

RECORD OF THE PROCEEDINGS OF THE GOVERNING BODY

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December 19, 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 December 19, 2016 at 4:00 p.m.

MEMBERS PRESENT

Kenton Krehbiel, Audrey Hines, Arlen Leiker, Quintin Flanagin and Seth Carter.

MEMBERS ABSENT

Carolyn Armstrong and Linda Vaughn.

OTHERS PRESENT

Brad Bennett, Vice President of Academic Affairs, Dr. George McNulty, Vice President of Student Affairs, Jennifer Schoenfeld, Endowment Director, Doug Johnson, Public Information Director, Ryan Sturdy, Athletic Director, Doug McDowall, IT Director, Cindi Kriss, Financial Aid Director, 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 Kenton Krehbiel called the meeting of the Colby Community College Board of Trustees to order at 4:00 p.m.

AGENDA AMENDMENT

Seth Carter said there were three contracts for two employees that should be added to the agenda. Derek Reilley's contract was for teaching a late fall course and Marion Grier, outreach coordinator, for fall 2015 and spring 2016. Audrey Hines made a motion to amend the consent agenda to include the contracts for Derek Reilley and Marion Grier. Arlen Leiker seconded the motion; motion passed unanimously.

II. INTRODUCTIONS

Seth Carter asked visitors to introduce themselves. Ryan Sturdy, Athletics, Doug Johnson, Public Information, Cindi Kriss, Financial Aid, Doug McDowall, IT, Michelle Ryan, Adams, Brown, Beran and Ball, and David Tan, *Colby Free Press*.

III. APPROVAL OF THE CONSENT AGENDA

Audrey Hines made a motion to approve the consent agenda. Arlen Leiker seconded the motion; motion passed unanimously.

IV. REPORTS

A. REPORTS FROM ADMINISTRATORS

1. Dr. George McNulty thanked everyone for their help in making the fall 2016 semester successful. He said late fall courses started and the last day to enroll was December 20. An in-house survey was going to be given to students visiting the financial aid office. This will be the first comprehensive survey of many that will be completed in the student services area. Dr. McNulty has been working with the Jim Rorabaugh, Director of Residence Life, and Mallory Green, Student Life Director to update the residence halls common areas (painting, lightening, and seating arrangements). [See Student Services Report attached.]

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2. Brad Bennett reported the college Higher Learning Commission (HLC) dual credit faculty extension was granted for three years. The National Council of State Authorization Reciprocity (NC-SARA) contract was renewed for another year. This allows the college to offer online courses in other states that are NC-SARA approved. He reported the Department of Ed is working with high schools and community colleges to develop statewide articulation agreements. The college was awarded a grant through the Kansas Board of Regents to provide a professional development opportunity for faculty. The program is called “Bring your ‘A’ Game”. The program provides faculty with information on how to teach students about work ethic and other skills in the work place. [See Academic Affairs Report attached].
3. Carolyn Kasdorf reported the finance committee met on Thursday, December 15. She said Michelle Ryan with Adams, Brown, Berean and Ball would present the audit report later in the meeting. Ms. Kasdorf reported FY 2016 was complete, and she did a “hard close” for FY16 so the board can receive updated FY17 balance sheet and income statement reports. She reported the special student accounts at Sunflower Bank are closed and the college moved \$500,000 from the money market account. This increased the reserve fund to \$1.5 million, which does not include funds out of the Endowment Foundation reserve account. The combined reserve fund total is just under \$1.7 million. See [Business Affairs Report attached.]
4. Doug Johnson thanked the board for their support in 2016 and wished them happy holidays. [See Public Information Report attached.]
5. Seth Carter reported in Ryan Sturdy’s absence. The men’s and women’s basketball lost to Coffeyville. Wrestling dropped a dual match with Western Wyoming. [See Athletic Report attached.]

V. FOUNDATION UPDATE

Seth Carter reported Jennifer Schoenfeld was absent because she was in McCook, Neb., to have a donated coin collection appraised.

VI. BUSINESS

A. None

B. ABB&B A-133 AUDIT

Michelle Ryan from Adams, Brown, Beran and Ball (ABB&B), reported on the completed FY16 college audit. She explained the college hired ABB&B to issue a statement on the financial statements. The college was given an “Unmodified Opinion” on the business-type activities and an “Unmodified Opinion on the discretely presented component unit (foundation). She said these are the best opinions that ABB&B can give the college on the financial statements as a whole. The statement of the net position shows the college had ending assets and deferred outflows of \$20, 995,666. The college is up about \$1.8 million from the previous year. Ms. Ryan noted there are no cash violations on a fund basis, no budget violations on a cash basis, and no funds over budget. She noted the change in basis of accounting due to the Endowment Foundation transitioning to GAAP.

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She noted on the financial statement the college was given a material weakness in internal control in the accounts receivable area. This resulted from one instance in January 2016 when student refunds were erroneously issued to students. The controls over the process failed to identify the error and refunds were issued. Once the error was found steps were taken to stop payment on checks and requests were made to have funds returned. At the time the college had collected all but \$9,050.00 relating to the error. Internal control processes have been implemented. A single audit was completed on financial aid. ABB&B had four recommendations: 1. The College should develop policies and procedures to ensure the return of Title IV funds within 30 days. 2. The college should properly maintain all Perkins Loan documentation in student files. 3. The college should provide adequate training to all personnel regarding student accounts. 4. The College should ensure that someone is double-checking the amounts awarded. Ms. Ryan reported the audit is significantly much improved over last year from a control standpoint and financially on the right track. Quintin Flanagan made a motion to accept the audit report. Audrey Hines seconded the motion; motion passed unanimously.

C. CREDIT HOUR POLICY

Seth Carter asked the board to approve the updated Credit Hour policy. Arlen Leiker made a motion to approve the updated Credit Hour policy. Audrey Hines seconded the motion; motion passed unanimously.

D. COLBY COMMUNITY COLLEGE TUITION WAIVER

Seth Carter proposed that the college waive tuition for Kansas high school students taking online courses in the college's service area. Students are still responsible for fees at \$40.00 per credit hour. The tuition waiver is only valid for the spring 2017 semester and is not retroactive to any other semesters. Courses delivered in any other modality other than online are subject to the posted tuition and fees rate. The tuition waiver is in response to a Kansas Community College infringing on CCC's service area and would allow the college to still serve area students. The initiative will most likely result in a net loss of revenue of about \$10,000. If tuition is not waived the college net loss would be an estimated \$60,000. Arlen Leiker made a motion to approve the online high school student tuition waiver for spring 2017. Audrey Hines seconded the motion. The Motion passed unanimously. Quintin Flanagan inquired if there was any correspondence with the other college's board of trustees. Seth agreed to draft a letter, signed by CCC's board, asking about the intentions of the other college.

E. DISPOSITION OF SURPLUS

Seth Carter requested approval to dispose of 500 library books (the books will be taken to the Better World Sales), a printer and flip folders. The printer is missing pieces and the flip folders will be donated to an area high school. Quintin Flanagan made a motion to approve the disposition of surplus presented. Audrey Hines seconded the motion; motion passed unanimously.

F. TRACTOR LEASE

Seth Carter requested the college be allowed to lease a tractor. The agreement is a one-year lease for \$10 an hour for a minimum of 150 hours, maximum of 250 hours. The largest cost that would be incurred annually is \$2,500. There is no accusation fee or a lease term

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fee. Audrey Hines made a motion to approve the tractor lease. Arlen Leiker seconded the motion; motion passed with Quintin Flanagin abstaining. Three to one approval.

G. REQUEST TO SELL TRACTOR

Seth Carter reported the college has a 1971 two-wheel drive John Deere tractor that needs \$4,500 in repairs. Mr. Carter requested approval to sell the tractor. Offers received for the sale of the tractor will be presented to the Board of Trustees. Audrey Hines made a motion to approve the sale of the tractor. Arlen Leiker seconded the motion; motion passed unanimously.

H. TRAVEL POLICY

Seth Carter presented the updated travel policy. CCC employees must request vehicles two weeks in advance or they will not receive the full mileage reimbursement if a college vehicle is not available and they drive their own vehicle. The policy defaults to the IRS minimal reimbursement rate of 19 cents. Quintin Flanagin made a motion to approve the travel policy updates. Arlen Leiker seconded the motion; motion passed unanimously.

I. WEBSITE APPROVAL

Seth Carter presented a proposal by Percussion to update the college's website. The college originally budgeted \$40,000 for this project but after negotiating it will cost \$27,500. The proposal includes training for Doug Johnson, Director of Public Information. If approved, the process will begin January 16, 2017 and be completed by summer 2017. Arlen Leiker made a motion to approve the website approval with Percussion. Audrey seconded the motion; motion passed unanimously.

J. ELECTION OF FINANCE COMMITTEE

Quintin Flanagin made a motion that Arlen Leiker and Audrey Hines serve on the finance committee from January through April, 2017. Arlen Leiker seconded the motion; motion passed unanimously.

K. RESIGNATION

Seth Carter reported Tom Moorhous resigned due to health concerns. Arlen Leiker made a motion to accept the resignation with regrets. Audrey Hines seconded the motion; motion passed unanimously.

L. RESOLUTION #6

Quintin Flanagin made a motion to approve resolution #6. Audrey Hines seconded the motion; motion passed unanimously.

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AGENDA AMENDMENT

Arlen Leiker made a motion to amend the agenda to add item, "N. Action, if necessary".
Quintin Flanagin seconded the motion; motion passed unanimously.

M. EXECUTIVE SESSION-NON-ELECTED PERSONNEL

Quintin Flanagin made a motion to discuss non-elected personnel for 15 minutes to include Seth Carter, Dr. George McNulty and the Trustees. Arlen Leiker seconded the motion; motion passed unanimously at 5:00 p.m.

OPEN SESSION

The Trustees, Seth Carter and Dr. George McNulty reconvened in open session at 5:15 p.m.

N. ACTION, IF NECESSARY

Quintin Flanagin made a motion to approve the termination of an employee as discussed in executive session. Arlen Leiker seconded the motion; motion passed unanimously.

VII. REPORTS AND COMMENTS

A. PRESIDENT'S REPORT

Seth Carter reported that grant funds were secured for new flooring in the CAC. The Student Union is the next area that will get new flooring. The college is compliant with the Department of Ed financial audit. Financials have been turned into the Higher Learning Commission. Mr. Carter thanked everyone for their hard work and dedication to the college.

B. COMMENTS FROM TRUSTEES

Quintin Flanagin reported the Colby High School Booster Club committee received a letter from the high school superintendent thanking the booster club for inviting the college administration to the Booster Club fundraiser, and that she was impressed with the college administration participation. Arlen Leiker reported he attended the KACCT meeting. Audrey Hines thanked everyone for the good audit. Kenton Krehbiel said he re-typed both the president and board evaluations. Mr. Krehbiel asked the board of trustees to complete the evaluations, which will be discussed at the February board meeting.

C. OTHER ITEMS

VIII. ADJOURNMENT

Audrey Hines made a motion to adjourn. Arlen Leiker seconded the motion; motion carried unanimously. The meeting was adjourned at 5:47 p.m.

Signed _____
Chairman

Signed _____
Secretary