

**BOARD OF TRUSTEES
FREDERICK COMMUNITY COLLEGE**

January 16, 2013

The Board of Trustees of Frederick Community College met in regular session on Wednesday, January 16, 2013 in the FCC Board Room (A201). In attendance: Trustees Dixie J. Miller, Chair; Debra S. Borden, Vice Chair; Marvin E. Ausherman; David F. Bufter; Nick Diaz; and Doris J. White. Also in attendance: President Douglas D. Browning, Secretary/Treasurer of the Board; C. Paul Smith, Commissioner Liaison; Diane Morton, Recording Secretary; Shelby Carmon, Chair, Support Personnel Association; Christopher Jacobson, Chair, Administrative Staff Association; Mary Mogan-Vallon, Chair, Faculty Association; and other members of the College staff.

CALL TO ORDER

The meeting was called to order by Board Chair Miller at 7:02 p.m. The Chair recognized the Affinity Group representatives and others present.

APPROVAL OF MINUTES

The Chair called for approval of the minutes of the November 20, 2012 regular meeting of the Board. No changes were recommended, so the Chair declared the minutes approved as presented.

REPORTS OF SPECIAL COMMITTEES/PUBLIC PRESENTATIONS

There were no items under this heading for this meeting.

COLLEGE REPORTS

President's Monthly Report –President Browning gave highlights from his written report, which the Board members received in their meeting packets.

Institutional Effectiveness Annual Report to the Board – Dr. Bonnie Thomas, Executive Director for Strategic Planning and Institutional Effectiveness, presented this item. A complete copy of the report is available from the President's Office.

College Highlights – Mike Pritchard, Executive Director of Marketing and Public Relations, presented the College Highlights report. Mr. Pritchard informed the Board of recent events and activities on campus and those planned for the near future. He also reported on the recent notable accomplishments of staff and students. A complete College Highlights report is available from the Marketing and Public Relations Office.

Academic Program Reports – The Academic Program Report for January was “Human Services.” Gerald Boyd, Associate Vice President of Learning/Dean for Academic and Professional Studies, presented the report. Copies of the report are available from the President's Office.

BOARD REPORTS

Maryland Association of Community Colleges (MACC) Report – Board Chair Miller urged Trustees to attend the MACC Trustee Workshop and Legislative Reception on January 28 in Annapolis.

FCC Foundation Report – Trustee Diaz reported that the quarterly meeting of the Foundation Board will take place on January 31, so there will be more to report after that meeting. The Clutch the Future fundraising event will take place on Saturday, March 16.

ACCT Report – No report this month.

CTC Advisory Committee – No report this month.

Interagency Internal Audit Authority – Trustee White reported she attended a meeting of the IIAA this morning (January 16). The meeting focused on Mr. Kaplan's retirement on January 31 and on filling his position. There will be changes to the position description and that will be ready to go shortly. The group is hoping to promote from within.

ACTION ITEMS

Nominations for Emeritus Status for 2012 – President Browning presented this item. The item was brought to the Board for information at the November 20, 2012 Board meeting. He stated four individuals are being recommended for Emeritus Status for 2012. The Faculty Association nominated Kathy Fenimore and Timothy Swyter. The Administrative Staff Association nominated Sandra Cavalier and Joseph Kerr. President Browning recommended Board approval of the 2012 Emeritus Status nominations, as presented.

The motion was made and seconded to approve the 2012 Emeritus Status nominations, as presented. The Board, by individual vote, unanimously approved the motion.

Facilities Master Plan 2012-2017 – Sam Young, Executive Director of Facilities Planning, and Lori Thompson, Facilities Project Manager, presented this item. The item was brought to the Board for information at the November 20, 2012 Board meeting. Mr. Young stated that staff conducted workshops on November 2, 2012 and December 17, 2012 to review the old and new master plans with the Trustees. He added that meetings have started regarding master planning for the Monroe Center; the report should be completed in the next three months.

Trustees commented on the need to focus on traffic-related issues and improvements, particularly access to and from the campus on Opossumtown Pike. Mr. Young stated that he is meeting with traffic officials on these issues. Trustees also expressed a desire to include alternative power sources in new building construction and upgrades to the central plant. Ms. Thompson stated the State requires that new buildings meet some LEED design standards. LEED design standards were incorporated into the construction of FCC's Student Center.

Mr. Young recommended Board approval of the 2012-2017 Facilities Master Plan, as presented.

The motion was made and seconded to approve the 2012-2017 Facilities Master Plan, as presented. The Board, by individual vote, unanimously approved the motion.

FY 2014 Proposed Operating Budget & Tuition Rates – President Browning presented this item. He stated the Trustees attended a Budget Workshop on January 5, 2013 to review this information. President Browning stated that this is the first step in a long process. The Board is being asked to approve the budget at this time so that it can be submitted by February 1 as an initial request to the County Commissioners. The budget will be modified as additional information is received from the County Commissioners and the State. The final FY 2014 operating budget will be different when it is approved by the Board in June.

President Browning stated the FY 2014 proposed operating budget of \$47,935,036 represents an increase of \$203,405 or .43% over the FY 2013 budget. For FY 2014, tuition and fees are \$18,829,411. A \$3.00 per credit hour increase in tuition and fees is proposed,

making the tuition rate \$112 per credit hour for FY 2014. No academic growth is being projected for FY 2014.

President Browning stated State funding for FY 2014 is \$10,307,250, which includes the retirement contribution. The FY 2014 budget reflects State revenue at the anticipated level for FY 2013. Non-cash or retirement contributions from the State are expected to increase by \$25,470. President Browning added that the State has indicated it will increase community college funding. In order for the College to qualify for any increase in State funding, under the maintenance of effort requirements the County must fund FY 2014 at a level no less than the previous year.

President Browning stated the FY 2014 budget projects County funding at the FY 2013 level of \$14,004,812, plus an additional \$250,000. In FY 2013, the County indicated their intention that \$500,000 of the appropriation would be one-time funding. In an effort to achieve FY 2012 funding levels and restore the \$1,000,000 appropriation reduction enacted by the previous Board of County Commissioners, the College is asking the current Board to increase funding by \$250,000 in FY 2014 and an additional \$250,000 in FY 2015. This action will fully restore the severe reduction imposed by the previous Board of County Commissioners in FY 2011. President Browning stated other income for FY 2014 is \$4,543,563.

President Browning stated expenditures for FY 2014 are projected to be \$48,085,039. He added there are many needs at the College that remain unfunded, including new faculty and faculty support positions. New faculty needs are a priority; the current faculty/adjunct ratio is 35/65. President Browning stated that eight (8) full-time faculty positions and four (4) full-time faculty support positions have been requested, but

are not included in the budget. Cost reductions and a reallocation of resources need to be put in place in order to fund those positions. There are several ways the College plans to do this. In conjunction with the County approving the additional \$250,000 in revenue, the College is committing to matching that amount with expenditure reductions of one (1) to one and one-half (1-1/2) of the \$250,000. This action will help balance the budget and provide an additional savings of approximately \$225,000. This savings can then be used to fund additional faculty and faculty support positions. Another part of the reduction plan is to re-offer the retirement incentive plan, which the College will roll out immediately.

Trustees expressed their concern for the continuing slide in the faculty/adjunct ratio and the need for maintaining quality. Trustees expressed their support to increase full-time faculty positions. They recognize this is a high priority for the College, particularly because the College's accreditation depends on it. The Trustees indicated that they understand the importance of making this case to the County Commissioners so that they understand the seriousness of the issue and agree to funding that will allow the College to add the new faculty positions.

Trustees indicated they understand the budget process is long, but wanted to know where in the process the Board of Trustees will be able to revisit the budget in order to add faculty positions. President Browning stated that the plan is to roll out the retirement incentive within the week. That will provide an indicator of what the College can save. Also, discussions are already taking place at the VP level to identify areas that can be reduced or eliminated. President Browning stated that in the next two months the College should have an idea of what it can raise and support, so the first discussion could take place in March. The State and County budgets will be coming out as well.

In response to a question from a Trustee, President Browning stated that the new Enrollment Model report might be available in February.

President Browning recommended Board approval of the proposed FY 2014 Operating Budget and also recommended Board approval to raise tuition and fees \$3.00 per credit hour (In-County rate) for FY 2014.

The motion was made and seconded to approve the proposed FY 2014 Operating Budget and to approve raising tuition and fees \$3.00 per credit hour (In-County rate) for FY 2014. The Board, by individual vote, unanimously approved the motion.

Award Recommendation: RFP #13-CE-01 On-line Registration Software for Continuing Education Enrollments – President Browning presented this item. He stated the College solicited proposals from firms interested in providing on-line registration software for Continuing Education enrollments. The College was interested in a well-established provider with a developed product specific to continuing education and professional development, rather than a product that would need to be modified to meet the College's needs. At this time, the College has on-line enrollment for Continuing Education courses, but not on-line payment. President Browning stated that by investing in this type of software, the College expects to see an increase in enrollments in Continuing Education. A \$5 registration fee will be assessed to pay for the cost of the software and annual service. Installation of the software takes six months, mainly due to the testing phases, which require the additional time. President Browning stated that after the completion of the College's evaluation process, Augusoft Lumens was found to be the most qualified and cost effective firm to meet the College's needs for the on-line registration software for Continuing Education enrollments. President Browning recommended Board

approval to award the contract for the on-line registration software for Continuing Education enrollments to Augusoft Lumens for the base bid price of \$136,689.00 and an estimated annual service maintenance fee of \$27,338 for each year after the first year.

The motion was made and seconded to approve the award of the contract for the on-line registration software for Continuing Education enrollments to Augusoft Lumens for the base bid price of \$136,689.00 and an estimated annual service maintenance fee of \$27,338 for each year after the first year. The Board, by individual vote, unanimously approved the motion.

Changes to Banking Signatures – President Browning presented this item. He stated that in light of Dr. Talley’s departure and other recent changes in the College’s senior management, the College’s banking signature authority needs to be updated. Currently, the following staff members are authorized to sign checks (general and payroll) for the College: Frederico (F.J.) Talley, President; Douglas D. Browning, Executive Vice President for Administration. Recommended changes to be made are as follows: Delete Frederico (F.J.) Talley, President; revise Douglas D. Browning, President; add Dana McDonald, Interim Vice President for Administration.

President Browning stated that the College’s other bank accounts are: General Depository, Accounts Payable, Bookstore, Flexible Spending, Fund Reserve, and Investment. It is also recommended that Angela Ludeman, Interim Associate Vice President for Fiscal Services, be added as an authorized approver/signature for these accounts, as well as being granted complete wire access authority.

President Browning recommended Board approval to change the College’s authorized banking signatures/approvals, as presented.

The motion was made and seconded to approve the changes to the College's authorized banking signatures/approvals, as presented. The Board, by individual vote, unanimously approved the motion.

FY 2014 Sabbatical Requests – David Croghan, Interim Vice President for Learning, presented this item. Mr. Croghan stated that for FY 2014, a total of twelve applications for sabbatical leave were submitted for consideration. Due to the number of requests and in consideration of the impact to the budget, a management group was convened to hear the merits of each proposal. As a result of that meeting, six faculty members' applications for sabbatical leave met the criteria established by the management group. Five of the requests are for half-year (one semester) sabbaticals at full pay. The remaining request is for a full-year sabbatical at half pay. The total cost to cover these sabbaticals is \$86,471. The six applicants are: Evan Evans, Mathematics (half year at full pay); Joanna Gannon, Mathematics (half year at full pay); Tad Janes, Communications, Humanities and Arts (half year at full pay); Amy Lee, English (full year at half pay); Ronna Schrum, Nursing (half year at full pay); and Kelly Trigger, English (half year at full pay). Mr. Croghan recommended Board approval of the FY 2014 sabbatical requests.

Trustees discussed the purpose of sabbaticals and that not all the results are tangible. Trustees expressed a need for accountability in that the individual on sabbatical is accountable for doing what they have committed to do as approved by the Board, and they will need to come back and address these things in their sabbatical report. Trustees asked how strictly the College adheres to the eligibility window (years of employment) for sabbaticals. Mr. Croghan responded that every sabbatical recipient needs to meet the six-year employment requirement at the time they embark on their sabbatical.

The motion was made and seconded to approve the FY 2014 sabbatical requests, as presented. The Board, by individual vote, unanimously approved the motion.

INFORMATION/DISCUSSION ITEMS

Strategic Plan 2013-2015 – Dr. Bonnie Thomas, Executive Director of Strategic Planning and Institutional Effectiveness, presented this item. She stated that the Board endorsed the proposed *Vision, Mission and Strategic Goals* at its meeting on June 20, 2012. That concluded Phase 1 of the strategic planning process. In Phase 2, the endorsed document served as the framework for the development of Strategic Objectives by the College’s Learning, Learning Support, and Administration divisions. Cross-divisional Strategic Objectives were developed, as well as Strategic Key Performance Indicators to monitor and measure the progress of FCC’s 2013-2015 Strategic Plan. Dr. Thomas stated that the tactical plan will be reviewed each year and the overall strategic plan every three years.

This item was presented for information only. No action is requested at this time. This item will be on the February 20, 2013 agenda for Board approval.

Quarterly Financial Report – Period Ending 12/31/12 – Dana McDonald, Interim Vice President for Administration, presented this item. She went through the report in detail with the Board. A complete copy of the report is available from the President’s Office. She stated there could be a budget shortfall due to enrollment, but the figures at the end of March will give a better indication of this. A Trustee questioned whether the budget is prepared by month and Ms. McDonald responded that it is prepared by department. The Trustee requested that it be prepared by month because the current report doesn’t show where the College stands right now; it just gives broad percentages.

President Browning stated that by month will not be any better. Comparing actual is a more meaningful perspective. The budget could be adjusted to match those periods.

Another Trustee supported doing monthly budgets because the current report is difficult to understand. President Browning stated that staff will work on this issue.

Ms. McDonald reported that the Mt. Airy College Center for Healthcare Education first quarter of operations (ending September 30, 2012) resulted in a loss of \$118,705, which is shared equally by the three participating colleges – or \$39, 568 per college.

President Browning added that the \$135,000 loss shown to Howard is misleading because they are paying the bills and then we are reimbursing them for FCC's share. He stated it is important to note that conversations are going on as to which classes are needed and other changes needed to maximize attendance so that losses go down. He added that the three right-hand columns of the report are more cash flow than loss.

With respect to the Auxiliaries, Ms. McDonald reported that book sales continue to lag in the Bookstore. The Bookstore needs to adapt to the current environment and initiatives are being put in place to compete with online sources of purchasing.

Ms. McDonald reported that Dining Services is improving. Their goal is to earn \$1.00. Trustees acknowledged that Building H has contributed to the overall college experience. Good academic achievement results when students and faculty come together and they can do this in the Grille. Dining Services adds value to the campus, so getting hung up on cost could be detrimental. It should be run efficiently, but in an attempt to break even prices could be so high that no one will patronize the Grille. Trustees agreed it is a service that needs to be provided, regardless of whether it breaks even. President Browning added that it wasn't that long ago that Dining Services was losing a lot more.

Ms. McDonald reported that in the Children's Center revenue is down and enrollments are down. They are raising fees beginning in April to mitigate some of the loss and looking at other alternatives. A Trustee asked whether the Children's Center is similar to the cafeteria and should be subsidized for the benefit of the students. President Browning stated he does not want to subsidize the Children's Center at this level. Students, employees, and community members use the facility. The College wants to protect students the most. Staff is talking about a number of ways to bring the loss down, but still make it affordable to students. He added the Children's Center will be rolling out a number of changes in stages. A Trustee asked whether the Center is privately run or run by the College. President Browning stated the Center is run by the College, but it is competing with the private sector. The Center pays an overhead charge, but the question is whether it is sufficient for all the services it gets. A Trustee asked whether there is an economic model that allows the Center to break even. President Browning stated that the Center did break even in pre-recession times. A Trustee added that the Center will never be at full capacity because of the model.

A Trustee brought up the issue of frequency of capital budget reports. President Browning stated that capital expenditures reports could be generated quarterly. He requested time to make this happen.

This item was presented for information only. No action is required.

Single Audit Report – Period Ending 6/30/12 – Dana McDonald presented this item. She reported that this single audit is completed by the auditing firm in parallel to the annual audit. It focuses on internal control and compliance related to federal awards and funding. It is conducted to assure that the College has complied with the types of

compliance requirements that are applicable to each of its major federal programs.

Compliance is the responsibility of the College. There were no findings in the report. The auditor's opinion was that FCC complied, in all material respects, with the requirements that are applicable to each of its major federal programs for the year ended June 30, 2012. One finding from the prior year's report has been resolved and that was noted in this report. In response to a question from a Trustee, Ms. McDonald affirmed that there is nothing to be concerned about in this report.

This item was presented for information only. No action is required.

ADJOURNMENT TO CLOSED SESSION

The motion was made and seconded to adjourn to Closed Session at 9:00 p.m. The Board, by individual vote, unanimously approved the motion.

This action was taken in accordance with Maryland's Open Meetings Act, Section 10-508(a):

To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or any other personnel matter that affects one or more specific individuals.

CLOSED SESSION

The Board met in Closed Session to hear information about two student issues (one that has been assigned to the College attorney) and two employee issues.

The motion was made and seconded to return to Open Session at 9:32 p.m. The Board, by individual vote, unanimously approved the motion.

ADJOURNMENT

The motion was made and seconded to adjourn immediately at 9:32 p.m. The Board, by individual vote, unanimously approved the motion.

NEXT MEETING

The next regular meeting of the Board will be held on Wednesday, February 20, 2013 at 7:00 p.m. in the Chris T. Matthews Board Room (A201).

**Douglas D. Browning
Secretary/Treasurer**

**Prepared by Diane Morton
Office of the President
Frederick Community College**
dmm/Board/Board Minutes/Board Minutes 2013/Board Minutes01 Jan 16 2013