

BOARD OF DIRECTORS MEETING
College Drive Campus
May 9, 2013
Minutes

MEMBERS PRESENT: John Clark, Leigh Latherow, Ann Perkins, Marganna Phelps, Austin Robinson, Ramona Salyer, John Stewart, Molly Webb

MEMBERS ABSENT: Toni Armstrong, Kathy Riley

ALSO PRESENT: Kay Adkins, Karen Blevins, Larry Ferguson, Steve Flouhouse, Janie Kitchen, Willie McCullough, John McGlone, Pam Miller, Louise Shytle

CALL TO ORDER

John Stewart, Chair, called the meeting to order at 7:30 a.m. in the President's Conference Room, LRC Building, on the College Drive Campus.

APPROVAL OF MINUTES

Members reviewed the minutes of the April 24, 2013 meeting. Ann Perkins stated that she was not in attendance at that meeting; therefore, the minutes will be corrected to reflect thus. No other changes were noted. John Clark made the motion to accept the minutes, with the change in attendance. Marganna Phelps seconded the motion. There was no other discussion. All voted to approve the minutes.

MEMBER APPOINTMENTS

John Stewart, Chair, informed the Board of two positions which had expired, Ann Perkins and Carl Edwards. Ann has been reappointed and Leigh Latherow has taken the place of Carl Edwards. He introduced Leigh and welcomed her to the Board. He informed the board that she had been sworn in by Boyd County Judge Executive, William Stevens, on Tuesday May 7, 2013.

BUDGET APPROVAL

Dr. Kay Adkins explained to the Board that modifications to the format of the budget are necessary due to the methodology the system is now using to estimate our budget. In the past we have looked at an average of three previous calendar years. Beginning this year we will go back one calendar year (2012). We will look at Spring, Summer and Fall 2012 enrollments and base our budget on those figures.

The CPE tuition increase is 3%, moving tuition from \$140 per credit hour to \$144 per credit hour. A salary increase is also coming to employees. Those who earn \$50,025 or less annually will see a \$1000 per year increase in salary for 2013-2014 and those who earn \$50,026 or more will receive a 2% increase.

Dr. Adkins reminded the Board that we are relying more and more on tuition versus state appropriation to meet budget needs. With that in mind, this year's budget is based on enrollment of 4,520 students. This figure is up 123 students from last year. We will be watching enrollment closely and adjust our budget as necessary.

Dr. Kay Adkins then gave a brief explanation of each line-by-line item of the 2013-2014 budget. She then asked for questions:

John Stewart asked about student tuition income being down compared to last year. Dr. Adkins explained the decrease is due to a decrease in enrollment and also due to the new methodology of the budget.

He next asked about availability of scholarships, if we were lacking in that area. Willie McCullough stated that we do very well in that area and are able to offer scholarships to all eligible area high school seniors plus many other scholarships.

Ann Perkins asked about any change in the availability of federal financial aid. Willie said all aid that was available last year is again available this year. Ann asked about the default rate issue. It was explained that this issue is a national problem. Karen Blevins informed the Board that student loan debt is now the highest consumer debt even greater than credit card debt. Dr. Adkins informed the Board that ACTC will be stepping up financial aid counseling in the 2013-2014 year.

Dr. Adkins then informed the Board that each ACTC Dean plays a vital role in developing the budget and each will explain their portion of it:

Janie Kitchen, Dean of Academic Affairs

A significant portion of the college annual budget is assigned to Academic Affairs. Of this assigned amount, the majority goes to support the salaries and benefits of the 100 or so full time teaching faculty/librarians employed by the college.

Additionally, the Academic Affairs budget supports the salaries and benefits of full time staff assigned to Academic Affairs areas such as laboratories, computer labs and the library.

Monies to support instruction at the division and program level (professional development, travel, specimens and other consumables) are housed in Academic Affairs as well. A significant portion of the Academic Affairs budget provides salaries and benefits for the adjunct faculty. The FT faculty could not provide all of the courses needed in the class schedule.

Other fund categories include temporary staff and library accounts. Also, four self-generating accounts, Cosmetology, Auto Tech, Culinary, and Theatre are also overseen by Academic Affairs.

Willie McCullough, Dean of Student Affairs

The Student Affairs budget involves recruitment, admissions, and registration and records functions of the college. In addition, the following support functions: orientation and advising, disability services, student activities, diversity, career planning and scholarships. The Student Enrollment Management Plan will focus on four pathways: preparing for college, introduction to college, progression through college and college goal completion. This plan will be guiding and directing us in everything we do and is critical for now and the future as we work to serve students and balance the budget.

John McGlone, Dean of Marketing/Community Relations

The primary direction of the Marketing budget for FY 2014 is to focus on the Success Matters campaign in support of our Strategic Enrollment Management Plan. The Success Matters campaign is a local campaign focusing on student, faculty, staff, local business, and community success. The campaign supports recruiting and retaining students, among the many other facets of what we do.

In consultation with Creative Alliance, a KCTCS strategic marketing partner, we have just within the past week begun a marketing campaign on TV, radio, newspaper and internet- based advertising. We have begun the campaign this fiscal year with current budgeted dollars, and continue into next year with this campaign.

In addition to this campaign, the marketing budget supports our legacy website, President's annual report, graphic design and support for sponsorships, like the in-kind work that we do as a major sponsor of Summer Motion and Poage Landing Days.

Our budget and department, while very small in consideration of the overall college budget, has a major impact on the image of the college in the community.

Notes: Week of April 22-29 had 15,983 Facebook views. Media Tracking of 1,221 predominantly newspaper media hits highest among KCTCS.

Karen Blevins, Dean of Business Affairs

The Business Office is made up of several support services for the college:

- Budgeting; ongoing revenue and expense review
- Human Resources & Payroll
- Accounting Services; student accounts; banking & credit card services
- Purchasing
- Financial Aid
- Now – Information Technology
- Now – Maintenance & Operations which includes capital assets and inventory; small and large projects
- Switchboard/Mailroom Services

My challenges are several; to keep the President and the leadership team regularly updated on the status of our revenue in order to make informed decisions about operational matters, to advise on budget matters and planned expenditures, overseeing HR and payroll functions as well as all accounting services, financial aid regulations, technology matters and physical plant concerns.

Steve Flouhouse, Dean of Institutional Effectiveness

Institution Effectiveness means compliance and accountability. This unit does accreditation work and also tracks students after they enter the workforce. Institutional Effectiveness will follow the SEMP, documenting progress. The unit has a small budget footprint but does vital work. Dr. Adkins noted how increasingly important accountability is in community colleges.

Louise Shytle, Dean of Advancement

The Advancement impact on the ACTC budget is the total dollar support for the Advancement staff. We manage the External gifts and donations mostly through the Community and Technical Foundation of Ashland, Inc. The Foundation's single goal/mission is to support the college. We do this by providing endowments and gift funds for professional development, community support and internal service. The funds are from private and public sources. Additionally we house the Grants office and depend on grants for Training and Academic Programs that train and provide leadership, assist in the payment for adjunct faculty. The grants office manages all fund 12 accounts.

The Advancement Unit collaborates with the President's Office in the management of the Public School Cooperation Cooperative Program revenue. From this fund we pay one office assistant salary. The fund assists with scholarships, professional development and community service of the college.

Larry Ferguson, Dean of Community, Workforce and Economic Development

- The budget model for CWED differs significantly from the overall college.
- CWED is a revenue generating, self-supporting unit that operates on a business model.
- Each year we project revenues based off the previous year's performance which are then attached with appropriate expense budgets. We do not spend what we do not earn.
- As of 4/15/13 CWED has generated gross revenue in the amount of \$348,301.35 for this fiscal year. We are on target to meet our Fund 01 revenue target of \$379,000 by the end of the fiscal year. We will also meet our Fund 12 (grant funding) goal of \$145,300.
- These funds support the salaries and benefits of the 8 individuals who work in the unit.
- This allows us to provide business and industry training and supports our economic development efforts at no real cost to the college.
- Revenues generated beyond supporting the unit go to the overall college budget.

Dr. Kay Adkins

Dr. Adkins reported to the Board that the budget has been put together very conservatively. She stated that the budget must be finalized and to the system office by Monday, May 13. It will be addressed by the Board of Regents in June.

Dr. Adkins next moved to informing the Board regarding upcoming projects. They include the following: paving of the Child Care Center parking lot, resurfacing of the upper parking lot on College Drive, exterior cleaning and damage repair to the College Drive Campus main building, and fire alarm replacement on the College Drive Campus.

In regard to the KCTCS 2014-2020 Strategic Needs Analysis Plan, ACTC's renovation of the College Drive Campus is ranked in second place (in priority order) for funding of renovation projects in the first biennium (2014-2016) and that same project is ranked ninth in the combined new construction and renovation projects during the first biennium. The construction of the Phase III-Technology Drive Campus is ranked twenty-fifth in the construction and renovation projects section. In the restricted funds section of the plan we are authorized to do those projects listed if we have the funds.

Ann Perkins asked if Community Block Grant funding is available for any ACTC projects and Larry Ferguson informed the Board that those funds do not apply to us.

John Stewart, Chair, noted that interim President, Dr. Pat Lake's influence to Dr. McCall regarding the condition of the College Drive Campus building probably helped us in our second place ranking. Dr. Kay Adkins also added that much conversation regarding this matter also took place during Dr. McCall's listening tour at ACTC.

John Stewart

John asked for a motion to approve the 2013-2014 operating budget. That motion was made by Molly Webb and seconded by Ann Perkins. All were in favor, therefore the 2013-2014 operating budget was approved.

John Stewart, Chair, then adjourned the meeting of the ACTC Board of Directors at 8:20 a.m.

Respectfully submitted,
Pam Miller
Recorder