

MARION TECHNICAL COLLEGE
Board of Trustees
Tuesday, June 21, 2016
5:30 p.m.
Health Technologies Center Room 103

Minutes

CALL TO ORDER/ROLL CALL

Chair Parrott called the meeting to order. The Recording Secretary called the roll:

Present	Absent	Trustee
	X	Tim Anderson
X		Ed Danner
X		Jude Foulk (Secretary)
	X	Justin Hamper
X		Rex Parrott (Chair)
X		Don Plotts
X		Mark Russell (Vice Chair)
X		Roxane Somerlot

A quorum was declared present. Also in attendance were the following staff members:

Dr. Ryan McCall, President
Dr. Bob Haas, Dean, Institutional Effectiveness
Joel Liles, Dean, Enrollment Services
Jeff Nutter, Chief Financial Officer
Teresa Parker, Chief of Staff
Mike Stuckey, Director, Student Resource Center
Dr. Vicky Wood, Chief Academic Officer
Cheryl Kellogg, Faculty Association Co-Chair

APPROVAL OF PRECEDING MEETING MINUTES

The reading of the May 17, 2016, meeting minutes was waived. A motion was made by Trustee Plotts and seconded by Trustee Foulk to approve the minutes as distributed. The motion was unanimously approved.

UNFINISHED BUSINESS

New Trustee Recommendations – Trustees Danner and Foulk reported they have not yet received resumes from the individuals proposed to fill the vacant Board position. Chairman Parrott asked Trustees Danner and Foulk to forward the resumes to him when they are received.

NEW BUSINESS

Nominating Committee – Chairman Parrott announced the slate of officers proposed by the nominating committee: Chair – Don Plotts; Vice Chair – Jude Foulk; and Secretary – Roxane Somerlot. A motion was made by Trustee Russell and seconded by Trustee Danner to approve the slate of officers. The motion was unanimously approved.

FINANCE REPORT

Mr. Nutter presented the finance report, referencing the following items from the Financial Update as of May 31, 2016:

Statement of Net Position – In discussing current assets, Mr. Nutter noted “cash and cash equivalents” are \$1.0 million greater than the prior year due to projected surplus and timing of collection of accounts receivable. The variance in accounts receivable is due to a change in College Credit Plus billing. On the liabilities side, he mentioned the increase in accounts payable is due to open purchase orders for equipment purchases. A \$900,000 payment was made to OSUM in May for cost-shared expenses; the “accounts payable OSUM” represents funds designated for joint campus projects. Question was raised about the difference between 2015 and 2016 for “net pension liability.” Mr. Nutter explained the State provides the numbers for this item; the numbers represent MTC’s share of the State’s total liability for state retirement programs.

Income Statement – Mr. Nutter reported the total tuition (\$5,833,187) reflects the final enrollment for FY 2016, which was down 3.25% from the previous year but was better than expected. The decrease in student fees is due to fewer lab fees being collected because of lower enrollment. Total expenditures represent the amount paid and encumbered as of May 31. The College has expended 82.4% of its budget through May 31.

Projected Income Statement – The projected year-end surplus is approximately \$699,000. Slightly better than expected enrollment, increased subsidy, cost savings primarily from position vacancies, and lower than anticipated spending all contributed to the surplus. The College will use \$300,000 of the surplus to purchase equipment. These purchases offset depreciation. Over fiscal years 2015 and 2016, the College will have spent \$2.5 million on equipment, building renovations, and campus improvements. Before the end of fiscal year 2018, the College plans to spend \$2.2 million on capital projects using reserves and state capital appropriations.

Proposed Operating Budget FY 2017 – Mr. Nutter reviewed the assumptions used in developing the proposed budget for fiscal year 2017:

- No change in tuition rate per credit hour
- 4.7% decrease in enrollment
- Slight increase in College Credit Plus reimbursement rates
- Increase in subsidy of \$204,000
- Decrease in capital subsidy of \$64,000
- Decrease in lab fees collected due to enrollment decrease
- Decrease in grants
- Five (5) vacant academic positions included in the budget (3 faculty and 2 academic Deans/Directors)

- Three (3) vacant administrative positions not included in the budget
- Health insurance premium increase of 3%
- No salary increases included in the budget; administration will revisit the decision after fall enrollment is final to determine feasibility
- Budget includes \$229,000 for cost-shared campus projects and \$70,000 for cost-shared equipment

President McCall reported the initial budget proposal was based on an 8% enrollment decrease; with latest projections showing only a 4% decrease, the proposed budget was adjusted. This adjustment allowed for the return of \$14,000 to the academic area. He also briefly discussed the use of unallocated resources to fund strategic items, including:

- Participation in AmeriCorps Vista and the hiring of two AmeriCorps coaches
- Hiring of a grant writer under a one-year contract (supports strategic plan goal 3E)
- Hiring a Vice President for Enrollment and Communications (supports strategic plan goal 3A)
- Participation in SARA (State Authorization Reciprocity Agreement), which will allow out-of-state students to enroll in MTC online courses and programs (supports strategic plan goals 1A/B/C/D)
- Hiring a consultant to assist in developing a long-range facilities plan for MTC
- Creates a contingency fund for unexpected expenses

Question was raised regarding funding for the Foundation Director position. President McCall responded that filling the position is on hold. The College has requested proposals from two different firms/individuals to help us improve the College foundation and our fund-raising efforts. Question was raised regarding allocation of funds for academic program development. Dr. Wood reported several new programs/certificates are being developed that will utilize existing personnel, equipment, and facilities. Additional funds for program development are not needed for fiscal year 2017.

RESOLUTIONS

President McCall presented the following resolution for the Board's approval:

2016-12 – Adjunct Faculty/Supplemental Contracts (Spring 2016)

A motion was made by Trustee Russell and seconded by Trustee Danner to approve the resolution. The motion carried.

2016-13 – Regular Employee Contracts for 2016-17

A motion was made by Trustee Plotts and seconded by Trustee Somerlot to approve the resolution. The motion carried.

2016-14 – Lab Fees

A motion was made by Trustee Danner and seconded by Trustee Foulk to approve the resolution. The motion carried.

2016-15 – Budget for 2016-17

A motion was made by Trustee Plotts and seconded by Trustee Russell to approve the resolution. The motion carried. Trustee Plotts commended Mr. Nutter for his presentation of the budget.

RULES

The following rules were presented to the Board for consideration:

1. 3357:10-1-42 Tobacco-Free College
2. 3357:10-3-89 Bereavement Leave
3. 3357:10-4-00 Admission

Question was raised regarding the inclusion of domestic partners in “immediate family members” and whether or not the College uses the Ohio Revised Code definition. Ms. Parker affirmed the College typically uses the ORC definition.

A motion was made by Trustee Plotts and seconded by Trustee Somerlot to approve the rules as presented. The motion carried.

PRESIDENT’S REPORT

President McCall presented the *Student Completion and Success Plan* and *2016 Efficiency and Affordability Report* for the Board’s approval.

Student Completion and Success Plan – He referenced page 13 of the report where registration and withdrawal policies are discussed. The elimination of late registration is being considered as a means of improving student success. Question was raised about a late start option for students; President McCall indicated it has been discussed but a decision has not been reached. He also referenced the course completion rates shown on page 15 and the work being done to improve those rates, especially in developmental courses.

2016 Efficiency and Affordability Report – This report is from the Board of Trustees to the Ohio Department of Higher Education, as required by House Bill 64. The State legislature passed a bill requiring the Governor and his cabinet to study the cost of higher education and identify means of reducing the cost of attending college. The Ohio Task Force on Affordability and Efficiency was formed and issued ten recommendations for all Ohio public higher education institutions. Question was raised as to whether or not this is an annual report; Mr. Nutter responded that it is not. In the future, it will be a survey sent to the institution. Mr. Nutter briefly reviewed the ten recommendations. Through a variety of changes and improvements, the College has saved nearly \$1.2 million over the past year to 18 months, which is almost 10% of the total college budget.

A motion was made by Trustee Foulk and seconded by Trustee Somerlot to approve the reports as presented. The motion carried.

From the written President's Report to the Board, President McCall mentioned the following:

The "Shared Governance on Co-Located Campuses Task Force" was created in House Bill 391. The bill was introduced and passed by both the House and Senate in a single day. President McCall learned of the bill the day prior and sent a letter to Representative Pelanda describing cooperative efforts already in place on the Marion Campus. Task Force members are to be appointed by the House Speaker and Senate President; Task Force recommendations are due November 1.

Chancellor John Carey and his leadership team visited Marion Technical College on May 23. The group visited Vaughn Industries and North Central Correctional Institute to learn about MTC's programs offered at those sites. They also met with Marion City Schools Superintendent Gary Barber and Steve Fujii, Director of College and Career Success, to learn about the Marion GPS program. The Chancellor and his staff were so impressed with the Vaughn program they asked MTC to present at the National Manufacturer's Council.

OTHER

OACC Trustee Conference – President McCall extended his appreciation to Trustees Hamper and Plotts for attending the OACC Trustee Conference earlier in June. Trustee Plotts was the facilitator for one of the conference sessions.

Tuition Discount – President McCall reported he and members of the Cabinet are working on the tuition discount program, tentatively being called "Tuition Advantage Plan." He has asked Deb Langdon, Director of Financial Aid, to look at financial aid implications. The need to change summer term from the "leader" to the "trailer" of the academic year is being discussed.

Cash Reserves Policy – President McCall indicated he would like to talk with the Board at the next meeting about creating a policy for College "reserves."

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 6:45 p.m.