

OWENS COMMUNITY COLLEGE  
BOARD OF TRUSTEES  
FINANCE COMMITTEE  
January 15, 2009

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** – Interim Finance Chair Rich Rowe called the meeting to order at 2:10 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. Ron McMaster and Mr. Rich Rowe (3).

Board Chair John Moore and Vice Chair Dee Talmage were 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, Dr. Cynthia Eschenburg, Mr. Brian Paskvan, Ms. Laurie Sabin, Ms. Ann Savage, Mr. Brad Meyer. Ms. Natalie Jackson, Assistant Attorney General, and Ms. Marie Thomas, Sentinel-Tribune Reporter, were also in attendance.

**Approval of Minutes** – The minutes of the November 5, 2008 meeting were previously reviewed, and Mr. Rowe declared that the minutes stand approved as submitted.

**Enrollment Update** – Dr. Unger provided a to-date enrollment report for Spring Semester 2009. The 14<sup>th</sup> day census date is January 22, 2009. To date, the combined enrollment headcount is 19,726 students. The combined FTE is up by 9.23 percent. To date, Findlay Campus has its highest headcount at 3,347 students. The Schools of Technology, Arts and Sciences, Business and Information Systems, and Workforce and Community Services are experiencing an increase in headcount. The overall combined headcount is expected to be more than 21,000 students.

**EXECUTIVE SESSION**

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

Upon return from executive session, roll call was taken and the following members were present: Mr. Libbe, Dr. McMaster and Mr. Rowe (3).

**State Budget and Funding Update** – Mr. Satkowski reviewed Chancellor Eric Fingerhut's FY 2009 Budget Reductions memorandum to college and university presidents dated January 2, 2009. In particular, he reviewed the statement encouraging institutions with enrollments below 5,000 FTE enter into agreements to share administrative functions with larger institutions. To date, there have been no perimeters established for these efficiencies, which will reduce the 5.75 percent cut for Access Challenge funding to a 3.5 percent cut.

Mr. Satkowski stated that the across-the-board 5.75 percent reduction in Access Challenge funding for FY 2009 will reduce the College's allocation by \$390,572 (3.5 percent), based on the College establishing collaborations with smaller institutions. President Adams stated that the Regents are creating an Efficiency Council and Chair John Moore has been selected to serve and represent the community college trustees. President Adams also stated that Chancellor Fingerhut said that they are striving to integrate the Access Challenge funding into the State Share of Instruction (SSI) line item, which means that the College would not be able to track Access funding in the future.

President Adams stated that she spoke with Chancellor Fingerhut last evening (January 14), and he stated his concern for high-growth institutions, like Owens Community College, that have low tuition and no levy funding. She said that the Chancellor mentioned the Governor desires to keep the tuition freeze for community colleges, but relax it for the universities. She said that she had expressed her concern that Owens is so stretched due to its enrollment growth and being the State's lowest cost provider of programs. She said that the Chancellor would like to find a way to accommodate colleges like Owens, if the tuition freeze is extended for a third fiscal year. Mr. Rowe asked about student demand if a tuition freeze will be in effect for the community colleges, but not for the universities. President Adams responded that while we have appreciated the SSI funding being protected by the Governor, we will need to recommend a 10 percent increase in SSI funding, however, this will not cover an enrollment surge of students coming to the community colleges due to the affordable tuition. These are the avenues that the Chancellor and the Governor are concerned about.

Dr. Unger commented that it takes extra funding to provide the support services that students need such as tutoring, etc. President Adams stated that Ms. Savage had told her previously that there should be grant opportunities available to support an open-access student body. Ms. Savage commented that these opportunities are through the federal government or private foundations. Dr. Unger stated that the College has an excellent 76 percent retention rate of the Woodward High School/Success Program students.

*Lakeland Community College Recommendations* – Mr. Satkowski shared Lakeland Community College's recommendations to change capital appropriation language to provide efficiencies and give colleges the flexibility in addressing emergency renovations.

*FY 2010 Budget Development* – Mr. Satkowski stated that the Budget Advisory Council and the Finance staff are looking at different parameters to develop the FY 2010 budget and to forecast out to FY 2012. Due to the State's economic situation, there will be significant challenges in revenue and expenditures for the College. We will have to increase collaborations with other institutions to generate financial efficiencies. The budget assumptions include SSI reductions of 0 percent to 7 percent, a tuition freeze and moderate enrollment growth. The expenditures are increasing to accommodate class sections (enrollment growth), health care costs, and collaborations with other institutions on technology. They are reviewing decreasing the local contributions made to capital projects, equipment, strategic plan initiatives and implementing restrictions on travel and hiring. Mr. Libbe asked if this information is being shared with the bargaining units' negotiation teams, and Mr. Satkowski replied, yes. Mr. Satkowski stated that room utilization is being reviewed for savings in utilities and staffing costs. Mr. Satkowski stated that a team of Finance and Records staff are reviewing how ineligible FTE is being reported to the State with the anticipation of potential revenue, which may or may not be funded.

**Current Financial Statement Review** – Mr. Satkowski reviewed the financial statements for the month ended December 31, 2008.

**Toledo Campus West Master Plan** – Mr. Satkowski reported that Poggemeyer Design Group is providing cost estimates for phasing in the integrating improvements of (Penta) west campus with the Owens west campus. This project funding is State capital appropriations. He stated that he is also working with Poggemeyer to see if the College would be eligible to receive federal economic stimulus funding for parking lots and roads aspects of the project. This campus plan is being coordinated with the Energy Strategic Plan.

**Adjournment** – As there was no further business to discuss, Mr. Rowe declared the meeting adjourned at 4:10 p.m.

ATTEST

*Pat Jezak*

Secretary to the Board of Trustees

APPROVED 4-27-2009