

**DELAWARE TECHNICAL COMMUNITY COLLEGE
BOARD FINANCE COMMITTEE
George Campus
Conference Room D**

April 10, 2018

Attendees: Valencia Beaty, Denise Berry, Amber Bradley, Mark Brainard, Reggie Chandler, Mary Chen, Daniel Ehmann, Scott Green, Patti Grimes, Bob Hagerty, Michael Hare, Rick Kravevich, Jerry McNesby, Paul Morris, Allan Nelson, Ray Parsons, Justina Sapna, Judi Sciple, Brian Shirey, Lisa Strusowski, Noelle Sugalski and Amy Tucci.

Ms. Grimes called the meeting to order at 1:03 p.m.

1) REQUEST FOR APPROVAL OF MINUTES

Mr. Hare moved to approve the minutes of the October 17, 2017 Finance Committee meeting as submitted. Mr. Hagerty seconded the motion. Motion carried unanimously.

2) REVIEW OF GOVERNOR'S RECOMMENDED FY 19 BUDGET AND BOND BILLS

Mr. McNesby stated that the Governor had no significant changes to what the College requested in their FY 2019 budget request. He continues to be very supportive of the College's efforts. Among the items included in the Governor's recommended budget were:

1. A \$1,000 annual increase for state employees making under \$50,000 and a 2% salary increase for those with salaries greater than \$50,000;
2. Funding to expand the College's BSN Program with three (3) new positions;
3. Continued funding for 25 Health Fund positions to support the College's nursing program;
4. Increased support (\$749.7k) for Seed Scholarship Program;
5. \$6.5 million in capital support for critical capital needs, an increase of \$1 million over Fiscal 2018; and
6. Access to additional capital funding as part of the Governor's effort to address deferred maintenance on state facilities.

The College's presentation before the Joint Finance Committee is scheduled to take place May 16, 2018 at Legislative Hall where they will outline the critical need for additional funding for deferred maintenance projects at all campuses.

3) REVIEW OF FISCAL 2019 DRAFT FINANCIAL PLAN

Mr. McNesby discussed the FY 2019 Financial Plan and a projected need between \$1.8 and \$4.0 million that would:

- Support increased personnel costs associated with FY 2019 salary policy for tuition funded positions in instruction, student services, technology, and administrative services;
- Review competitiveness of the current level of pay for adjunct faculty;
- Maintain and expand support services to veterans;
- Expand the RN to BSN Program;
- Provide financial aid to needy students; and
- Fund increase cost of operations for contractual services, insurance, communication, staff development, grounds repair, capital improvements, etc.

He explained that this is a DRAFT of the FY 2019 Financial Plan and further discussion will take place at the June meetings of the Board Finance Committee and Board of Trustees.

4) REVIEW OF FISCAL REPORTS

Mr. McNesby reviewed the fiscal reports for the 7 months ending 2/28/18 along with reports on Tuition & Fee financial activity and the 15% Test calculation as follows:

1. General Fund: Spending in the General Fund is 60.8% of the annual budget 67% through the fiscal year.
2. Tuition Fund: Credit tuition revenues of \$23.8m are up 2.7% compared to the same time period last year. Expenses are up 9.5%.
3. Carryover: The carryover figure of \$21.5 million is less than the target figure of \$27.2 million but is expected to improve during the next 4 months; and
4. The 23.4% Collegewide 15% Test calculation is slightly more than the target level of \$23.2% projected for the Fiscal 2018 Budget.

He presented budget changes that have been recommended and approved by the Vice President/Campus Directors and Directors of Business Services. A motion was made by Mr. Hare and seconded by Mr. Hagerty to approve the budget modifications as submitted. Motion carried unanimously.

MOTION FOR EXECUTIVE SESSION – Closed to Public

Mr. Hagerty moved and Mr. Hare seconded the motion to adjourn the Finance Committee meeting and convene an executive session at 1:47 p.m. to discuss personnel and legal matters.

MOTION TO RECONVENE THE FINANCE COMMITTEE MEETING

Mr. Hare moved and Ms. Grimes seconded a motion to reconvene the open session at 2:19 p.m. The motion carried.

There being no further business to discuss, motion was made by Ms. Grimes and seconded by Mr. Hare to adjourn the meeting at 2:20 p.m.

Respectfully submitted,

Darlene S. Johnston & Amy Tucci
Assistant to the Vice President for Finance