



Board of Directors Meeting Minutes

Wednesday, May 29, 2013
5 p.m. Dinner
Board of Directors Meeting – 5:30 p.m.
Edgewood Campus, Room E210
Edgewood, KY

BOARD MEMBERS PRESENT:

Mr. Brent Cooper (Secretary)	Ms. Martha Johnson (Chair)
Mr. Jeff Groob	Mr. Rick Jordan
Mr. Ken Paul	Ms. Rebecca Raynor (Student Representative)
Ms. Cindy Sproehnle, Staff Representative	
Dr. Michelle Deeley Wilhite, Faculty Representative	

BOARD MEMBERS ABSENT:

Ms. Katheryn Cook (Parliamentarian)	Rev. Richard Fowler (Vice Chair)
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OTHERS PRESENT:

GCTC Faculty/Staff:

Mr. Mike Baker, Vice President, Administration & Business Affairs
Ms. Krista Breeden, Student Representative to the Board (effective September 1)
Ms. Jane Frantz, Administrative Assistant, President's Office
Dr. Patricia Goodman, Vice President, Knowledge Management & Strategic Initiatives
Dr. Ed Hughes, President/CEO
Ms. Laura Kroeger, Vice President, Resource Development and External Affairs
Ms. Sharon Poore, Executive Assistant & Recording Secretary to the Board of Directors
Dr. Angie Taylor, Vice President, Workforce Solutions
Ms. Margaret Thomson, Director of Public Relations & Marketing
Dr. Laura Urban, Provost, Academic Affairs
Ms. Ingrid Washington, Vice President, Student Development
Mr. Jamie Younger, Director, Accounting & Budget

I. CALL TO ORDER

Chair Johnson called the meeting to order at 5:30 p.m. at the Gateway Community and Technical College Edgewood Campus. The record will reflect that a quorum was present for the meeting.

II. APPROVAL OF MINUTES OF THE MARCH 21, 2013, BOARD MEETING

Upon motion by Mr. Cooper, and seconded by Mr. Groob, the minutes of the March 21, 2013, Board meeting were approved as presented.

III. OFFICER AND STANDING COMMITTEE REPORTS

A. Chair's Report

- Chair Johnson began the meeting by thanking all Gateway faculty and staff for another successful academic year despite the challenging budgetary conditions. In addition, she commended faculty and staff for a job well done in hosting this year's KCTCS New Horizon's Conference that was held in Covington.
- Chair Johnson asked Dr. Ed Hughes to introduce the new Student Representative to the Board, Ms. Krista Breeden, who was in attendance. Dr. Hughes read Krista's letter of introduction/application. Ms. Breeden's term begins September 1.
- Chair Johnson thanked Ms. Rebecca Raynor, current Student Representative to the Board, for her service during the past academic year. Secretary Cooper read resolution 05-2013 recognizing Ms. Raynor's efforts. Upon motion by Mr. Paul, and seconded by Mr. Groob, resolution 05-2013 was approved.
- Chair Johnson also recognized Ms. Cindy Sproehnle's dedication and service to the Board of Directors for the past six years. Chair Johnson presented Ms. Sproehnle with a service recognition plaque. Secretary Cooper read resolution 06-2013 recognizing Ms. Sproehnle's efforts. Upon motion by Mr. Jordan, and seconded by Dr. Wilhite, resolution 06-2013 was approved. Ms. Sproehnle noted that she will retire effective June 30. Mr. Jordan spoke of his experience working with Ms. Sproehnle and thanked her for her professionalism, dedication, and service on Gateway's Board of Directors. Ms. Sproehnle noted she was proud that she had not missed one meeting and it was a pleasure to serve on the Board. Mr. Paul thanked Ms. Sproehnle for serving on the Performance Evaluation of the President committee and for an outstanding job.
- Chair Johnson noted that the new Staff Representative to the Board is Dr. Amber Decker. Dr. Decker was not present at the meeting; her service will begin July 1, 2013.
- Chair Johnson reviewed her recent activities, which included attending the following college functions: the Excellence in Education Dinner on March 28; the Foundation Board meeting on May 9; the Nurse Pinning Ceremony on May 13; the Night of Excellence awards convocation on May 14; commencement exercises on May 15; and

the New Horizon's Conference reception on May 19.

- Chair Johnson spoke about future activities that need to be addressed by the Board. One suggestion for the September meeting as a key agenda item would be the review of Gateway's Mission, Vision, and Values statements. The KCTCS Board of Regents will approve all KCTCS colleges' Mission, Vision, and Values statements in the November/December timeframe. The statements must first be approved and endorsed by each college's Board of Directors along with obtaining external input. Chair Johnson brought forth the recommendation of a joint meeting of both the Gateway Board of Directors and Foundation Board. The joint meeting would be a workshop session designed to secure input from external constituents to help in finalizing the Mission, Vision, and Values statements for the college. After discussion, Ms. Poore was asked to poll both Boards to determine the best date in late August for a working dinner meeting to occur.

Following the joint meeting of both Boards, the September Board of Directors' meeting would consist of endorsing the revised Mission, Vision, and Values statements to be recommended to the KCTCS Board of Regents. Another item for the September Board agenda would be the review and discussion of the college's Business Plan.

B. Bylaws/Rules Committee – Parliamentarian Katheryn Cook was not in attendance at the meeting; therefore, there was no report from the committee.

C. Budget/Summary Review – Committee Chair Rick Jordan delivered the following report:

- The Budget Committee met on Monday, May 13, to review Gateway's FY2013-14 Operating Budget and Assumptions. Mr. Jordan then invited Dr. Hughes to review the budget assumptions and highlights (a copy of the presentation is attached to the permanent minutes). Highlights of the presentation included:
 - Total resources available for FY2013-14 operations are \$18,997,100.
 - State appropriation is \$6,220,500; the state appropriation includes an allocation of \$283,400 for KCTCS initiatives (anticipated cost of the initiatives is \$414,500; the college budget will make up the difference of \$131,100).
 - FTE enrollment is budgeted to grow a modest 1.2% (120 FTE) over the actual FTE for the 2012-13 year, generating \$257,472 in new revenue (the majority of this growth will be in Gateway VETS program, online learning, and Workforce Solutions).
 - Tuition revenue is set at \$144 per credit hour depending on approval by KCTCS Board of Regents at its June meeting.
 - The unrestricted fund balance is projected to be \$1,251,300 (compared to \$1,555,387 in 2011-12).
 - Gateway will continue to set aside \$651,300 of its unrestricted assets in a required reserve as mandated by the KCTCS Board of Regents.
 - The operating budget does not contain any new operating funds for the Urban/Metro Campus because no new renovated space will be occupied in the 2013-14 academic year.

- Budget Reductions – the overall budget is reduced by \$886,200, beginning July 1, 2013, and represents the following recurring adjustments to the original 2012-13 operating budget:
 - Elimination of full-time, currently vacant positions in History, Visual Communications, and Admissions – \$208,771.
 - Outsourcing food service – \$44,021.
 - Closing the Park Hills Center – \$50,000.
 - Realignment of two full-time vacant positions into one full-time position, with reassignments of duties in Student Services – \$22,574.
 - Reductions of part-time positions and utilities in Finance/Operations and Maintenance – \$68,727.
 - Reduction in college memberships and college-wide symposia expenditures in President’s Office – \$16,598.
 - Reduction in expenditures related to contract training in Workforce Solutions – \$21,441.
 - Reduction in operations/reassignment of duties to existing personnel from full-time position in Admissions/Financial Aid – \$31,159.
 - Reduction of special marketing promotions in Advancement/Marketing – \$22,973.
 - Shift from full-time faculty to adjunct faculty; some operating reductions in Academic Affairs – \$180,032.
 - Reduction in operations in Knowledge Management – \$6,282.
 - Reduce operations to one campus for Saturday classes – \$30,000.
 - Reduction of operating hours and routes of TANK service – \$40,000.

- Expenditures Priorities:
 - Departmental operating budgets restored to the original proposed levels as of 2011-12 as directed by the respective Vice Presidents.
 - Planned uses of fund balance include \$508,000 to cover only non-recurring operating costs necessary to increase recruitment, improve retention, and improve completion:
 - ✓ Retention of recruiter for GRA in Pendleton, Grant, Owen, and Campbell Counties.
 - ✓ Lease for Grant County Center shared Adult Education, United Way, and Head Start.
 - ✓ One online course designer position to increase courses online and generate added FTEs.
 - ✓ Operational lease for the diesel program in Boone County.
 - ✓ Institutional match for Student Support Services grant.
 - ✓ Operational funding for additional accreditation-related expenses.
 - ✓ M&O funding to cover minor renovations and relocations related to the Urban/Metro Campus.
 - ✓ Increased costs for the first phase of the Student Call Center.
 - ✓ QEP related activities.

- ✓ Financial aid default management – action must be taken when default rates come close to 30%; Kentucky Higher Education Authority will help assist Gateway with default recovery.
 - ✓ Retention of two VETS positions created in 2012, based on an increase of 100 new FTE veterans.
 - ✓ Adjunct salaries are budgeted at the 2012-13 salary level.
 - ✓ Reassignments of existing personnel to assist in GRA.
- Budget Contingency Plan
 - The college will continue to set aside \$651,300 of unrestricted assets as mandated by the KCTCS Board of Regents.
 - Current vacant positions that total more than \$500,000 can be frozen should revenues not meet projections.
 - Reduction in operating budgets of 25% will produce \$400,000, if needed.
 - Recruitment plan will detail new areas for growth (1 FTE student = \$2,160).
 - Dr. Hughes reviewed graphs that showed a historical review of the budget and revenues, State appropriation history, tuition revenue history, State appropriation and tuition history comparison, grants history, State appropriation, tuition, and grants history comparison, and a historical review of budgeted expenses by program.
 - Mr. Jordan presented Resolution 04-2013 for the 2013-14 Revenue and Projection Plan from the committee which did not require a second. The Board members voted unanimously to approve the resolution to be submitted to KCTCS.
 - Dr. Hughes thanked the senior administrative staff at the college for the hard work in making some tough decisions in developing the FY2013-14 budget plan.

D. Performance Evaluation of the President – Mr. Ken Paul, Committee Chair, reported that the committee’s report will be reviewed during the Executive Session later in the meeting.

IV. PRESIDENT’S REPORT – Dr. Hughes stated that the President’s Report had been previously posted on the website and highlighted the following:

- As a result of the Wine, Wills and Wes giving event, Gateway has received an unrestricted gift of \$25,000 from Tony & Gerry Zembrodt.
- Workforce Solutions has just received a \$25,000 grant from Partners for a Competitive Workforce and another \$5,000 to expand the college’s STEM days.
- Dr. Hughes thanked staff members Ms. Sharon Poore, Ms. Margaret Thomson, and Ms. Phyllis Yeager for a job well done in planning the New Horizons’ welcome reception on Sunday, May 19. The KCTCS New Horizon’s Conference was held in Northern Kentucky from May 20 – 22, and was well attended by all 16 KCTCS colleges.
- Mr. Groob expressed concerns about safety and security around Urban Center that he heard while attending a Faculty Council meeting. Mr. Baker stated that the college is reviewing incidents and is working with the City of Covington to include the Urban Center

area in the city's panhandling ordinance.

- Dr. Hughes stated that the food at this evening's meeting was ordered from the Brighton Center Recovery Center, "The Center Table", catering service. Mr. Greg Riddle is the food service manager (the recovery center is currently in its fifth year and has been a very positive influence in our community).

V. EXECUTIVE SESSION

A. Performance Evaluation of the President – Chair Johnson announced that the Board would move into a closed session for the following item: KRS 61.810 (1) (f) guidelines, "Discussions or hearings which might lead to the appointment, discipline, or dismissal of an individual employee, member, or student without restricting that employee's, member's, or student's right to a public hearing if requested." Mr. Cooper made a motion to move into Executive Session, Dr. Wilhite seconded; motion carried. The Board went into Executive Session at 6:37 p.m.

Upon motion by Mr. Jordan and seconded by Mr. Cooper, the Board meeting was resumed by Chair Johnson at 8:32 p.m. The motion passed by unanimous voice vote. Chair Johnson announced that no action was taken during the session.

VI. ANNOUNCEMENTS – Chair Johnson called attention to the important dates that are listed on the agenda and the meetings of the Board of Directors:

- A.** Dedication of The Bank of Kentucky Center – June 20, 2013
- B.** Next Board of Directors Meeting (tentative) – July 25, 2013
- C.** Board of Directors Meeting – September 19, 2013
- D.** Budget Committee Meeting – October 31, 2013
- E.** Board of Directors Meeting – November 14, 2013

VII. ADJOURNMENT

There being no further business to be brought before the Board, the meeting was adjourned at 8:35 p.m. by Chair Johnson.

Prepared by Sharon Poore, Recording Secretary

Approved:

Brent Cooper
Secretary to the Board

Date