

Approved 9/9/09

Meeting Minutes

Bluegrass Community and Technical College Board of Directors

Wednesday, June 3, 2009

Manufacturing Building (M-136) – Leestown Campus

Members Present:

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

Absent: Annissa Franklin

Others Present:

Dr. Augusta Julian, Dr. David Hellmich, Vern Kennedy, Mark Manuel, Tri Roberts, Dr. Palisa Williams Rushin, Charlene Walker

Special Guests: Karman Wheeler, Steve Atkins, SGA President-elect for 2009-2010

I. Welcome/Introductions

Chair Florence Huffman called the meeting to order at 6:08 p.m. and asked all present to introduce himself or herself. She then welcomed special guests Karman Wheeler, who will bring an updated report on college vision and values statements, and Steve Atkins, new President-elect for the Student Government Association.

II. Business Meeting

A. Approval of Minutes

Minutes from the March 4, 2009 meeting were presented for approval. Luke Taylor moved to accept, Bob McNulty seconded, and the motion passed. The March minutes were approved with no corrections noted.

B. Approval of 2009-10 Budget

Dr. Julian gave a presentation, indicating that she and Lisa Bell, who was absent due to a scheduling conflict, had spent a good deal of time preparing the budget report for 2008-09 and the development of the budget for 2009-10. The first item was the actual operating budget document to be approved by the board. Other budget materials were also reviewed.

Dr. Julian reviewed Budget Development Principles, agreed upon in Spring 2008. She then also reminded the board of the Budget Development Priorities that we continue to operate under. These were also developed in Spring 2008, with input from all the department and division heads in the college. Priorities include:

- Academic programs – scheduling, support growth (weekend, online)
- Operational funds – overhead and infrastructure

- Required publications – identify materials in each functional area
- Student access and services – recruitment, outreach, promotion/image, inclusion/diversity
- Quality instruction
- Critical positions
- SACS requirements
- Web services – online courses
- Grant responsibilities
- Safety/security
- Economic development/workforce and business services
- Revenue generating programs, courses, services

Janella Spencer asked about rankings done by the Leadership Executive Team (LET). Dr. Julian explained that the college annual budget development process begins in January each year. Each college unit identifies funding needs with consideration for the college's strategic goals and individual unit plans. Budget funding requests are collected and summarized by the Budget Office and then reviewed and prioritized by the LET.

Requests are incorporated into the college budget based upon their ranking, as budget constraints allow. She noted that no commitments have been made with respect to recurring expenses or position hires. These expenditures will not be authorized until there is a clearer picture of the state budget situation, including the possibility of another round of budget cuts.

The overall operating budget for 2009-10 is \$73,425,100. The unrestricted amount equals \$48,627,400. This is an increase from Fiscal Year FY09 of \$4,779,800. Public Funds make up 92% of the unrestricted budget. This includes Tuition Revenue at 64.5% and State Appropriations at 27.5%. Budget that is yet to be allocated, but is needed to fund operations, is \$3,727,000. Dr. Julian noted the striking turn-around of the college's enrollment and operational efficiencies that have resulted in the robust budget projections. She recognized the hard work of faculty and staff across the college.

The budget is based on the KCTCS Public Funds Allocation Model that is designed to address both adequacy and equity across colleges. Dr. Julian pointed out the corrections education budget is still included (\$1,205,000) although legislation could place the corrections education budget back under the Department of Corrections in the future.

Dr. Julian reminded the board that state mandated budget cuts since February 2008 amount to \$1,449,100. At this time, we are projecting a loss at the end of FY09 of \$917,208 including prior year debt. This is a big improvement over last year's figures. End-of-year figures will not be final until July 2009. However, we should be

able to end 2009-10 with the ability to pay all prior year's operating loss, assuming continued budget efficiencies and increased enrollments.

Revenue change highlights for unrestricted funds include a budgeted tuition revenue increase of \$3.6 million due to higher enrollments in 2008-09. Dr. Julian reviewed Sales/Services revenue, which includes late payments, transcripts, vending commission, facility rental, testing, student Pay-to-Print, and security charge revenue of \$609,870. Other sources of income included in Sales/Services for FY09, but now separated in FY10 are bookstore commission (\$589,000), other reimbursements from UK, and indirect cost recovery from grants. Considerable discussion ensued regarding Sales/Services revenues. Dr. Julian pointed out that security fee revenues make up the bulk of the increase over last year's figures.

Dr. Julian reviewed expenditure change highlights, explaining that the Budget Reserve of \$1,633,400 was restored by KCTCS in recognition of the college's efforts to reduce spending, improve procedures, and increase enrollment. After the presentation, considerable discussion followed, along with specific questions.

Chair Huffman asked for a further review and discussion of the role of the board, due to recent publicity regarding non-profit agencies and board oversight. Jonah Mitchell expressed further concerns and questions about complete understanding of the BTC budget and budget process. Further discussion followed.

Dr. Julian explained KCTCS budget guidelines, the timeline and process, and the role of the college, college board, system-level staff, and KCTCS Board of Regents. The yearly budgeting process has been established by KCTCS, and the college follows these guidelines and procedures. Dr. Julian expressed the college's commitment to assist the board to carry out their responsibilities.

The Chair asked for a motion on approval of the proposed 2009-10 operating budget; however, Ron Walker asked for a motion to establish a Budget Ad Hoc Committee to meet in May of each year, so the full board could better understand the proposed operating budget prior to the June board meeting. Chair Huffman indicated there are provisions in the by-laws for forming such a committee. The motion died for lack of a second.

Bob Rowland reminded members that a final budget proposal cannot be reached until the state budget is decided, indicating that the current budget proposal is tentative, based on information we have at this time. Chair Huffman stated that Dr. Julian has been providing quarterly reports at each board meeting to keep the board informed about the operating budget.

Chair Huffman again asked for a motion to approve the 2009-10 Operating Budget. Luke Taylor proposed a motion to accept the budget proposal as presented, this was seconded by Becky Critchfield, and the motion carried. The 2009-10 Operating Budget was approved.

Chair Huffman suggested the board take a break at 7:25 pm. The board meeting reconvened at 7:30 p.m.

III. Information – Discussion

A. Budget Update 2008-09

Since considerable discussion had already taken place regarding budget issues, Dr. Julian presented a brief budget update, as has been provided at prior board meetings, referring to materials provided to the board.

B. Draft Vision and Values Statements

Ms. Karman Wheeler referred to the handout provided to board members, explaining how the development of current vision and values statements took place, using Appreciative Inquiry philosophy through small group sessions, forums, interviews and meetings. Much input had been sought from all sectors of the college, and the suggested vision and values statements for the college reflect that input. She noted that the board had discussed these revisions at their last meeting on March 4, 2009.

Ms. Wheeler asked board members to vote individually on the suggested vision options and values options. She asked the board for their vote, any comments and suggestions and then to return their sheets to her, so that she might compile final results. Board members provided their written input on these statements.

C. Enrollment Report

Dr. Palisa Williams Rushin explained the most recent report with Spring 2009 enrollment figures, giving the unduplicated reported headcount as 11,281. She announced an increase in enrollment all across the college, on all campuses. FTE figures are up 7.1%. Dr. Rushin reported online enrollment as the fastest growing area. Some discussion followed regarding small enrollment numbers at Blackburn and the downtown education center.

Dr. Rushin discussed other new initiatives to boost enrollment. She noted a new opportunity for an internship at Toyota for industrial maintenance students. The college is keeping focus on the efforts to support funding for the new Georgetown campus.

Dr. Rushin briefly discussed the BCTCblue+ program and the BCTC Colonels program, allowing students a seamless transfer to UK or ECU. Another new initiative focuses on the Adult Learner. In addition, Selective Admissions processed over 1,000 applicants, and the Records Office implemented an electronic transcript exchange between BCTC and other colleges and universities.

Bob Rowland complimented Dr. Rushin and her staff for a good increase in enrollment this past year, and commended them for a job well done.

D. Academic Report

Dr. Dave Hellmich distributed an overview of the Academics division, reporting that BCTC has 254 full-time faculty. He explained that academic leadership included 11 divisions, each with an Assistant Dean. Each area has worked diligently this past year, creating efficiencies. He praised the divisions, saying BCTC is still a young college, but much progress has been achieved since the consolidation.

Dr. Hellmich discussed priorities for the coming year. Priorities include the creation of a Learning Support Unit, more efficiencies with advising, improvement of educational efficiency, and quality and capacity of online courses. A major emphasis is planned for developmental education, an increased enrollment in technical education courses is anticipated, and development of an Honors Program is underway.

Dr. Hellmich reported that BCTC is second among all KCTCS colleges in the awarding of credentials with approximately 2,800 credentials awarded in 2007-08. He discussed the high job placement rate for BCTC graduates, and reported that BCTC is the largest transfer institution among all KCTCS colleges. BCTC's Transfer Center is a model among Kentucky colleges and universities. The largest area for transfers is in business-related fields, with health-related professions in second place, and education majors in third place.

E. KCTCS Advocacy Campaign

Dr. Julian indicated she would not go through a lengthy presentation dealing with the KCTCS Advocacy Campaign, in the interest of time. She did briefly discuss the highlights of a new KCTCS initiative, identifying key challenges and opportunities. These include: perceived difficulty of transfer; local visibility and relationship to the state system; image of affluence; and rising tuition costs.

Dr. Julian explained that outcomes expected include provision of a framework for effective, coordinated communications and advocacy on behalf of KCTCS, largely through key constituencies providing feedback to policymakers. Decision makers in government should recognize the value of KCTCS and what it provides to the Commonwealth. She further emphasized that this advocacy campaign will be a top priority for all KCTCS college presidents in the coming year.

She outlined activities that need to take place, messages that need to be sent to all broader communities, and the fact that visibility of BCTC needs to be greatly increased. She expressed some concern about the cost of the campaign, because college resources are already stretched thin. The question arose whether or not this

campaign is an effort to seek more funding support. Dr. Julian explained the advocacy campaign is very much focused on key policymakers and legislators.

IV. Update and Announcements

Dr. Julian made only brief announcements, including:

- Updated information will be provided to the board regarding the Newtown Pike Campus initiative
- SACS Compliance Certificate – BCTC received a generally good report, with 10 citations/recommendations, but these can be dealt with. The good report from SACS is very good news and a cause for celebration.

Chair Huffman expressed thanks and appreciation for all expressions of sympathy and kindness, in the recent loss of her brother.

Luke Taylor expressed appreciation to board members and to Dr. Julian for allowing him to serve as the student representative on the board for the past two years. This will be his last board meeting, and the new student representative, SGA President-elect Steve Atkins, will assume the role as board representative beginning with the September 2009 meeting.

Becky Critchfield called attention to the upcoming BCTC 3rd Annual Alumni Association Golf Scramble, inviting all to participate. Information regarding this event has been distributed to board members.

V. Board Calendar

Chair Huffman suggested a possible summer board retreat, with July 7 as a possible date. A firm date will be decided after board members are polled via email. The fall meeting of the board may be moved to Wednesday, September 9.

VI. Adjournment

At 8:50 p.m., Mr. Taylor proposed a motion to adjourn the regular session and go into Executive Session to discuss Item V. (President's Performance Review) on today's agenda. This was seconded by Mr. Walker, and the motion carried.

At 9:15 p.m. discussion was completed, and Mr. Taylor proposed a motion to come out of Executive Session. This was seconded by Dr. Mitchell, and the motion carried.

The June 3, 2009 meeting of the Bluegrass Board of Directors was adjourned at 9:25 p.m.

Respectfully submitted,
Sylvia Williams,
Office of the President