

MINUTES
District Board of Trustees
Tallahassee Community College
444 Appleyard Drive
Tallahassee, FL 32304-2815
April 20, 2009
Board Workshop – 2:30 pm
Business Meeting – 4:00 pm

Vice-Chair Moore called the District Board of Trustees workshop and business meeting to order at approximately 2:35 pm.

Members Present: Vice-Chair Moore, Trustees Lamb, Moon, and Shirah.

Absent: Chair Messersmith, Trustees Hebrock and Stanfield

Via phone: None

Others Present: President Bill Law, Frank Brown, Tom Waller, Bill Spiers, Lori Smith, Bobby Jones, Chip Singletary, EE Eunice, Sally Search, Marge Banocy-Payne, Cherry Alexander, Lois Ewen, Kate Stewart, Barb Gill, John Chapin, Laura Kreps, Sharon Jefferson, Barbara Sloan, Robin Johnston, Jim Murdaugh, Alexis Williams, Susie Hall, Scott Balog, Jerry Schilling, Tony Stallworth, Patricia Manning, Carol Easley, Monte Finklestein, Lee Kitchen, Angela Taylor, Valerie Bahl, Renae Tolson and Lenda Kling

COMMENTS

Board Chair – Vice-Chair Moore asked everyone to stand for a moment of silence and the pledge of allegiance. She asked if the Board Members had any comments.

Board Members – None

President – Reserved comments until the Board Meeting.

BOARD WORKSHOP

A. 2009-10 Budget

President Law indicated the purpose today was to share information, although it is not fixed. When we ask the Board to make some decisions they will be hard, not harsh. Our goal will be to stay the course and continue to do what we have been doing. He referred back to our Guiding Principles indicating we have protected students as best we can during the budget challenges by not capping enrollments, maintaining services and continuing programs for student success.

We continue to protect our current employees and fill any mission critical vacancies. We will continue to find efficiencies in processes and review OPS positions. We are also managing expenditures wisely.

The current situation on state senate and house budgets was shared – there is a huge difference in the two. We started in 2007 and took a cut of 3% by the end of the year, since we had actually cut a little deeper and what was left was given as a pay raise last year. In 2008 we planned a 4 1/2 % cut, they have held back the 4th quarter allocation (if they cut this allocation, we will have already cut 11% in 2 years. This is the framework for June 30th to prepare for next year.

If we estimate a cut in state dollars for next year at 7 ½%, we would need to find another \$2,159,000. This allows us to draft a plan just for today, although we do not know exactly what will happen. Technically the June 30th cut we have already taken shows up on July 1st.

When the State talks about cuts, it is from the last time they made an appropriation. Although the state has held back funds this year, they have not yet cut our budget. On July 1st, if they cut our budget, we have already allowed for some of it.

We talked about how we put the principles into action. We took action as early as possible and enlisted the entire TCC community (classified staff has done a great job, since these are positions that often do not get replaced) and thanked the Board for sticking with us on the plan.

We did not deplete the fund balances this last year so we can put into good use next year. Going forward we will continue to freeze or eliminate positions as appropriate. We will make additional cuts to our expense budget for the upcoming year and plan to increase tuition.

The next steps include a range of strategies to address budget shortfalls, including early retirement options for those in DROP, review class sizes and release times, move to mid-point in tuition within the Florida's Community College System, employee furloughs and adjust budget for additional 2% growth (1% results in about \$200,000 in revenue).

We do have some costs that continue to go up (over which we have no control), such as insurance and utilities. The Learning Commons will need about \$50,000 for growth and the enrollment plan costs about \$275,000 with about 5% growth built in. The State may no longer pay our internet fees which range \$500,000. With this our goal will be to find \$2,600,000.

With the \$2.75 tuition increase and change to technology fee which represents about \$975,000 in revenue; another \$400,000 for the 2% enrollment growth; and \$225,000 in expense budget cuts. Vice-Chair Moore asked how we handled the growth projections last year. We budget expenses at 5% growth, but budget revenue at 2%. We still have to find \$1,136,000.

We know there will always be salary lapses, due to vacancies even if they get filled. We have used most of that money and have concern about counting on that money to save the budget, however for this exercise we will estimate \$300,000. Vice President Sloan is working on schedule management and class size reductions for which we are currently estimating \$175,000. These changes would result in a need to still find a little over \$600,000.

In looking at tuition, we are \$3.80 below the mid-point in Florida Community College tuition currently. We have already made a decision to increase our tuition by 5% next year, which (assuming everyone else makes the same percentage increase) will bring us to \$4.00 below the mid-point. Our discussions with many of the other colleges indicating they are looking at even greater percentage increases.

We do not plan to catch up all at once, but we must look at strategies that let us accelerate the plan for increases. The legislature is making the assumption that everyone is moving at the rate they are projecting. We have worked so hard not to be at the mercy of the legislature, but we are lagging out of concern for the students.

There is also a hidden problem. If we get the Senate budget this year and initiate our 7 ½% cut allowing us to be even for this year, we still have \$75,000,000 in stimulus funds in there. Plus there is almost \$100,000,000 in non-recurring Indian gaming. Since we get about 3% of the state funds, our budget gets about \$3,000,000 of this.

Vice-Chair Moore indicated we can no longer continue to market the fabulous work we do at the lowest price. She would be very comfortable moving toward the mid-point of tuition within the state. Trustee Shirah indicated that looking at a full class schedule, the impact to the student would be approximately an additional \$60 per semester.

Trustee Lamb verified that in moving to the mid-point that students would not lose anything during the move to mid-point. Dr. Law indicated the retention of current services is one of the primary reasons for moving tuition to the mid-point.

For today's discussion if we were to propose adding an additional 8% anticipated by the legislature that would be \$1.75 in January resulting in another \$266,000. That puts us at just \$400,000 more to find. If our real enrollment goes up by 4%, then we have a break even budget. If we are not at 4% each semester, we could choose a furlough day (possibly Wednesday before Thanksgiving or at end of spring semester--this year May 4th or 5th) for each 1%. If we furlough one day and close the college, it equals \$150,000.

Dr. Law shared information on the early retirement proposal. This would be for employees who are already in the second half of the DROP program (within 2 ½ years of retirement). Salaries of the approximately 20 individuals exceed \$1,000,000 – but earnings from DROP are only about \$650,000. If we pay out the earnings amount, we could save much of the salary. Although we may not save much in the current year, there would be future savings and in many cases we would not replace the positions.

Trustee Moon asked why these people were in DROP. Dr. Law indicated there are set dates at which employees must make some choices. Trustee Lamb indicated he felt it would be an advantage for the employee and employer. Dr. Law indicated they would make a few more dollars in our process because of the end date of our calculation. If enough of these individuals proceed with the offer, it is possible we could avoid furloughs.

We will continue to proceed in this direction and refine our numbers as we watch the legislative budget results. Next month we will have more updated, detailed information and move forward with a final budget in June.

Vice-Chair Moore indicated this was excellent work and included some creative recommendations with hard decision options. She feels the Board will be able to make some decisions moving forward.

BUSINESS MEETING

Vice-Chair Moore called the Board meeting to order at approximately 4:02 pm.

Dr. Law asked Vice President Jefferson to introduce the three Phi Theta Kappa winners from the International Convention. The students indicated they learned more about Phi Theta Kappa, how to motivate people, heard Robert Kennedy speak and realized a lot of their own potential.

Model United Nations students were here to discuss their recent visit to the International Conference in New York. There were 313 universities and the TCC delegation of 16 students got one of the seventeen distinguished awards. They also get the opportunity to have reunions with friends they met initially through the organization. This is a voluntary organization and they presented a plaque to Dr. Law for the support.

Forensics Students were introduced by John Schultz and comments were made about the gold individual and silver overall medals received at the national sweepstakes. If you look at past ten years, only 4 schools have won gold medals with only one school in the nation claiming higher awards. Default Captain for the group gave great accolades to John Schultz for his connection to students. The students presented the overall sweepstakes and individual awards to Dr. Law.

President Law indicated the latest show at the theatre was outstanding. TCC is the first college in the region to get the licensing and rights to the musical "Rent" which will anchor our 2009/10 Season.

Dean Frank Brown announced the new STEM Center opened last week with three new programs supporting minorities and women going into the Science, Technology, Engineering and Mathematics programs. We have over 120 students in this program

with 6 going into internships this summer (four with Department of Energy Lab and two at University of Florida). One of last year's interns presented his research at a statewide conference of thirteen colleges and universities earning second place in Computer Science.

Vice President Jefferson introduced the USA Academic Scholars. Two of our students earned the right to be on the first and second All Florida Team. Congratulations were conveyed by all.

Graduation Speaker this year will be our most senior faculty member, Nancy McKissock, who will be retiring. She has been here since 1975 and graciously accepted the invitation to speak.

Lori Smith is joining us as our controller, who comes highly recommended. Lori brings a great deal of experience from education institutions and has an accounting background.

We had an extraordinary event last week where the 6 deans from TCC and the approximate 40 FSU deans, assistants, and Provost. Our percentage of students who transfer to FSU continues to rise. They addressed if our students were prepared with the knowledge base needed for success. With their average SAT scores climbing and our Developmental Ed program continuing to climb, we know we have a little larger gap to fill each year that will prepare students for the university. They generally did not seem to be concerned in this area..

The next area of discussion was if our students had the academic skills (such as reading, research, do they know how to cope). Again there did not seem to be much concern in this area. The two areas where the most of the time was spent was discussing a little bit of a transfer problem, with some concern about the large class size when students transfer and student behaviors.

They have developed an SLS class, similar to ours, for students (those with GPAs of 2.0 or less). They are eager to send their struggling students to TCC for assistance and then transferring back to FSU after the AA is received. They are very positive about our students and want to talk to them about the College of Medicine and planning graduate programs while still undergraduates.

Trustee Moon asked how they planned to help struggling students to TCC, such as one class at a time. VP Sloan indicated that once the student goes on suspension at FSU they would be referred to us for completion of the two year degree, before returning to FSU. Dr. Law indicated this is a tribute to the work we do.

APPROVAL OF MINUTES

Vice-Chair Moore requested a motion to approve the minutes of the March 16, 2009 Workshop and Board Meeting.

MOTION: Trustee Shirah
SECOND: Trustee Lamb
Motion passed unanimously.

INFORMATION AND NEWS ITEMS

Susie Hall commented on the sincerity students were showing during their visits to the meeting today. News media clips included biological training, remembering Carmen Langston, Ghazvini Center for Healthcare Education groundbreaking, Women's History Month Luncheon at FPSI, and the expected student body enrollment increase (including web based classes).

Vice-Chair Moore indicated we are always a little proud when we hear our name in the media.

UNFINISHED BUSINESS

None

PUBLIC COMMENT OR PRESENTATIONS

None

Vice-Chair Moore indicated it was great to see the Ghazvini family at the groundbreaking and what it meant to them to be recognized. They are such modest and humble people and to realize the legacy they will have for this community. To have witnessed and been a part of this was a wonderful opportunity.

NEW BUSINESS

Approval of Consent Agenda

Vice-Chair Moore asked if there were any comments or requests for the Consent Agenda.

MOTION: Trustee Lamb
SECOND: Trustee Moon
Motion passed unanimously.

Academic Services

Faculty Hires 2009-10 (Information)

President Law indicated we ended up with nine positions (down from the original 14-15). We interviewed people from many areas of the country, but it is tough to move, and these are truly the best candidates, many from FSU. Nursing is still outstanding since we have one more to hire.

Administrative Services

Construction Status Report – April 2009 (Information)

President Law indicated the permits are in place for the Ghazvini Center. FPSI project is on its way. Dr. Murdaugh indicated they should have the certificate of occupancy by Sept 1, 2009.

Amendment #1 – Educational Plant Survey and Resolution to Dispose of Real Property (Action)

This is the item from last month that we delayed so we could address your comments and questions. The buildings need to be destroyed and you can now see in our new document format the source of the funds.

MOTION: Trustee Shirah
SECOND: Trustee Lamb
Motion passed unanimously.

EHPA Exemption for the Ghazvini Center for Healthcare Education (Action)

With major projects we ask to seek waiver from use as an emergency center during hurricanes. The Board must vote to seek this waiver for the Ghazvini Center.

MOTION: Trustee Moon
SECOND: Trustee Shirah
Motion passed unanimously.

Guaranteed Maximum Price – Ghazvini Center for Healthcare Education (Action)

The price of \$21,500,000 is a very good price from the cost we anticipated last year. We can only vote for \$19,400,000 (amount currently available). Additional funding will be anticipated from PICO funds in future years.

MOTION: Trustee Lamb
SECOND: Trustee Moon
Motion passed unanimously.

Pre-Qualification of General Contractors (Action)

This item is one that regularly appears and the list seems to be longer than previous times. Trustee Shirah asked about minority vendors, with Tony Stallworth indicating there were two on the list (ThomCo Enterprises & Construct Two Group. This would give us the authority to award projects between \$1 - \$5 million, although there is nothing currently planned.

MOTION: Trustee Shirah
SECOND: Trustee Lamb
Motion passed unanimously.

March Fund Analysis (Information)

This information was incorporated into the workshop and we do not foresee any surprises before June 30th. We have addressed all the extraordinary costs this year and feel we will be right on target this year.

Quarterly Fund Summaries and Classifications (Information)

We do not believe there are any surprises in the funds. Fund 5 is a financial aid fund and it is a timing issue. Trustee Moon asked if we should change information in Fund 3 to reflect FPSI (instead of PTLEA).

Professional Service Contract (Action)

Bill Mabile streamlined the path for us to continue our relationship although he changed firms. Rate of pay was established by state law, but the law and state code has changed. Mr. Mabile has worked at the same rate for several years and there will be further discussion at a later date. We are asking the Board today to continue a contract with him at his new firm.

MOTION: Trustee Moon
SECOND: Trustee Shirah
Motion passed unanimously.

TCC Foundation

TCC Foundation Update (Information)

Vice President Johnston indicated the campaign is up to \$966,000, which includes the proceeds through the 2nd annual Capital Caper yesterday. He reviewed the list of Board Members who had recently joined and the upcoming Executive Committee.

The President's Circle item should not have been included and the correct date for the next Board meeting date is June 18th. Vice-Chair Moore congratulated them on the great job done for the Capital Caper.

TCC Foundation – Quarterly Financial Update April 2009 (Information)

Vice President Johnston indicated that the investment performance (although down 14.9%) is not as significant as most have been (S&P 42.6%). Total Foundation assets are \$12,790,000. There is approximately \$190,000 remaining in Pool B limit access funds from the original \$675,000.

Matching Programs Summary (Information)

President Law indicated he requested items be provided in an overview of the three primary matching programs. The Phil Benjamin match is certified in February (approved by Board in January) with last year at \$1,300,000. It is the same process for the Facilities Enhancement and the First Generation Match.

PRESIDENT'S REPORT

Legislative Update

Indicated he had spent a lot of time tracking budget information and there were not a lot of major issues outside the budget.

Union Update

Last week both sides signed off on items (such as who is eligible to vote, who would be in the bargaining unit, etc.) about a union vote, but at this date we do not have a date for the vote. There continues to be a lot of dialogue with this issue, with Vice President Sloan, Deans and others answering questions. Faculty Senate held another forum.

Summer Hours

In past years employees have worked summer hour schedules (although the college remained open during normal hours), however we will not be doing that this year. With the cut back in positions, we can no longer manage to do this – although individuals can still take their leave.

Veteran's Outreach

We are working very hard with veterans upon their return to college. There is a sense that veterans will be best served by attending community colleges first and we are seeking Board's support via a resolution to steer veterans to us.

Vice-Chair Moore voiced support and Trustee Moon indicated it was wonderful. Trustee Shirah indicated she attended TCC on the GI Bill. She shared that it was an enormous benefit to the veteran and that the veterans bring a lot to TCC as a more mature student. Bill Spiers indicated that the benefits could be assigned to a spouse or a dependent child.

Trustee Lamb thought this was a great show of respect and made motion for approval.

MOTION: Trustee Lamb

SECOND: Trustee Moon

Motion passed unanimously.

Presidential Evaluation Committee

Chair Messersmith and Trustees Moore and Lamb will serve on the Presidential Committee. This will entail one additional hour or hour and half meeting, with a possible last minute touch before the next Board meeting.

President Law indicated he wanted to share with The Board that the work we do continues to get noticed. He was invited and hoped to be in Washington, DC on a Steering Committee for Involuntary Framework for Accountability (pre cursor for changing accreditation). The work of this group will go to the federal government for review.

FUTURE AGENDA ITEMS

None

NEXT MEETING DATE

May 18, 2009

Note – June Board Meeting Date changed to June 22nd

ADJOURMENT

Meeting adjourned at approximately 5:09 pm.

Minutes approved at regular meeting of the District Board of Trustees on May 18, 2009.

Frank Messersmith
Chair

William D. Law, Jr.
President