

RECORD OF THE PROCEEDINGS OF THE GOVERNING BODY

Page 1
March 21, 2016

I. CALL TO ORDER

The regular board meeting of the Board of Trustees of Colby Community College, Thomas County, Kansas was held in the Board room in Thomas Hall on March 21, 2016, at 5:00 p.m.

MEMBERS PRESENT

Audrey Hines, Carolyn Armstrong, Linda Vaughn, Arlen Leiker, Quintin Flanagan, Kenton Krehbiel, and Seth Carter.

OTHERS PRESENT

Greg Nichols, Vice President of Academic Affairs, Dr. George McNulty, Vice President of Student Affairs, Carolyn Kasdorf, Vice President of Business Affairs, Jennifer Schoenfeld, Endowment Director, Doug Johnson, Public Information Director, Ryan Sturdy, Athletic Director, Angel Morrison, Data Management Director, Bobette Maier, Dental Hygiene Program Director, Sheri Martin, Dental Hygiene Instructor, Dana Foss, Dental Hygiene Instructor, Carol Cameron, Dental Hygiene Administrative Assistant, Michelle Ryan, Adams, Brown, Beran and Ball, and David Tan, *Colby Free Press*. Penny Cline recorded the minutes of the meeting.

CALL MEETING TO ORDER

Board Chairman Audrey Hines called the meeting of the Colby Community College Board of Trustees to order at 5:00 p.m.

II. INTRODUCTIONS

Seth Carter asked the visitors to introduce themselves. Ryan Sturdy, Jennifer Schoenfeld, Doug Johnson, Angel Morrison, Michelle Ryan.

AGENDA AMENDMENT

Seth Carter asked for a motion to amend the agenda to add an executive session for non-elected personnel. Kenton Krehbiel made a motion to amend the agenda. Carolyn Armstrong seconded the motion; motion passed unanimously.

III. APPROVAL OF THE CONSENT AGENDA

Kenton Krehbiel made a motion to approve the consent agenda. Arlen Leiker seconded the motion; motion passed unanimously.

IV. REPORTS

A. REPORTS FROM ADMINISTRATOR

1. Dr. George McNulty reported over 100 students and parents attended Junior Day on March 9. The evaluations were positive, with 42 of the 60 students in attendance stating Colby Community College is of their top three choices. He said the decision was made to move scholarships to another department. The position of administrative assistant to the Vice President of Student Affairs will become part-time after the current administrative assistant resigned. This move will allow cost savings within the department. Dr. McNulty reported improvement continues on the dining facilities to include lightening, TV's and blinds. Dr. McNulty welcomed Vicki Chance to the Financial Aid Department. [See Student Services Report attached.]

RECORD OF THE PROCEEDINGS OF THE GOVERNING BODY

Page 2
March 21, 2016

2. Greg Nichols reported two CCC band students participated in the Army Band concert held in Colby. Veterinary Technology has submitted the programs follow-up report for accreditation. Fort Hays State University is offering a renewed transfer and articulation in general education and nursing. The programs are being reviewed and considered for the fall, 2016. Mr. Nichols thanked Daniel Blake and Tara Schroer for assisting with testing Colby High School students for placement in the partnership “Transition to College Algebra” course. Members from CCC, CHS and various other pilot groups in the state will attend a workshop in late-March to prepare for the pilot program along with various other pilot groups in the state. [See Academic Affairs Report attached].
 3. Carolyn Kasdorf reported Business Affairs met with the Finance Committee on March 17, 2016. Michelle Ryan with Adams, Brown, Beran and Ball will be reporting on the audit during the business portion of the meeting. Allen, Gibbs and Houlik (AGH) will be assisting Business Affairs with the FY16 audit. [See Business Affairs Report attached.]
 4. Doug Johnson reported Brad Bennett’s’ Principles of Selling class that started on March 7, 2016, will start selling donor acknowledgement ads for the on-campus radio station. [See Public Information Report attached.]
 5. Ryan Sturdy reported the softball team is tied for first place in the conference. [See Athletic Report attached.]
- V. **FOUNDATION UPDATE**
- Jennifer Schoenfeld reported the spring 2016 scholarship checks are complete and turned in to the scholarship office. She said the 2016-2017 scholarship budget has been finalized. Significant cuts were made to the budget because the return on investments is substantially lower than in recent years. The Endowment Foundation board approved \$125,450 to award in 2016-2017. She reported that invitations had been mailed out for the annual scholarship benefit auction, reservations were being taken and radio and newspaper publicity would begin during the week. In addition, donations would be accepted until April 4th.
- VI. **BUSINESS**
- A. **OLD BUSINESS**
- There was no old business.

RECORD OF THE PROCEEDINGS OF THE GOVERNING BODY

Page 3
March 21, 2016

B. AUDIT REPORT

Michelle Ryan, Adams from Brown, Beran and Ball (ABB&B), reported on the completed college audit. She explained that the audit includes an “Unmodified Opinion”, on the Business-Type Actives and a “Qualified Opinion”, on the Aggregate Discretely Presented Component Unit (Endowment). She noted seven material weaknesses which is down from the 14 noted last year. She said the report is much improved from last year but the college still needs internal controls in place to monitor financials on a monthly basis for reconciling to GL. Cash did increase over a period of \$870,000. Property Taxes receivable is lower than last year. There was a change of estimate and how that was recorded. The prior year motor vehicle taxes has been included. Federal grants receivable is up significantly from last year. Accrued payroll is down due to change in the payroll date for the staff from the 8th to the 20th. Overall, a net increase in position of \$1.795,920 million from prior period. Operating revenue is up approximately one million from prior year. Bad debt expense was noted at \$211,000. It was noted as material weakness, there was difficulty determining what that was a result from. This resulted in a large adjustment in accounts receivable. Auxiliary revenue increased approximately \$350,000. Operating expenses are up about \$700,000, part of this is Direct Loans, Pell and SCOG grants. Payroll expenses were down by \$328,000. There was a net cash increase of \$869,124 from the prior year. ABB&B is required to make sure the college is in compliance with any state statues. ABB&B noted the college was out of compliance with three statues; 1. Checks outstanding for two years or more in several accounts. 2. Expenditures exceeded the budgeted amounts in Adult Basic Education Fund and Auxiliary, Student Union and Athletics. The reason those numbers appear bigger was because how the budget was prepared the prior year. There were no budgeted transfers in the detail pages. 3. The College did not track each fund’s indebtedness. Material weaknesses were identified for the financial aid statement audit but no significate deficiencies and two material weaknesses on the financial audit issuing a qualified opinion. Material weaknesses noted were the multiple variances in the bank balances and the general ledger, account receivables, account payables, encumbrances and accrued salaries. ABB&B recommends that internal controls be put in place on a monthly basis to eliminate year-end clean up. Carolyn Armstrong made a motion to accept the audit report. Arlen Leiker seconded the motion; motion passed unanimously.

C. DONOR MANAGEMENT

Jennifer Schoenfeld reported on Blackbaud, a donor management system. She noted an evaluation matrix included in the board packet comparing Blackbaud to another system, Ellucian. She said Blackbaud is “the Cadillac” of donor management and fundraising systems and is by far the most affordable option. The cost for the first three years of Blackbaud is \$56,175. The Endowment Foundation board already approved paying half the amount if the CCC board agreed to pay the remaining half. The cost for Ellucian with an upgrade similar to what Blackbaud offers is \$196,000 for the first three years. Arlen Leiker made a motion to accept the Blackbaud proposal with splitting the cost between the Endowment Foundation and CCC. Kenton Krehbiel seconded the motion; motion passed with Quintin Flanagan abstaining due to his relationship with the Endowment Foundation.

D. DENTAL HYGIENE (HYG) COST PROPOSAL

Seth Carter shared an analysis of the current Dental Hygiene cost and revenue compared with proposed revenue generated by doubling the tuition and fees. Comparatively, doubling tuition and fees places CCC approximately \$7000 less expensive than Flint Hills Technical College and \$700 more expensive than Manhattan Area Technical College. He said the increase allows the college to remain competitive and will help offset some losses by

RECORD OF THE PROCEEDINGS OF THE GOVERNING BODY

Page 4
March 21, 2016

approximately \$70,000. Mr. Carter and Mr. Nichols visited with Northcentral Technical College (NCT) to evaluate the current partnership and requested that NCT absorb some of the program cost. Doubling tuition and fees in addition to renegotiating the partnership would be a step in the right direction to get the program in the black. Mr. Carter asked the board to approve the proposal of doubling the Dental Hygiene tuition and fees starting fall 2016. Carolyn Armstrong made a motion to approve the proposal of doubling the Dental Hygiene tuition and fees starting fall 2016. Arlen Leiker seconded the motion; motion passed unanimously.

E. HLC UPDATE

Seth Carter reported that revisions and corrections will be returned to the criterion co-chairs for updates by April 1, and the committee is tying out the 2012-17 Strategic Plan is almost complete. Once all steps are complete there will be an evaluation matrix for the Board of Trustees and CCC employees that will show step-by-step of where the college is at and where we need to approve. The HLC committee has a meeting with Dr. Sweeney, HLC Liaison on March 22, 2016. Mr. Nichols reported there will be employee and Board of Trustees meetings in May, August and September so everyone has institutional knowledge about the process. Angel Morrison and Heidi Bulfer will attend the HLC Conference in Chicago, April 2016. The HLC site steering committee will be here the week of October 3, 2016. Kenton Krehbiel inquired if there was a good turnout at the community open forum? Seth Carter reported the turnout was reasonable.

F. DORM RATES

Seth Carter shared a dorm price analysis of CCC and five community colleges in the western part of Kansas. He said with state aid continually decreasing there is a general consensus among the community colleges that raising dorm rates can help offset the loss. Increasing dorm rates would place CCC in the mid-range for cost in the analysis. He because there is continuous ongoing improvement to the dorms (total renovation, painting, updating and buying new furniture), an increase seems logical. Mr. Carter asked the board to approve a proposed a 5% dorm rate increase overall. Quintin Flanagin proposed a 10% increase, and Carolyn Armstrong discussed increasing 5% this year and 5% next year. Dr. McNulty proposed increasing the dorm rates using the graduated effect increasing a percentage each year. Quintin Flanagin made a motion to increase Living Center North and Living Center East dorm rates by 10% and Living Center Northeast by 3%. There was no second to the motion; motion failed. Linda Vaughn inquired about the rate for Living Center Northeast. Seth Carter reviewed the cost analysis for Living Center Northeast. Dr. McNulty reported Living Center Northeast is usually the second dorm to fill. Carolyn Armstrong made a motion to increase Living Center North and Living Center East by \$200, to exclude Living Center Northeast, and to review the rates in March, 2017. Arlen Leiker seconded the motion. Five members approved the dorm rate increase, Quintin Flanagin opposed.

G. ONLINE TUITION RATES

Seth Carter reported Colby Community College is the seventh least expensive in the state for online delivery. He proposed raising the online tuition rate by \$9 per credit hour, which

RECORD OF THE PROCEEDINGS OF THE GOVERNING BODY

Page 5
March 21 2016

would increase revenue by \$37,000 while still being the seventh least expensive. The college is moving to a more superior Learning Management System (LMS), Canvas, and will incur additional expenses. Quintin Flanagan stated with the increase the college would be at \$119 credit hour, which is \$14 a credit hour less than Dodge City, \$28 a credit hour less than Garden City, \$5 a credit hour less than Cloud and \$28 a credit hour less than Pratt. Mr. Nichols reported students will shop around for online courses. He also asked the board to consider the high school student, because this change will directly affect those students who are taking an online concurrent courses unless the board makes an exception. Arlen Leiker agreed it would be beneficial to lower the cost for the area high schools (in the 14-county service area). Mr. Nichols shared another option of charging an online fee to cover the cost of the LMS. Quintin Flanagan inquired about the cost for the new LMS (Canvas). Mr. Nichols reported the cost will be \$14,000 for the first year. Mr. Carter recommended bringing detailed proposals with associated revenue based on four year data trends. Quintin Flanagan requested Mr. Carter include a base fee that would show the breakeven point on the technology. Carolyn Armstrong made a motion to table the discussion until the April meeting. Arlen Leiker seconded the motion; motion passed unanimously.

H. PIONEER MEMORIAL LIBRARY

Seth Carter said Pioneer Memorial Library made a request to put a walking story trail on campus. He encouraged the activity because it would bring more people on-campus. Carolyn Armstrong made a motion to allow Pioneer Memorial Library walking story trail on-campus. Quintin Flanagan seconded motion; motion passed unanimously.

I. PASTURE LEASE

Seth Carter reported Shanda Mattix has requested approval for the pasture lease. Mr. Nichols said the college horses are moved to the pasture during the summer. Kenton Krehbiel made a motion to approve the pasture lease. Linda Vaughn seconded the motion; motion passed unanimously.

J. PERFORMANCE EVALUATION FOR COACHING

Seth Carter reported the current evaluation system does not work for coaches. Ryan Sturdy said the proposed coaches' evaluation is a more realistic evaluation tool for the coaches. Kenton Krehbiel made a motion to accept the new evaluation for coaches. Quintin Flanagan inquired what weight is given to a situation where there is just one evaluator and a coach's job is on the line. Mr. Carter said if there was a significant situation, Mr. Sturdy would provide the information to Mr. Carter and Mr. Carter would in turn provide the information to the Board of Trustees. Arlen Leiker seconded the motion; motion passed unanimously.

K. POLICIES

Seth Carter reported the refund policy is not a new policy. There were discrepancies between language on the website and language in the catalog. Approval of the policy is for consistency. Dr. McNulty reported the Undocumented Immigrant policy is new and is required by law for admission purposes. The Social Media policy is not a new policy but the language has been updated. Arlen Leiker made a motion to approve the updated policies. Kenton Krehbiel seconded the motion; motion passed unanimously.

RECORD OF THE PROCEEDINGS OF THE GOVERNING BODY

Page 6
March 21 2016

L. PRESIDENT SCHOLARS/TRUSTEES MEAL

Seth Carter asked the Board of Trustees when they would like to set the date and time for the Board of Trustees/Student Dinner. Mr. Carter reported it was held after the April board meeting last year and suggested the meal be held after the board meeting on April 18 at 6:30 p.m. Kenton Krehbiel questioned if the April board meeting needed to start earlier to be done by 6:30. Kenton Krehbiel made a motion to start the board meeting on April 18, at 4:30 p.m., with the Board of Trustees/Student Dinner following at 6:30 p.m. Arlen Leiker seconded the motion; motion passed unanimously.

M. BOARD OF TRUSTEES GOALS FOR CCC

Arlen Leiker questioned if they were discussing goals set by the board for the board for itself, or goals over the institution. Seth Carter directed the question to Board Chair, Audrey Hines. She referred to a past meeting when 5-year goals were set. Mr. Carter offered to put together drafts of potential goals. Arlen Leiker made a motion to table the discussion for the next board meeting. Carolyn Armstrong seconded the motion; motion passed unanimously.

N. NORTH NORTH DROM RFP

Seth Carter sent out the request for proposals to four local vendors. Only one vendor returned a bid. The college received a \$289,000 grant from the Hanson Foundation. Mr. Carter said the bid is slightly different than the bid to renovate the south side of Living Center North last year because the original bid the college did not remove insulation. Carolyn Armstrong inquired about the cost of the furniture. Mr. Carter reported the furniture bid will be presented at the May meeting. Kenton Krehbiel made a motion to accept the bid from Stephens Construction. Quintin Flanagin seconded the motion; motion passed unanimously.

O. RESOLUTION #9

Carolyn Armstrong made a motion to approve Resolution #9. Quintin Flanagin seconded the motion; motion unanimously.

P. FINANCIAL REPORT

Carolyn Kasdorf reported Business Affairs met with the Finance Committee on March 17, 2016. Quintin Flanagin asked Angel Morrison to join the meeting to explain the Student Accounts Aging Summary and the reconciliation of the subsidiary ledger to the general ledger. The student account aging report is generated monthly, it list students who are over 90 days late. The assessments change consistently due to new charges and students adding and dropping courses, financial aid, and loan payments. The report compares data from last year to provide a base line. Mr. Carter asked Ms. Morrison to explain the dramatic change in the numbers and why the college is seeing a \$1.4 million decrease in the balances due and then another \$400,000 decrease in balances due. Ms. Morrison explained the decrease was due to financial aid payments, outreach enrollment and individual payment on accounts. This report also provides reconciliation data between Power Campus and the general ledger. The reconciliation process shows the change in the amount of debit and credits in Power Campus and Great Plains. The Board or Trustees will be provided both reports on a monthly basis.

RECORD OF THE PROCEEDINGS OF THE GOVERNING BODY

Page 7
March 21 2016

Ms. Kasdorf reported after two years, past due accounts are released to a collection agency. Linda Vaughn inquired if the collection agencies are successful. Ms. Kasdorf reported one is more successful than the other and the college is looking at changing out the other one. Linda Vaughn asked how much is uncollectable. Quintin Flanagin responded the allowance for doubtful accounts is over \$435,000 which means our allowance for uncollectable is more than our collectables. Carolyn Armstrong inquired if any of the accounts are sent to the state? Ms. Kasdorf reported the business affairs department just found out from Pratt Community College that the college could send accounts to the state. Mr. Nichols reported CCC has implemented the FACTS payment plan. Ms. Morrison said a report can be created to show last date of payment so we know when last payment was made or if the student is on the FACTS payment plan. Quintin Flanagin requested a recommendation prior to the end of this fiscal year, a dollar amount of unpaid student account debit that needs to be written off the books. Kenton Krehbiel thanked Angel for the improvement on the reporting.

Carolyn Kasdorf reported that at the end of the month business affairs department will begin quarterly reconciliation of student fees and dorm contracts. This is to ensure revenues are tying to the general ledger. Ms. Kasdorf was able to import salaries from APS into Great Plains. Reconciliation of the 941 (KPERS, payroll taxes) will be done quarterly. Accounts payable is a little over \$400,000. This amount includes items that are from the prior fiscal year and have been backed out along with encumbrances. Financial Aid located all of the missing student files with Perkins Loans. Carolyn Armstrong complimented everyone who has helped cleaning up the financial reports. Quintin Flanagin requested at the April board meeting the next two board members be elected for the finance committee.

Quintin Flanagin asked for a five minute recess before going into executive session.

EXECUTIVE SESSION

Seth Carter asked for a 15 minute executive session for non-elected personnel. Arlen Leiker made a motion to meet for a 15 minute executive session to include Seth Carter and the Trustees. Kenton Krehbiel seconded the motion; motion passed unanimously at 7:20 p.m.

OPEN SESSION

The Trustees and Seth Carter reconvened in open session at 7:35 p.m.

VII. ADJOURNMENT

Audrey Hines, Board Chair adjourned the meeting at 7:36 p.m.

Signed _____
Chairman

Signed _____
Secretar