

Marion Technical College
Board of Trustees
Regular Board Meeting
Tuesday, January 16, 2018
Health Technologies Center, Room 103

Call to Order

Chairman Plotts called the meeting to order at 5:30 p.m.

Roll Call

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

Mr. Anderson, Mr. Parrott, Mrs. Somerlot, and Mr. Young were absent.

Staff present included Dr. McCall, Jeff Nutter, Dr. Amy Adams, Dr. Richard Prystowsky, Dr. Bob Haas, Laura Woughter, Chris Gase, Brenda Feasel, Debbie Stark, and Mike Stuckey. Guests present included Brad Billet and Larry Weeks from Clark Schaefer Hackett, the college's audit firm.

Major Discussion Topic

Dr. McCall shared with the Board that the college did not submit an application for an applied baccalaureate degree through the Department of Higher Education, noting concerns that the proposal was not ready. Dr. McCall discussed a sampling of comments from the public comment process that were submitted on other institutions' applications, noting disapproval from universities across the state. The college is interested in moving forward with a four-year cyber security degree, noting the University of Akron is the only public institution to offer a similar program. The deadlines for the second round of submissions have not been announced, however the college is sending delegates to a community college baccalaureate degree conference.

Chair Plotts asked if the Chancellor gets the final say and Dr. McCall replied yes, citing emphasis on availability and workforce needs, among others. Dr. McCall noted his discussions with energy co-ops about the need for cyber-security to protect their power grids.

Dr. Hamper asked if there is an opportunity to promote a favorable comment throughout the submission process. Dr. McCall noted the sampling showed more negative comments, however the majority of comments were supportive from former students, prospective students, industry professionals, and others. The college would encourage supportive comments be submitted to the Chancellor if a proposal is submitted.

Consent Agenda

1. Approval of preceding meeting minutes.

Chairman Plotts presented the consent agenda and called for a motion to approve the agenda. Motion was made by Mr. Danner and seconded by Mrs. Foulk. The motion carried.

President's Report

Dr. McCall highlighted the following items from his written report:

- The Aspire Program is expanding to Mt. Gilead, and is seeking to offer classes at the Marion Public Library. The program is growing and is on track to meet its enrollment goals for the year.
- The PTA class of 2018 has a passing rate of 95.8%.
- Debbie Stark, Linda Williams, and Duane Gerstenberger worked on and submitted an NSF grant for the cyber-security program.
- Enrollment has been trending downward, but has leveled off starting in 2015.
- Between ages 25-49, enrollment has seen its largest drop. Dr. McCall noted a possible scholars program that could better target this age group, as opposed to focusing on high school graduates through targeted scholarships. More information to follow.
- The Health Careers Navigator event had 135 attendees, and will track future enrollment of those attendees.
- John Metcalf, CEO of Mid-Ohio Energy Cooperative and MTC Hall of Fame inductee, will serve as spring commencement speaker.
- The mobile training lab was delivered in December, and is awaiting a few final equipment pieces to be installed.
- Dr. McCall will attend the Jobs for the Future Winter Policy Meeting in Seattle as a guest of the Ohio Association of Community Colleges (OACC).

Monitoring Reports

EL 4.5 - Financial Condition

Chief Financial Officer Jeff Nutter presented the finance report as of December 31, 2017, as evidence of compliance with Executive Limitation Policy 4.5 – Financial Conditions. He referred the Board to the following items in his written report:

- In reviewing revenues versus expenses, the college is on track with its budget. Mr. Nutter noted \$107, 000 that has been spent out of the college's capital reserve fund for equipment.
- General student tuition has dropped approximately \$50,000 below budget (2.5%). It is also anticipated there will be some tuition dropping for spring term after cancels are accounted for, however summer tuition is not accounted for in this analysis. CCP is estimated \$145,000 short. Having reviewed the budget and identified areas to reduce, the budget will balance with cuts and reductions, and the contingency fund.
- Student fees includes \$216,000, which is the billing of the new career services fee for spring and summer terms.

- Also listed is the ODHE Innovation Grant to expand GPS to Mansfield City Schools and North Central State Community College.

Chairman Plotts called for a motion to approve the finance report. Motion was made by Mr. Russell and seconded by Dr. Hamper. The motion carried.

Audit Presentation

Larry Weeks and Brad Billet, Clark Schaefer Hackett, presented a summary of the audit to the Board. Mr. Billet noted the financial report, internal control report, which reviews and tests controls of the college, and single audit report, which details compliance with federal programs, provided to the Board. Mr. Billet summarized the audit, and noted a clean opinion on the financial statements, no material weakness, and no material non-compliance of federal programs. During 2017, the college changed the summer term to a trailer semester, and notes the switch's impact on the financial statement. Mr. Billet noted changes in assets, deferrables, and liabilities. A chart was provided showing tuition and enrollment over five years, as well as significant sources of revenue and composition of expenses. Mr. Billet noted changes in the composition of expenses is greatly impacted by salary, benefits, and pension changes. In review of the financial statement, the accounts payable timing issue for the mobile lab was noted, and the self-insurance health plan should be recorded in addition to claims liability. Areas for improvement included timely deposits for cash receipts, financial reporting, and payroll documentation processes.

As a quorum was no longer present, the audit could not be approved.

EL 4.4 - Services

Dr. McCall noted the inclusion of the new strategic plan game plans. A meeting will be held at the end of the month to discuss and identify metrics to meet success measures. Information was also provided on the budget preparation and adoption process, including the college's policy. Dr. McCall shared that due to the opening of an advising position, and the influx of career services fee revenue, the college decided to advertise for a Director of Advising to provide more robust services to students.

As a quorum was not present, therefore the monitoring report could not be approved.

EL 4.8 - Asset Protection

Dr. McCall provided to the Board the college's capital plans, and maintenance/upgrade plans to ensure the college's assets are protected, and detailed the planning that is used for new capital expenditures.

As a quorum was not present, therefore the monitoring report could not be approved.

Policy Review/Governance Issues

EL 4.5 - Financial Conditions

With respect to operating Marion Technical College in a sound and prudent fiscal manner, the President shall not jeopardize the long-term financial strength of the organization:

- (A) The President shall not allow Marion Technical College to operate without a plan for assuring that expenditures will not exceed the total annual projected income and other available funds.
- (B) The President shall not allocate the financial resources for Marion Technical College in a way that is not beneficial to attaining the Ends Policies.
- (C) The President shall maintain the required ODHE and HLC composite scores.
- (D) The President shall not invest funds or securities in a manner that compromises a high level of security and return, or sufficient liquidity to make funds available as needed for program or administrative purposes.
- (E) The President shall not borrow money without prior Board approval.
- (F) The President shall not allow deviations from generally accepted accounting principles.
- (G) The President shall not allow the distribution of audit reports without first sharing them with the Board.
- (H) The President shall not fail to have at least four months of subsidy reserves.

Dr. McCall shared the policy prohibits the president from borrowing money without approval of the Board, and shall not jeopardize the financial strength of the college.

EL 4.7 - Funding

In soliciting or obtaining resources:

- (A) The President shall not accept donations that would compromise the ethics and statutes of the State of Ohio.
- (B) The President shall not accept donations in cash or in kind where there is a difference between the applicable donor intent and that of Marion Technical College.
- (C) The President shall not fail to consider all appropriate means of fundraising and shall work cooperatively with the Foundation.

Dr. McCall felt the intent of the policy is to ensure no money is accepted that would interfere with the college's mission.

Informational Items

Dr. McCall shared he is attending the ACCT Legislative Summit in February, and noted there is still time for Board members to register. Additionally, June 7-8 is the OACC Annual Conference that will be held on campus.

Executive Session

A quorum not being presented, the Board could not enter into executive session.

Adjournment

There being no further business to come before the Board, Chairman Plotts adjourned the meeting at 6:27 p.m.