

BOARD OF TRUSTEES PROCEEDINGS

At the regular meeting of the Board of Trustees held on November 23, 2010, the Board of Cincinnati State Technical and Community College, by roll call vote, approved by a majority of a quorum of the members present a motion to meet in public session on Tuesday, January 25, 2011, beginning at 3:45 p.m., at the College.

REGULAR MEETING
January 25, 2011
3:50 P.M.
Cincinnati State Technical and Community College
Conference Center

SUNSHINE LAW COMPLIANCE ANNOUNCEMENT

The Board of Trustees of the Cincinnati State Technical and Community College District, Hamilton County, Ohio, met in regular session, pursuant to the rules, in the Conference Center of Cincinnati State Technical and Community College, 3520 Central Parkway, on Tuesday, January 25, 2011 at 3:50 pm, Chairperson Oestreicher presiding. Notification had been given to the following metropolitan newspapers: The Cincinnati Enquirer, The Cincinnati Herald, the *Press Community Newspapers*, the Harrison Press, City Beat and posted on the College website, www.cincinnatiastate.edu, in compliance with the requirements of Ohio Revised Code, Section 121.22.

ROLL CALL					
MEMBER	PRESENT	ABSENT	MEMBER	PRESENT	ABSENT
Dr. Bankston		X	Mr. Ringel	X	
Mrs. Crain	X		Mr. Steele	X	
Mrs. Leonard	X		Ms. Waller		X
Mr. McKenna	X		Mr. Walton	X	
Mr. Oestreicher	X		TOTAL	7	2

11.01 Approval of the Proceedings of the Regular Meeting of November 23, 2010
 Mr. Walton so moved and Mrs. Crain seconded the motion.

ROLL CALL VOTE							
MEMBER	AYES	NOES	ABSTAINED	MEMBER	AYES	NOES	ABSTAINED
Dr. Bankston				Mr. Steele	X		
Mrs. Crain	X			Ms. Waller			
Mrs. Leonard	X			Mr. Walton	X		
Mr. McKenna	X			Mr. Oestreicher	X		
Mr. Ringel	X						
				TOTAL	7	0	

11.02 Consideration of Items for Possible Addition to Agenda

There were none.

11.03 Recognition for Outstanding Accomplishments

Dr. Owens asked the Men’s Soccer Team to be recognized. Mike Combs, head men’s soccer coach, displayed the trophy the team won in the nationals, coming in second in Division I in the country. Mike also introduced each soccer player in attendance. Dr. Owens expressed pride in the team.

11.04 Consent Agenda for Recurring Items

Mrs. Crain moved to accept the Consent Agenda for Recurring Items and Mr. Walton seconded the motion.

ROLL CALL VOTE							
MEMBER	AYES	NOES	ABSTAINED	MEMBER	AYES	NOES	ABSTAINED
Dr. Bankston				Mr. Steele	X		
Mrs. Crain	X			Ms. Waller			
Mrs. Leonard	X			Mr. Walton	X		
Mr. McKenna	X			Mr. Oestreicher	X		
Mr. Ringel	X						
				TOTAL	7	0	0

11.05 Financial Report

Mike Geoghegan presented the report as contained in the packet.

Among the highlight, total expendable net assets were up \$4.9 million or 20.4% over this time last year. This is primarily due to \$3.13 million growth in cash generated from operations and a \$1.75 million reduction in current liabilities. Total revenues are up \$6.5 million, or 16.2% from December 31, 2009. Total Expenses are up \$5.43 million, or 13.2%, resulting in a \$1.085 million increase in Net Assets over the same period last year. The major contributor to the revenues increase was Tuition and Fees which increased \$4.88 million, or 26.4% over this period last year. The largest increase in expenses were in Instruction which grew \$2.45 million, or 14.1% from last year, and Operations & Maintenance of Plant which increased \$1.92 million, or 59.3% from last year. The increase in Operations and Maintenance of Plant was related to the \$1.35 million paid out on the MSD project, \$188,000 of which has been reimbursed by MSD and \$450,000 of which is due as a receivable from MSD.

As of December 31, 2010, the Senate Bill 6 Composite Score was 3.50, but is partially overstated due to only six months of expenses being incurred, resulting in a 5.0 primary reserve ratio score.

Revenues are up a net 1.1% to Budget. Among the pertinent factors: There was to 6.9% increase in tuition and related fees due to the 18% increase in summer enrollment, 8% for Early Fall and 7% for Late Fall. A 5% increase in tuition and fees was budgeted for FY 2011. There is a 4.7% decrease in State Subsidy due to the first half fiscal year recognition of the \$1.9 million reduction in the June 2011 payment announced by the Board of Regents in September. After the final FTE calculations were made by the Board of Regents, the College will be receiving an additional \$429,824 in State subsidy for FY 2011 for an overall net reduction of \$1,472,162.

There was a 51.3% reduction in interest income due to extremely low interest rates earned year-to-date prior to the professionally managed investment portfolio. The College is making positive progress towards reducing the budget shortfall. There was a 14.5% reduction to year-to date budget for WDC income, primarily due to timing differences on recognition of income.

Personnel expenditures reflect a net 0.4% positive variance to budget due to 6.0% positive variance in Administrative, Support and Faculty salaries due to budgeting 100% of salaries for FY 2011 and a current 6.9% vacancy rate. There is a 20.6% negative variance in Faculty Adjunct and Overload Pay due to the 18%, 8% and 7% increases in Summer, Early and Late Fall enrollments, respectively, and a 6.9% vacancy rate.

Operating Expenditures reflect a net 6.0% positive variance with year-to-date budget. Significant variances incurred in Information and Communication, Utilities and WDC, due to timing differences in recognition of some of the larger expense items in each respective budget line items.

General Fund Revenues exceeded expenditures by \$1,869,319 compared to \$929,192 for the period ended December 31, 2009, an increase of \$940,127 or 101%.

The Workforce Development Center reflected a profit of \$879,752 at December 31, 2010, a 10.7 percent increase over the prior year.

Interest balances are up \$7.5 million from December 2009 due to enrollment growth and a \$5 million increase in financial aid funding for Late Fall Term.

Mrs. Crain asked a question regarding deferred maintenance. Mike reported that it was \$38 million over the next ten years. The College has had consultants who have validated that number. The consultants recommend spending \$4M per year over the next five years. Currently, \$500,000 is set aside as a down payment on deferred maintenance for this year.

Mrs. Leonard asked about greening projects that would help with utility costs. Mike reported the costs have been significantly lowered by projects done with Duke Energy and performance contractors. The College has been very pro-active in this area.

Mr. Oestreicher asked about the other \$3.5 million need and how it would be found. Mike responded that a strategy to fund it right now needs to be developed. Right now, it would have to come out of reserves, but that would hurt the SB6 ratio. Dr. Owens said that refinancing options were being explored to free up money. Bond issues are close to being refinanced. A good schedule needs to be developed with financing strategy. Mr. Oestreicher asked that Mike provide the Board with 3-4 options for financing deferred maintenance. Mrs. Leonard asked if any vendors had been approached to do some of the deferred maintenance at cost or free in exchange for marketing opportunities. Mike replied that it could be explored. Mr. Steele replied that maintenance costs should be covered in the annual budget.

All requests to the state capital budget were for deferred maintenance. Mrs. Crain asked about the top issue for maintenance. That will be provided to the Board.

Mr. Oestreicher asked about the Workforce Development Center. Mr. Oestreicher would like a snapshot about how to build it and not rely so much on state subsidy.

Mike introduced Dennis Obick from Crowe Horbeck for the audit report. Mr. Obick reported that an unqualified opinion was issued. The State Auditor's office has certified acceptance of the report.

11.06 Faculty Senate Report

Carla Gesell-Streeter reported on the Faculty Senate report as contained in the packet. Carla wanted to highlight the Winter Faculty Forum which will be on dealing with aggressive students. Mr. McKenna asked what would be done if a student threatened the instructor. Carla discussed one such personal instance and how it was handled. Carla mentioned there were three counselors for the entire College. One will be retiring and one will be going to a different area. Carla commented on the need for a social worker. Mrs. Crain asked if students know where to go for help. It is covered in the FYE class. The need for more security was discussed.

11.07 President's Report

Dr. Owens asked Elliott Ruther to update the Board on the I-75 issue about access to Cincinnati State. A series of meetings in the community have been held to determine options. The proposed access points to be removed are the on ramp to I-75N from Central Parkway; the eastbound I-74W ramp to Central Parkway; and the I-74 exit to Elmore/Spring Grove. These are three very critical access points to the College. There have been several changes since this was proposed five years ago, such as tremendous increase in enrollment and the increased need for access to satellite campuses in Evendale, Harrison, and potentially Middletown. Meetings with Northside, Clifton, and Camp Washington have been held and soon representatives from South Cumminsville are scheduled to meet with College officials. Several meetings with elected officials, City Department of Transportation and Planning; District 5 Police; and the Ohio Department of Transportation have been held to see what can be changed. No one has said that changes cannot occur.

Elliott provided a map of where students are coming from and a timeline on when projects are proposed to begin.

Dr. Owens gave a brief update on Middletown. There was an article in the Middletown paper stating that the City Council's priority is Cincinnati State. Dr. Owens only wants one of the three buildings available. Middletown has not yet finalized the purchase of the Manchester Inn. Several private citizens have approached Cincinnati State regarding fundraising. Dr. Owens asked for commitments from the citizens of Middletown that they want us and manifest that commitment with a pledge of using the Manchester Inn. The business community, the city officials and community development fund must commit to using the Manchester Inn for all events.

Dr. Owens updated the Board on Hamilton. Hamilton wants Cincinnati State to come to Hamilton. Hamilton is looking for several colleges to come to an old Elder Beerman building. Hamilton has no money for this initiative. Other cities have approached Cincinnati State for satellite campuses.

About 1700 students come to Cincinnati State from Middletown. For every one student, there are two students who don't want to drive to Cincinnati. If Cincinnati State opens in Middletown, there would be a tremendous student base. Miami University wants Cincinnati State in Middletown to be their feeder school. Miami University will not offer business courses in Middletown. Cincinnati State can offer that. The College can also take over their associate nursing program. The College will try to develop new majors to excite the citizens of Middletown. There will not be a mass exit from the Cincinnati campus. Middletown generates over 500 GED students a year. The number one feeder to Cincinnati State is GED.

11.08 Chairperson's Report, Trustee Association Report, and AQIP Update

Mr. Walton commented that the Annual Legislative Summit is coming up in February and he and Dr. Owens are going. All the state associations go to Washington to talk to their legislatures about issues.

Sherrod Brown is inviting Ohio college reps to come to Washington to meet with him separately at the end of March.

There was no AQIP report.

Mr. Oestreicher thanked the trustees for their interest in going to the National Summit and for budgetary reasons withdrew.

There is a project at the zoo which will generate scholarships for Cincinnati State. Dan Cayse reported that Melink Corporation is working with the Workforce Development Center Center to work on the zoo's green canopy.

Mrs. Leonard commented that Cincinnati State is a finalist in the Business Courier's Green Business Award. Mrs. Leonard commented on the branding of the restaurant with a new sign. It is now being made but has to go through the process of permits. The appearance of the entrance to The Summit is being considered for updating.

NEW BUSINESS

Dr. Posey introduced the new dean of Business Technologies, Dr. Nick Nissley.

Mrs. Leonard updated information on the Unsung Heroes Award. It will be at the College on Friday, February 18. This will generate scholarships for Cincinnati State.

Dan Cayse commented that Farmer Lee Jones would be on campus to talk about sustainable farming and have a dinner. Dr. Owens encouraged Cincinnati State faculty/staff to attend both the talk and dinner.

Mrs. Leonard moved that the Board adjourn to meet in Executive Session pursuant to the provisions of the Ohio Revised Code Section 121.22

- a) To consider personnel matters related to the appointment, employment, dismissal, discipline, promotion, demotion or compensation of a public employee or official.
- b) To consider the purchase or sale of public property.
- c) To discuss matters concerning collective bargaining.
- d) To consider details of security arrangements.

Mr. McKenna seconded the motion

ROLL CALL VOTE							
MEMBER	AYES	NOES	ABSTAINED	MEMBER	AYES	NOES	ABSTAINED
Dr. Bankston	X			Mr. Steele	X		
Mrs. Crain	X			Ms. Waller			
Mrs. Leonard	X			Mr. Walton	X		
Mr. McKenna	X			Mr. Oestreicher	X		
Mr. Ringel	X						
				TOTAL	8	0	0

The public meeting temporarily adjourned at 4:57 pm.

The public meeting resumed at 7:12 pm.

Mrs. Leonard moved that the Board meet in Public Session on Tuesday, February 22, 2011 at 3:45 pm at the College, pursuant to the provisions of the Ohio Revised Code Section 121.22.

ROLL CALL VOTE							
MEMBER	AYES	NOES	ABSTAINED	MEMBER	AYES	NOES	ABSTAINED
Dr. Bankston	X			Mr. Steele			
Mrs. Crain	X			Ms. Waller			
Mrs. Leonard	X			Mr. Walton	X		
Mr. McKenna				Mr. Oestreicher	X		
Mr. Ringel	X						
				TOTAL	6	0	0

ADJOURNMENT

The meeting adjourned at 7:15 p.m.

Respectfully submitted,

Laurie Leonard, Secretary
Board of Trustees

Next Public Meeting

February 22, 2011

3:45 pm

Conference Center