

## MINUTES

**Marion Technical College  
Board of Trustees  
Regular Board Meeting  
Tuesday, January 17, 2017, 5:30 pm - 7:00 pm  
Health Technologies Center Room 103**

### **Call to Order**

Chairman Plotts called the meeting to order.

### **Roll Call**

The Recording Secretary called the roll. Trustees present were Mr. Anderson, Mr. Danner, Mrs. Foulk, Dr. Hamper, Mr. Plotts, Mr. Russell, Mrs. Somerlot, and Mr. Young. Mr. Parrott was absent. A quorum was declared present.

Staff present included President McCall, Jeff Nutter, Mike Stuckey, Brenda Feasel, Dr. Vicky Wood, Dr. Bob Haas, Dr. Amy Adams, and Chris Gase.

### **Approval of Preceding Minutes**

The reading of the November 15, 2016, meeting minutes was waived. Chairman Plotts asked for a motion to approve the minutes as distributed. Motion was made by Mrs. Somerlot and seconded by Dr. Hamper. Motion carried.

### **Finance Report**

Mr. Nutter provided a finance report as of December 31, 2016. He referred the Board to the written report and referenced the following:

- Statement of Net Position (page 2) – Cash and cash equivalents totaling \$5.1 million. The majority of spring tuition was collected prior to December 31. Under noncurrent assets, the prepaid expense of \$199,999 is the amount given to OSUM for the summer 2017 HVAC project. Dr. Hamper asked if the \$1 below \$200,000 was intentional. Mr. Nutter responded that it was intentional because initial quotes for this project were below \$200,000. A project to replace the HVAC units in the computer labs of Bryson Hall was added to the Campus Lighting and HVAC project currently being managed by the OSU Facilities Operations Design group (FOD). This project is funded with capital appropriations from OSUM and MTC totaling \$1,011,500. In July 2016, we transferred our state 2017-2018 capital appropriation of \$434,000 to OSU for the Lighting and HVAC project and an additional \$199,999 to replace the HVAC units in the computer labs of Bryson Hall. Replacement of these units was not part of the original project submitted for capital appropriation funding and therefore required us to transfer additional funding. The HVAC units in the computer labs of Bryson Hall are aged and have generated costly repairs. We decided to add the replacement of the aged HVAC units to the Campus HVAC and Lighting project to take advantage of economies of scale and to utilize the services of OSU's FOD group. Under liabilities, accounts payable totaled \$689,448, which includes an open purchase order of \$400,000 for the mobile lab. The \$405,000 accounts payable to OSUM is the amount owed for last year's cost-share; MTC is waiting on a final reconciliation from OSUM. The "capital

reserve” item relates to cost-shared campus projects; the \$19,516 is the amount remaining in that account.

- Income Statement – Actual vs. Budget (page 3) – This statement presents revenues and expenditures by type. Mr. Nutter reported actual total tuition was 103.3% of what was budgeted. The budget was based on a 4 percent enrollment decline. He also reported student fees were 108.2% of what was budgeted. Overall, 70% of revenue and 45% of expenditures have been recorded as of December 31.
- Projected Income Statement (page 6) – This statement is a projection for the year. Due to delays in filling vacant positions, there has been a savings in salary and wages. A \$171,000 year-end surplus is being projected at this time.

Chairman Plotts called for a motion to approve the finance report. Motion was made by Mr. Young and seconded by Mr. Danner. Motion carried.

### **Audit Committee Report**

Mr. Nutter reported the Audit Committee met today prior to the Board meeting. Board representatives Mr. Plotts and Mrs. Foulk met with Mr. Nutter, President McCall, and the auditors to review the fiscal year 2016 audit.

The letter dated December 1, 2016, from Holbrook & Manter is a required communication; it outlines what the auditors did as part of the audit. The auditors encountered no significant difficulties in conducting the audit; they found no material misstatements and had no disagreements with management. Attached to the letter was a summary of unadjusted audit differences. Mr. Nutter addressed the individual items noting none were material in nature.

Mr. Nutter explained the “management discussion and analysis” and “basic financial statements” are prepared by MTC and audited by the auditing firm. The audit encompasses both the College and the MTC Foundation, Inc. (component unit).

Mr. Nutter briefly reviewed sections of the audit report. In discussing the Statement of Cash Flows, he reported cash increased \$905,000 from FY 2015 to FY 2016, resulting in \$4.5 million in cash and cash equivalents at year end. He reported the College has seen a \$1.2 million increase in cash over the past two fiscal years. The College’s cash position is very strong, indicating the College is doing a good job managing expenses.

Mr. Nutter reported it was a clean audit with no material findings. On page 46 of the audit report, it indicates MTC is not a low risk auditee. This is based on a two-year look back, which would include the U.S. Department of Education program review. Next year’s audit report should report MTC as being a low risk auditee.

Mr. Nutter referred the Board to the management letter found at the beginning of the audit document. The auditors made two recommendations: (1) capital asset listing and (2) reconciling federal work-study amounts with payroll. Management is addressing the first recommendation by implementing the fixed asset module of Great Plains software. Reconciliation of federal work-study wages is conducted at year end. The auditors recommend federal work-study wages be reconciled monthly. Management feels an annual reconciliation is adequate and does not present any risk of material misstatement of federal work-study wages.

Chairman Plotts commended Mr. Nutter for the outstanding audit. Chairman Plotts asked for a motion to approve the audit report. Motion was made by Dr. Hamper and seconded by Mr. Anderson. Motion carried.

### **Unfinished Business**

Board Policy Governance Manual – Chairman Plotts asked for any questions or concerns regarding the board policies. President McCall noted a wording error in policy 4.10 item (G); he suggested the word “fail” be removed from the statement. The Board agreed the word should be removed. President McCall requested clarification of the following:

1. Policy 4.2 Item (B) -- *The President shall not allow the organization to operate with a Strategic Plan that has a time frame of less than three years.* President McCall’s interpretation is the strategic plan would be a three-year plan not a three-year rolling plan. He asked for clarification on the Board’s expectation. The Board accepted his interpretation.
2. Policy 4.5 Item (I) -- *The President shall not fail to have at least four months of reserves.* President McCall asked for clarification on the Board’s expectation regarding “reserves.” He suggested the word “subsidy” be added, indicating the reserves level would be based on four months of subsidy. The Board agreed to modify the statement to read as follows: *The President shall not fail to have at least four months of subsidy reserves.*

Chairman Plotts called for a motion to approve the Board governance policy manual. Motion was made by Mr. Anderson and seconded by Mrs. Foulk. Motion carried. The new governance model will be implemented at the March Board meeting. Chairman Plotts will work with President McCall to develop the agenda for the March meeting. According to the monitoring report schedule, the first monitoring report will be provided at the March meeting.

### **New Business**

Chairman Plotts called for any new business to come before the Board. There was no new business to address.

### **Resolutions**

There were no resolutions presented for approval.

### **Rules for Approval**

There were no rules presented for approval.

### **President's Report**

President McCall referred the Board to his written report and mentioned the following items:

- Page 1 – under Goal 1A, the fall to spring retention rate for general students was 81%. He commended Mike Stuckey and his staff for their efforts in advising and registering students.
- Page 2 – Recognition of MTC’s participation in Ohio’s eTutoring Collaborative. Kathy Rice, MTC’s Tutoring Coordinator, attended the annual eTutoring Coordinators meeting in Columbus.
- Page 3 -- The Marion Star recently published an article about MTC’s AmeriCorps College Completion Coaches. As a result, the United Way is talking with MTC about the AmeriCorps programs.

- Page 3 – MTC’s participation in the Rapid Response effort to assist Frontier Communications employees resulted in 26 individuals enrolling at MTC. He commended Tami Galloway for her leadership in MTC’s response and the other MTC staff who helped with the effort.
- Page 4 – Several new employees have been hired. Steve Schissler – Business and Accounting Faculty and Joshua Line – Director of OTA. Two internal promotions were announced; Kristy Taylor promoted from Administrative Assistant to Registrar and Kristi Butler from Administrative Assistant to Admission Counselor. Susan Konves (Student Services/Admission Counselor) is retiring January 31 after 16 years with MTC.
- Page 5 – Brittany Coomes completed her Master’s degree and Ann Schoenberger completed her Bachelor’s degree.

Reaffirmation of Accreditation – President McCall announced small group meetings would be scheduled with Board members to prepare for the March accreditation visit. Notice of those meetings will be sent out in the near future.

CRCC Research Project – MTC is one of six two-year colleges in Ohio selected to participate in a research project conducted by the Columbia University-Community College Research Center (CRCC). The research will focus on how information about pathways is disseminated throughout the college, how colleges are engaging faculty, advisors, deans, and other stakeholders in pathways reforms, and what challenges colleges face implementing pathways and the strategies used to overcome these obstacles.

Senate Bill 199 – Concealed Carry on Campus – SB 199 goes into effect on March 19, 2017. The law maintains the current prohibition that precludes a permit holder from carrying a concealed handgun onto any property owned or leased by a public or private college, university or other institution of higher education unless the gun is locked in a motor vehicle; however, under the new law, the institution’s board of trustees may adopt a policy or rule authorizing specific individuals or classes of individuals to carry a concealed handgun onto the premise. President McCall explained the College is waiting for additional information from the Attorney General’s Office. Question remains about how OSUM will respond to the new law. President McCall will keep the Board apprised as new information is received.

### **Executive Session**

Chairman Plotts called for a motion to adjourn to executive session. Motion was made by Dr. Hamper and seconded by Mr. Danner to adjourn to executive session to discuss the compensation of the President.

Roll call vote was taken to approve the motion to adjourn to executive session: Mr. Anderson - aye; Mr. Danner - aye; Mrs. Foulk - aye; Dr. Hamper - aye; Mr. Plotts - aye; Mr. Russell– aye; Mrs. Somerlot - aye; Mr. Young – aye. The Board adjourned to executive session at 6:50 p.m. The Board returned to open session at 7:10 p.m. Roll call was taken with all Trustees present.

Chairman Plotts congratulated President McCall on a very good evaluation. A copy of the evaluation was provided for his personnel file. With regard to President McCall’s compensation, the Board agreed to a compensation package including the following:

- Retroactive to January 1, 2017:
  - One-time pay increase of 2%, which is the same as all employees

- Increase in vacation from 22 to 30 days
- Pickup of an additional 1% STRS retirement contribution
- Beginning July 1, 2018:
  - Pickup an additional 1% of STRS retirement contribution
  - Upon new contract beginning July 1, 2018, would receive a sum equal to annual salary if removed without cause
  - A rolling three-year contract contingent upon satisfactory Board evaluation

Chairman Plotts called for a motion to approve President McCall's compensation package. Motion was made by Mr. Russell and seconded by Mr. Young. Motion carried.

**Adjournment**

There being no further business to come before the Board, Chairman Plotts asked for a motion to adjourn. Motion was made by Mr. Young and seconded by Mr. Danner. Motion carried. The meeting adjourned at 7:20 p.m.