

OWENS COMMUNITY COLLEGE  
BOARD OF TRUSTEES  
FINANCE COMMITTEE  
April 19, 2011

A meeting of the Finance Committee was held in the President's Office conference room, Administration Hall on the Owens Community College Toledo-area Campus.

**Call to Order** – Finance Chair Ron McMaster called the meeting to order at 2:00 p.m., and directed the record to show that the Finance Committee meeting was held in accordance with the Ohio Revised Code, Chapter 3358, and the policies of the Board of Trustees.

**Roll Call** – Roll Call was taken and the following committee members were present: Mr. Allan Libbe, Dr. Ronald McMaster and Ms. Dee Talmage (3). Trustee David Habegger was also in attendance.

**Attendees** –The following administrators were in attendance for all or part of the meeting: Mr. John Satkowski, Dr. Renay Scott, Ms. Pat Jezak, Mr. Brian Paskvan, Ms. Pamela Beck, Ms. Laurie Sabin, and Mr. Brad Meyer. Guest: Ms. Marie Thomas, reporter for Sentinel Tribune.

**Approval of Minutes** – The minutes of the March 22, 2011 meeting were previously received, and Dr. McMaster declared that the minutes stand approved as submitted.

**Senate Bill 6 Fiscal Analysis** – Mr. Satkowski provided the College's ratios and scores for the FY 2010 Fiscal Analysis. The average composite score for Ohio's two-year college sector is 3.88; as compared to Owens Community College composite score of 4.00. He commented that the College's FY 2010 scores are good:

- 5.00 Viability Score is net assets divided by plant debt:
- 3.00 Primary Reserve Score is expendable net assets divided by operating expenses.
- 5.00 Net Income Score is the change in total net assets divided by total revenues.

**State Funding Update** – Mr. Satkowski distributed the 2010-2011 full-time tuition comparison for Ohio's two-year colleges, and he noted that Owens Community College annual tuition, \$3,749, for full-time students is ranked 11<sup>th</sup> lowest in the state. He then presented the third draft of the FY 2012 budget being developed. The draft amount for the State Share of Instruction (SSI) was revised to reflect more definitive information from the State's proposed budget. SSI is being reduced for Ohio's community colleges by 9 percent. This is less than originally anticipated due to the 38 percent enrollment growth that the two-year college sector had in the previous year. Due to the College's previous year flat enrollment, the College has been protected with a SSI reduction of 12 percent for FY 2012. The projected budget operating balance is estimated at (-\$4.4 million). He presented the third draft budget adjustments, which include refinements in the reduction of part-time employee hours, travel and an increase for tuition based on the State's budget language. In response to a question from Mr. Habegger, Mr. Satkowski commented that the reduction in employee part-time hours will be phased in. He commented on other budget opportunities, which include reductions in the College's subsidies provided for the Child Care Centers and the Center for Fine and Performing Arts. The deficit at the Findlay Child Care Center can be addressed through growth in services without increasing expenses. He noted that the voluntary cash separation program will yield \$1.1 million on a

permanent basis. In addition, the retirement contribution, which is being driven by budget bill legislation, will provide \$1 million in cost savings to the College, beginning July 1. The budget adjustments and other opportunities should address the operating balance deficit.

Dr. McMaster asked about guidelines for class sizes, and Dr. Scott responded that a 20 percent guide is being utilized for the classes, and she further commented that wherever possible technology, such as Owens Link, is being used for sections with Toledo and Findlay students.

**Tuition Review** – Mr. Satkowski commented that while the specific State budget language is not known with regard to capping tuition increases, a recommendation will be made to the Board to increase tuition within the stipulations of the State budget language, but not to exceed \$200 annually for fulltime students, effective Fall Semester 2011. He commented that Terra Community College similarly increased their tuition, and the other community colleges are planning increases as well. He said that the State’s budget bill is expected to pass in June. Mr. Paskvan commented that students are currently registering for fall semester classes. In response to a question from Mr. Habegger, Mr. Satkowski commented that the Pell award amount should cover fulltime tuition and books for Owens students. Mr. Paskvan noted that the College’s Bookstores are looking at rentals and other options to reduce student textbook costs.

**FY 2011 12<sup>th</sup> SSI Payment** – Mr. Satkowski commented that he is hearing that Chancellor Petro and the Office of Budget and Management support the distribution of the 12<sup>th</sup> SSI payment for FY 2011; however, it’s not definite at this time. State revenue is up. He commented that there may be some capital appropriations for renovations and equipment but not for new construction. Mr. Satkowski commented that instructional space at the Toledo Campus is tight, the Source is filled; and, there is capacity at the Arrowhead Learning Center.

**Adjournment** – As there was no further business to discuss, Trustee McMaster declared the meeting adjourned at 2:30 p.m.

ATTEST

*Patricia Jezak*

Secretary to the Board of Trustees

Approved 06 02 11