca Butler, Vice President
Dr. Jack Cooley, Senior Vice President
Kimberly Hall, Senior Vice President
and General Counsel
Allen Kraus, Vice President
Aletha Shipley, Vice President
and Chief Financial Officer
Susan Goeschl, Ex-Officio Student
Thomas Shanahan, Ex-Officio Faculty
Jackie DeGenova, Deputy General
Counsel

Absent: Kirt A. Walker, Board; Michael Hicks, Ex-Officio Staff

Guests: David Minich, Plattenburg and Associates; Jan Ellis, Controller; Cullen Daniel, Director of Accounting Services; Ann Helfrich, Supervisor, Financial Accounting and Reporting; Kelley Weir, Director, Resource Planning and Analysis

CALL TO ORDER:

The regularly scheduled meeting of the Board of Trustees, Committee of the Whole, was held on Friday, January 19, 2018, in the Pete Grimes Board Room, Franklin Hall, at Columbus State Community College. The meeting was called to order by Chair Robert P. Restrepo, Jr. at 7:35 a.m.

ROLL CALL:

Present: Robert P. Restrepo
Catherine M. Lyttle
Dianne A. Radigan
Corrine M. Burger
R. Anthony Joseph
Dr. Richard D. Rosen
Poe A. Timmons

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 Section §121.22(F) of the Ohio Revised Code.

COLLEGE'S MISSION AND VISION STATEMENTS:

Trustee Corrine M. Burger read the College's Mission and Vision Statements.

OPENING REMARKS FROM PRESIDENT HARRISON:

President Harrison welcomed the Board to the first Friday morning Committee of the Whole meeting.

APPROVAL OF MINUTES:

Member Lyttle moved, Member Rosen seconded, that the minutes of the regular meeting of the Board of Trustees, Committee of the Whole, held on Thursday, November 9, 2017, be approved as presented.

A vote was taken which resulted in:

AYES: Members Restrepo, Lyttle, Radigan, Burger, Joseph, Rosen, Timmons

NAYS: None

SWEARING IN OF NEW OFFICERS:

Ms. Jackie DeGenova, Deputy General Counsel administered the Oath of Office to the newly-elected Officers, effective January 2, 2018.

2018 DATES FOR THE COMMITTEE OF THE WHOLE AND BOARD OF TRUSTEES:

Chair Restrepo presented the recommended 2018 Board of Trustees and Committee of the Whole calendar.

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

**REPORT OF INDEPENDENT AUDITORS ON THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED JUNE 30, 2017:**

President Harrison introduced Ms. Aletha Shipley, Vice President and Chief Financial Officer, who leads the work of the audit process. Ms. Shipley outlined details of the audit for the fiscal year ending June 30, 2017. The College's audit was conducted by independent auditors, Plattenburg & Associates.

Mr. David Minich, CPA, Plattenburg & Associates, provided an overview of the audit process and their work product for the year ended June 30, 2017. Mr. Minich stated the auditors did not identify any deficiencies in internal control. He reviewed the basic financial statements and the audit opinion. Columbus State received an unmodified opinion, which is the highest rating possible.

Ms. Jan Ellis, introduced Mr. Cullen Daniel, Director of Accounting Services, Ms. Ann Helfrich, Supervisor, Financial Accounting and Reporting. Ms. Ellis reviewed FY17 Comparisons to FY16; GASB 68 Comparisons; FY17 Highlights; and Reserve Spending Analysis.

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

REVISED FISCAL YEAR 2018 OPERATING BUDGET:

Ms. Aletha Shipley introduced Ms. Kelly Weir, Director, Resource Planning and Analysis, who explained the revised Operating Budgets for the College's General Fund and the Auxiliary Fund.

In May 2017, the Board of Trustees approved the FY 2018 Operating Budget. Each January, the Board of Trustees reviews the operating budget in the context of enrollment, final state subsidy allocations as approved by the Ohio Department of Higher Education, and other activities that may impact the budget.

General Fund

Revenues. The College's final FY 2018 state subsidy calculation from the Ohio Department of Higher Education is \$323,907 higher than originally budgeted.

Enrollment was budgeted for FY 2018 at a 1% increase to the prior year. Autumn 2017 enrollment is estimated to be 0.5% lower than last year. The College awaits the final Autumn term figures from the Ohio Department of Higher Education. Spring 2018 is currently trending approximately 2.0% above last year. Summer 2018 enrollment, part of which is accounted for in this fiscal year, remains budgeted comparable to Summer 2017, which is 5.5% down compare to the prior year. Also, tuition discounts for apprenticeship programs are higher than expected due to higher enrollment and increased costs. Based on these actual and updated enrollment assumptions

and the update for tuition discounts, tuition revenue in the revised FY 2018 budget (before the addition of a new career services fee) is projected to be \$1.5 million below the operating budget approved by the Board in May. The new career services fees, approved by the Board in November to begin Spring 2018 term, will add \$1.6 million in revenues.

Coupling revised tuition revenue (without the new career services fee) and adjustments to fees, partnership, and miscellaneous revenue as well as state subsidy, total revenue in the proposed revised FY 2018 budget is \$734,900 (0.5%) less than originally budgeted. Including the career services fee results in total revenue of \$144,506,390 or \$892,419 (0.6%) more than what was budgeted in May.

Expenses. FY 2018 expense priorities continue to include enhancing strategic enrollment recruitment and management; increasing awareness of Columbus State as the high quality, affordable pathway in the region; implementing career and academic pathways; expanding college and career readiness programs; and expanding employer engagement through new and innovative partnerships. The career services fee will be used to help bring the latter three priorities to scale. Compensation adjustments are also a priority in the FY 2018 budget and are being implemented according to the salary adjustments agreed to as a part of labor negotiations.

FY 2018 budgeted expenses are reduced by almost \$1.5 million (or 1.0%), prior to application of the career services fee. This reduction is largely attributable to actual and projected savings from vacant positions. The projected net operational revenue totaling \$726,816 is allocated to a contingency within "Budget/Tuition Stabilization" for unexpected needs that may arise.

Of the projected \$1.6 million for the career services fee, \$465,485 is added to the operating budget for embedding career services support and planning into the continuum of the student experience; \$361,834 is allocated to "Student Success and Innovation" for advisor training and future career planning and placement capacity; \$400,000 is allocated to "Technology Initiatives" for future system needs; and \$400,000 is allocated to "Workforce Development" for deeper employer engagement and industry projects.

Finally, debt service on the parking garage was paid off last year resulting \$780,604 in one-time savings, which has been moved to a new "Advancement" allocation that will provide for strategic planning efforts related to the College's master plan, including one-time costs that arise for the new Hospitality Management and Culinary building.

Auxiliary Fund

Total revenues for auxiliary enterprises are projected to be \$2,308,205 or 1.6% lower than originally budgeted. This is the result of higher costs associated with the mix of new and used textbooks and numerous textbook affordability initiatives. Expenses are projected to decrease by

\$78,610 or 3.4% compared to the original budget. The Auxiliary fund is expected to balance within the revenues the enterprises are projected to generate. Also, \$1.65 million is allocated from Auxiliary funds outside of normal operational expenses for the Union Hall Food Court renovations.

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

FINANCIAL STATEMENTS AS OF AND FOR THE SIX MONTHS ENDED DECEMBER 31, 2017:

Ms. Aletha Shipley reported on the College's financial statements as of and for the six months ended December 31, 2017. Ms. Shipley stated the College is on target with the budget at this time.

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

CONSTRUCTION CONTRACT AWARD: CENTER FOR WORKFORCE DEVELOPMENT CONFERENCE CENTER BALLROOM AUDIO-VISUAL SYSTEM RENOVATIONS:

Ms. Kimberly Hall explained the audio-visual system needs in the Conference Center Ballroom have exceeded the design capacities of the original system, and the College is hampered in its ability to deliver effective presentations to students, faculty, staff and visitors. The total project budget is \$529,760, including \$315,365 in equipment purchases utilizing state-term pricing schedules. Through a competitive process, Capital City Electric was the lowest responsive and responsible bidder and was selected to manage the balance of the work with the total cost of \$161,285.

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

CONSTRUCTION CONTRACT AWARD: UNION HALL FOOD COURT RENOVATIONS:

Ms. Kimberly Hall explained that the College is in the second year of a long-term agreement with AVI Food Systems. The contract included a commitment by AVI to invest in several enhancements to food service operations throughout the College, including renovations to the Food Court, located in Union Hall. Through a competitive bidding process, Elford, Inc., was the lowest responsive and responsible bidder at \$1,274.80 and was selected to manage the renovations.

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

PERSONNEL INFORMATION ITEMS:

The Personnel Information Items are presented to the Board for informational purposes only.

DISCUSSION OF CURRENT ISSUES:

President Harrison stated that the College is making good progress in regard to fundraising and planning for the School of Hospitality Management and Culinary Arts building. A private fundraising event is scheduled for February 27th.

EXECUTIVE SESSION:

Member Lyttle moved, Member Radigan seconded, that the Board of Trustees adjourn to Executive Session according to Ohio Revised Code §121.22 to discuss collective bargaining issues and to discuss security arrangements and emergency response protocols for the College.

A vote was taken which resulted in:

AYES: Members Restrepo, Lyttle, Radigan, Burger, Joseph, Rosen, Timmons

NAYS: None

The regular meeting of the Board of Trustees reconvened from Executive Session at 9:10 a.m.

There being no further items to come before the Committee, the meeting was adjourned at 9:12 a.m.



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