

Approved 9-3-08

Meeting Minutes

Bluegrass Community and Technical College Board of Directors

May 21, 2008

Board Room – Leestown Campus

Members Present:

Bob McNulty, Vice Chair; Becky Critchfield; Florence Huffman; Dr. Jonah Mitchell; Bob Rowland; Marakeshia Smith; Janella Spencer; Luke Taylor; Ron Walker

Absent: Annissa Franklin

Guests:

Dr. Augusta Julian, Ren Bates, Lisa Bell, Dr. Sandy Carey, Vern Kennedy, Dr. Dave Hellmich, Dr. Palisa Rushin, Tri Roberts, Charlene Walker, Karman Wheeler, Marilyn Childre

I. Welcome/Introductions

The meeting was called to order at 6:15 p.m., following the new board orientation session with Dr. Michael McCall and Dr. Augusta Julian. Board Vice Chair Bob McNulty welcomed all new and returning board members as well as college administrators who were present. Each attendee was asked to briefly introduce himself or herself to the group.

II. Business Meeting

Approval of Previous Minutes

Previous minutes were presented for approval. Florence Huffman moved to accept the minutes of March 5, 2008; the motion was seconded by Becky Critchfield, and the previous minutes were approved and accepted, with no corrections noted.

Approval of Budget 2008-09

Background Information

Dr. Julian made introductory remarks concerning budget development and referred to the materials which had been distributed to the board for review prior to the meeting. With a \$4 million shortfall for 2007-08, certain measures were implemented in Fall 2007 to curb expenses and bring the 2007-08 budget into alignment, including a position vacancy freeze, 10% across-the-board cuts in supplies and expenses accounts, and cuts of new initiatives. This resulted in a savings of \$1.4 million.

A 3% budget cut to all institutions of higher education was announced by the Governor in Spring 2008. The Bluegrass Community and Technical College (BCTC) required reduction was \$639,000. At that time travel and expenses expenditures were

suspended except those that were critical and necessary. The college is discussing other budget savings efforts including better reporting of no-shows and drop-outs to reduce the college obligation to return Federal financial aid. A security charge will be added to students' bills as of Fall 2008 to help enhance safety and security across campuses, and a "pay-for-print" initiative will also be implemented.

Guiding principles for budget alignment were established and included: keep the student as center, create an understanding of the budget, take a realistic look at how to realign budget but support future growth, gain efficiencies in operation, retain and reassign personnel as possible (no reduction in force), the college is more important than any specific individual, maintain focus on mission and goals of the college, adjust goals as needed, meet college partner expectations and commitments, maintain communication, and consider climate and morale of college.

College administration and staff and faculty leaders met to examine college mission and planning needed to guide us through these difficult years. Eight annual priorities for next year were identified and fit well into the college's *Strategic Plan 2006-2010*. The eight priorities are: retention, quality education, open communication, marketing, capital campaign/fundraising, customer service, finance/budget, and reaccreditation.

The Budget Advisory Alignment Team (BAAT) made recommendations on how to address budget cuts. These were:

- Stronger communication regarding budget situation with specific decisions made and scenarios of potential savings and dollar amount attached;
- Review structure of college and programs;
- Create comprehensive plan to outline how budget shortfall is being addressed, including items to be cut, cost savings, and duration of these changes.

Dr. Julian commented that while it is unfortunate that decisions had to be made before a comprehensive plan could be rolled out to employees, we will continue to share information and will provide a final budget with a high level of detail.

2008-09 Operating Budget Presentation

Interim Chief Finance Officer Lisa Bell made a presentation to the board. An updated budget summary document was provided. The total budget is \$68,645,000 with \$44,440,800 unrestricted. Some 92% of the unrestricted budget is Public Funds. Of that, tuition revenue is 61% and state appropriations is 31%. The KCTCS Public Funds Allocation Model is used to determine the overall budget. The BCTC 2008-09 budget includes an additional state mandated cut of \$619,000 to total \$1,258,900 over

the 2007-09 timeframe. The Corrections Education Budget is now in the college budget, an additional amount of \$1,258,900.

Ms. Bell also noted that 80% of the college budget (unrestricted) is in personnel costs. Personnel costs have decreased due to vacant positions not filled, some positions eliminated, and an increase in class caps and technical workload. In addition, the operating expenses were reduced, and capital outlay is significantly reduced.

Board members raised a number of questions. One question concerned decreases that have occurred in student services, since this is a critical area and good customer service must be an uppermost priority. Dr. Palisa Rushin replied that the Financial Aid and Records Office have seen staff decreases, but other staff have taken on additional responsibilities. There have been some reassignments from other areas, and the additional staff will take on many additional responsibilities, including online support.

Luke Taylor requested a complete BAAT report. Dr. Julian stated that the report consisted of the recommendations in the budget overview which had been distributed last week. No other report has been issued by the team.

Considerable discussion ensued regarding the required budget reserve and the amount of support from the System Office. Questions also arose regarding anticipated enrollment growth. Dr. Rushin reported a slight increase in enrollment growth beginning this year. She projected a flat enrollment growth of about 11,000 in Fall 2008. However, online enrollment has increased 47% over the past year, and it is expected to continue to grow.

2008-09 Operating Budget Approval

Florence Huffman moved to accept the 2008-09 budget as presented, and the motion was seconded by Bob Rowland. Ron Walker and Jonah Mitchell had further questions on the history of the budget overages. Dr. Julian and Ms. Bell provided additional explanations. At 7:55 pm, with no further questions or discussion, Vice Chair Bob McNulty called for the vote. The board unanimously approved the 2008-09 Operating Budget as presented, and asked for frequent updates in the months ahead.

Approval of Mission Statement

Karman Wheeler presented the mission review process and the current mission statement. Luke Taylor asked if BCTC could not have a “shorter” or “abbreviated” mission statement, thereby making it easier for all to recall. Dr. Julian explained that KCTCS

policy on mission statements include several items which should be incorporated into the college mission statement. A motion to approve the draft statement was made by Bob Rowland, and seconded by Jonah Mitchell. Discussion followed concerning the draft mission statement, as presented. The draft mission statement was unanimously accepted and approved by the board of directors.

III. Information/Discussion

Board Calendar

Since the board has four new members, the meeting dates previously set for 2008 were discussed. It was determined the board would meet quarterly, on the first Wednesday of September, December, March, and June. However, dates may be adjusted as necessary. Discussion followed regarding a retreat to be held in July, 2008, to enable all members to gain a better understanding of the college and all issues concerning BCTC, especially in light of the current budget situation and implications for the entire college. Members agreed to meet for a retreat on Monday, July 14, 2008 from 4:00 – 8:00 p.m. at the new Winchester Campus.

Further discussion followed concerning election of officers, and whether or not Board By-Laws allow election of new officers at the July meeting. By-Laws will be distributed to all members for their review. (NOTE: By-Laws state “Officers of the Board shall be elected from the membership at the annual meeting and shall serve one year terms,” and “The Fall meeting shall be considered the annual meeting for the Board of Directors and shall occur on the first Thursday of September.”)

SACS Reaffirmation Update and QEP Topic Endorsement

Dr. Sandy Carey reviewed the SACS Reaffirmation Process/Tentative Timeline and progress with the Quality Enhancement Plan (QEP) topic development. Dr. Carey stated that, although many good topics were put forward by the faculty and staff and considered by the Topic Development Committee, the topic “*Building a Strong Foundation*” rose to the top of the suggested topics list. Many faculty and staff had input, through surveys and discussions, to the selection of this topic, beginning with the January 25, 2008 QEP Topic Kick-Off Meeting, when 296 faculty and staff participated in a brainstorming session to suggest possible topics. The topic will be further refined by the QEP Development Team as they begin to develop the PlanBoard members heartily endorsed the topic and its significance to the college and students.

Enrollment Report

Board members noted that Dr. Rushin's earlier explanations during the budget discussions would suffice and no further report was needed at this time.

Campus Security Update

Marilyn Childre distributed two handouts to board members and explained the progress on the Emergency Notification System. A "Faculty and Staff Emergency Procedures Guide" was presented and discussed. The guide lists key emergency telephone numbers and safety coordinators at all campus locations. Also, a copy of the BCTC web page explaining the Crisis Management Plan was distributed. Marilyn reported to the board that training on the Emergency Notification System was scheduled for June 18, 2008, and all campus locations would be trained and briefed on procedures. She explained that the new KCTCS Emergency Notification System would be similar to that of the University of Kentucky.

The \$30 security fee assessed to students will enable the college to install cameras and monitors and have adequate security guards, thereby greatly enhancing the safety and security of students. Florence Huffman questioned whether the college had a "walk out plan" in the event that the only exit road(s) were blocked (especially in the case of Leestown Campus). This was noted, and will be analyzed and assessed by the coordinator of the Safety Committee to assure that such a plan is in place.

Strategic Plan Progress Report – Year Two

It was agreed that the discussion on Item III. E. (Strategic Plan Progress Report – Year Two) would be postponed until the July meeting.

Other Business

Luke Taylor questioned whether or not a Chief Finance Officer (CFO) had been named yet. Dr. Julian replied she was prepared to make an offer to one of the three finalists, and a new CFO should be named within the next 10 days.

IV. President's Performance Review (Executive Session)

Ron Walker made a motion at 8:45 p.m. to go into Executive Session in order to discuss Dr. Julian's Performance Evaluation. The Board of Directors is charged with the duty to perform a yearly evaluation of the president, although the BCTC president has only been with the college for a few months. The motion was seconded by Becky Critchfield, and

unanimously approved by the entire board. Bob Rowland asked Dr. Julian if she would like to share any comments or observations with the board, prior to their deliberations and prior to her departure from the board room.

Dr. Julian offered a brief synopsis of some of her activities during the past several months, citing the report that had been mailed to the board. She mentioned the following: clarification and enforcement of college business procedures; budget issues, some structural changes, and further review of administrative structure during upcoming year; Spring II enrollment increases; the proposed move of business programs to the Regency Campus, and program expansions; communications internally regarding budget and surrounding issues; fund-raising efforts shifting to Georgetown; SACS and QEP Topic support; visits to extended campuses; emphasis on legislative visits and briefings; the fact that the BCTC president is now ex officio with the Commerce Lexington Board; and efforts to support the North American Racing Academy's BCTC programs (NARA).

Becky Critchfield asked for more clarification on the Regency Campus and its proposed focus. Dr. Julian explained this would be a pilot year for the Regency Campus, with more marketing to target an older working population. She stressed that the upcoming year will enable us to better judge if Regency can indeed become more viable and grow enrollment.

Dr. Julian left the Board of Directors session at 8:55 p.m, and the board remained to discuss Dr. Julian's performance for the past six months, in order that they might give an evaluation and assessment to Dr. Michael McCall, KCTCS President.

At 9:15 p.m, discussion was completed. A letter will be crafted outlining the board's remarks, and this will be sent to Dr. McCall. Becky Critchfield proposed a motion for the board to come out of Executive Session; this was seconded by Jonah Mitchell, and unanimously approved by all members.

The May 21, 2008 meeting of the Bluegrass Board of Directors was adjourned at 9:25 p.m. The next meeting of the BCTC Board of Directors will be Monday, July 14, 2008 for a planning retreat at the new Winchester Campus.

Respectfully submitted,

Sylvia Williams

Office of the President