

OWENS COMMUNITY COLLEGE
BOARD OF TRUSTEES
FINANCE COMMITTEE
September 18, 2008

A meeting of the Finance Committee was held in the President's Office conference room #215 of Administration Hall on the Owens Community College Toledo-area Campus.

Call to Order – Finance Chair Jack Sculfort called the meeting to order at 2:08 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. Jack Sculfort, Mr. Allan Libbe and Dr. Ron McMaster (3).

Board Chair John Moore was also present.

Attendees – The following administrators were in attendance at today's meeting. Dr. Christa Adams, Mr. John Satkowski, Ms. Pat Jezak, Dr. Paul Unger and Dr. Cynthia Eschenburg.

Approval of Minutes – The minutes of the June 4, 2008 meeting were previously reviewed and stand approved as submitted.

Audit Update – Mr. Satkowski reported that the auditors are doing fieldwork. The Finance staff had budgeted for a \$1 million fund balance for fiscal year 2008, and they are now projecting a fund balance two-times that amount due to actual health care savings. The workers compensation savings were booked into reserves. The Board Finance Committee will meet with the auditors, Plante and Moran, on November 5, 2008 at 2 p.m.. Mr. Sculfort stated that he plans to speak with Mr. Robb Rose, Partner, as required for the audit. Mr. Satkowski confirmed that the Penta property purchase was booked for \$6 million.

State Funding Update – Mr. Satkowski stated that the Governor issued an executive order which cut \$540 million from the State budget. The State Share of Instruction was protected. The College's FY 2009 budget is conservative and reflects an 8 percent increase in SSI, although the State projected the College to receive a 10 percent increase. Access Challenge funds will be reduced, but the actual amount has not been announced. The State's collection of revenue has not been meeting the projection. Mr. Satkowski stated that with the state-wide tuition freeze, Owens' annual full-time tuition, \$2,972, continues to be the sixth lowest in the state. The highest tuition for a community college is Northwest State Community College, \$4,140 annual full-time tuition. Terra Community College annual full-time tuition is \$3,610. Dr. Adams commented that Owens is the only institution with a 12 credit hour to 18 credit hour tuition window.

Mr. Satkowski stated that the College is in the process of setting reasonable goals for projections in efficiencies and access for reports due to the University System of Ohio (USO). OACC will submit the community college sector response to the USO. Mr. Sculfort inquired if the performance reports are shared with local legislators. Dr. Adams responded

that the College routinely shares its strengths with local legislators. Mr. Sculfort replied that sharing the data makes the legislators look good because they have a strong community college presence in their districts.

HR Audit Update – Dr. Eschenburg stated that the Human Resources audit has been completed. Auditor Karine Stover of Rahmberg Stover and Associates will be invited to the November 5 Board Finance meeting to present the audit report. Mr. Sculfort asked Dr. Eschenburg to share the November and December regular Board of Trustees meeting dates with Ms. Stover should the Trustees like to invite her to attend.

Dr. Eschenburg reviewed the exempt and non-exempt employee position classifications as defined by the Fair Labor Standards Act (FLSA). The College will be proposing a revision to the salary grade schedule for non-bargaining unit (NBU) positions, effective for January 2009. The revision will be compliant with FLSA and positions will be classified as exempt and non-exempt (eligible for overtime). There will be no changes made to the salary ranges.

Dr. Eschenburg stated that the Internal Revenue Services (IRS) new regulations for 403(b) retirement plans will go into effect on January 1, 2009. She has been working with the Attorney General's Office and the OACC on the potential of joining a consortium to contract with a common vendor to manage the retirement plans. Right now, the College works with 15 vendors for 96 participants. Dr. Eschenburg stated that she'll continue to update the Board.

Facilities and Capital Improvements – Mr. Satkowski stated that the FY 2009-2010 HB 562 capital projects being planned are the Emergency Public Address System and the Signage Program. The College has appropriations for Penta Renovations, \$2 million; and Energy Upgrades, \$2 million. Mr. Satkowski distributed the executive summary of the Energy Master Plan prepared by Garforth International.

EXECUTIVE SESSION

Mr. Sculfort announced an executive session for discussion of matters related to collective bargaining and property. Mr. Libbe made a motion to adjourn to executive session for the reasons specified. Dr. McMaster seconded the motion, and Mr. Sculfort called for a roll call vote. Roll Call: Jack Sculfort, yea; Allan Libbe, yea; and Ronald McMaster, yea; (3).

Upon return from executive session, roll call was taken and the following members were present: Mr. Sculfort and Mr. Libbe (2).

Adjournment – As there was no further business to discuss, Mr. Sculfort declared the meeting adjourned at 3:20 p.m.

ATTEST

Patricia Jezak

Secretary to the Board of Trustees

APPROVED 9-5-2008