

Blue Ridge Community College
Board of Trustees Meeting

March 12, 2018, 5:00 p.m.
Henderson County Campus
Patton Building, Room 150

The Board of Trustees of Blue Ridge Community College met on Monday, March 12, 2018, at 5:00 p.m. on the Henderson County Campus in the Patton Building, Room 150.

The following members were present:

Betty Gash	Maxwell George	Jeremy Gibbs
John B. Gould	Josh Hallingse	Nathan Kennedy
Kelly Leonard	John McCormick, Jr.	Mark Morse
Bill Ramsey	Andrew Riddle	Susan Robinson
Duke Woodhull		

The following members were excused:

Patricia Jones	Kathy Revis
----------------	-------------

Others present:

Kathy Allen	Carolyn Alley	Kirsten Bunch
Chad Donnahoo	Ann Green	Lee Anna Haney
Peter Hemans	Laura Leatherwood	Glenda McCarson
Chad Merrill	Tammy Pryor	Sam Sonnier
Julie Thompson	Steve Young	

Special Guests for Recognition of SACSCOC Contributions:

Jay Alley	Amy Allison	Cheryl Best
Ben Hardy	Sandra Heatherly	Pat Horlick
Jana Hosmer	Philip Hosmer	Leah Knowles
Jeanne Metzger	Ali Norvell	Tommy Oakman
Debra Pressley	Leanne Ruff	Sara Schumacher
Amy Williford		

Chairman Gould called the meeting to order at 5:01 p.m. and welcomed all Trustees and guests.

Ethics Statement

Chairman Gould read the following Ethics Statement:

Board Members, Madam President, financial and administrative staff:

- a. You are reminded that you have a duty to avoid all conflicts of interest, potential conflicts of interest, and appearances of conflicts of interest.

- b. Do any of you know of or anticipate any conflict of interest, potential conflict of interest or appearance of conflict of interest regarding the matters on the agenda for today's meeting?

No conflicts were reported.

Special Recognition

Dr. Leatherwood called attention to the large number of guests standing in the back of the room. She stated that she invited them to attend in order to be recognized for their contributions to the SACSCOC reaccreditation initiative. Their work culminated in a 407 page report which included links to more than 2,500 supporting documents – a massive undertaking. She asked each contributor to move to the front of the room as their name was called. She also recognized the work of Carol Ann Lydon, who coordinated the efforts of the group, but was unable to attend. Several faculty and staff members were also included, as well as Brenda Blackburn, Vicky Burke and Lisanne Masterson, who were absent. After a round of applause from the Trustees, the SACSCOC guests were excused from the remainder of the meeting.

Dr. Leatherwood shared that Director of Financial Aid Lisanne Masterson was recently awarded the Distinguished Service Award from the National Association of Student Financial Aid Administrators and relayed that BRCC is fortunate to have Ms. Masterson on the team.

In conclusion, Dr. Leatherwood announced that four BRCC students placed in the top five in the recent regional automotive competition:

- 1st place: Matthew McMahan – Henderson County campus
- 2nd place: Anthony Lassiter – Henderson County campus
- 4th place: Frankie Bullock – Transylvania County campus
- 5th place: Seth Brown – Transylvania County campus

Chairman Gould added that BRCC, Henderson County and Transylvania County all received statewide recognition in the March 2018 *Business North Carolina* magazine as a result of Dr. Leatherwood's recent participation in a Manufacturing Roundtable in Winston-Salem.

Change to Agenda and Approval of Agenda

Chairman Gould informed Trustees that agenda item VIII B. (Certification of Sink Building Phase I) would be removed from the agenda as action was no longer needed, and asked if there were any other changes needed to the agenda. After a brief pause, Mark Morse made a motion to approve the agenda with the modification noted by Chairman Gould. The motion was seconded by John McCormick and passed unanimously.

Approval of Consent Agenda

Chairman Gould reviewed the following Consent Agenda and asked if there were any items that should be moved to the regular business agenda for further discussion:

- Approval of Minutes – January 8, 2018, regular session
- Review 2017 EWD/CE and Basic Skills Class Visitation Internal Audit Report
- Review 2014-2020 Strategic Plan Gap Analysis and Recommendations
- Review of Requests for Use of Alcohol at Special Events
- Review of New Employees

In response, Mark Morse made a motion to approve the Consent Agenda. It was seconded by Betty Gash and passed unanimously.

Facilities and Finance & Investment Committees Joint Meeting

Facilities Committee Chair Duke Woodhull informed Trustees that the Facilities Committee met jointly with the Finance and Investment Committee on February 26. Mr. Woodhull reported on progress made on Capital Projects and Major Capital Projects since the January meeting, noting that there were approximately 62 active projects. He indicated that the Facilities Condition and Assessment Program (FCAP) reports for both campuses had been updated with photos and a few more details on the projects, and had been posted to the Trustee's webpage for further analysis. After all questions were answered, Mr. Woodhull moved, by direction of the Committee, the approval of the Facilities Condition and Assessment Program Reports for Henderson County and Transylvania County as presented. The motion carried without dissent.

Finance and Investment Committee Chair Kelly Leonard informed the Trustees that the Finance and Investment Committee met on February 26 and had several action items for the meeting. He then asked BRCC Associate Vice President and CFO Carolyn Alley to deliver the report to the group on behalf of the Committee. Ms. Alley began with a financial update as of January 31, 2018. She informed Trustees that the state budget continues to be closely monitored. She stated that the College was notified on January 23, 2018 of a 0.59% budget call-back in the amount of \$82,451. She reported that the majority of the reversion will be covered from equipment funding.

Ms. Alley reminded all that \$200,000 was moved from the Henderson County reserve to the Henderson County operating budget for 2017-18, as approved at the January Board of Trustees meeting, and is reflected in the financial reports provided.

In regard to Institutional funds, Ms. Alley reported that the deficit in fund 02 (restricted) is primarily due to grants for which the College has not yet received reimbursement for expenditures. The deficit in fund 07 is due to the timing of ConnectNC Bond fund revenues and expenses, and the deficit in fund 09 is due to the timing of financial aid expenses and revenues. All questions regarding the financial update were addressed.

Next, Ms. Alley reviewed the proposed 2018-19 operating budgets for Henderson and Transylvania counties. She explained that increases are being requested from both counties, and provided a detailed explanation of said increases.

Ms. Alley then presented the proposed capital budgets for Henderson County and Transylvania County. She explained that these budget requests tie back to the FCAP reports discussed previously in the meeting.

After allowing time for questions and discussion, a motion was made by Kelly Leonard, by direction of the Committee, to approve the Henderson County and Transylvania County Operating and Capital Budgets as presented. The motion carried without opposition.

Ms. Alley noted that the Office of the State Auditor had completed the College's Financial Statement Audit for the year ended June 30, 2017, and had one finding relating to segregation of duties. The deficiency occurred during a period when the College Business Office was short-staffed and year-end processes and reporting needed to be completed in a timely manner. The Business Office has correct segregation of duties now that it is fully staffed.

Ms. Alley further noted that the preliminary results indicating the possibility of four adjusting entries did not result in an audit finding as it was an extraordinary circumstance in regard to the financial responsibilities of the College and Henderson County, and the College acted in good faith by applying accounting principles used by a community college thought to be in a similar situation. All questions related to the financial statement audit and finding were addressed.

Mr. Leonard shared that North Carolina Community Colleges are required to have a financial statement audit every other year. For the past several years, BRCC has been audited annually at an average annual cost of \$31,738 per audit. He noted that the number of audit findings has dropped significantly over the past 5-6 years, and that the Committee recommendation was to change the audit of financial statements to every other year as required by the state. Discussion followed. When all questions were answered and discussion ended, by the direction of the Committee, Kelly Leonard moved the approval of the Financial Audit Frequency to every other year. The motion carried without opposition.

Next, Ms. Alley reviewed the Contribution-Based Benefit Cap Report received in January. Ms. Alley stated that the report is provided monthly to assist with budget planning for certain employees who might require an additional employer contribution if they were to retire in the next 13 months. All questions were answered.

The Finance and Investment Committee report ended with a review of the revised 2018-2019 Specific Fees and Live Project Fees. Ms. Alley indicated that changes from the fees approved in December were highlighted in blue and included:

- Student Activity Fees (from a sliding scale to a flat fee) in line with other colleges in the region and the state
- Distance Learning Students (non-high school) will be assessed the Student Activity Fee at the same level as face to face students
- Removed Chemistry Supplies Fee
- Added SIM Lab Supplies Fee for Health Sciences Center

- Added SIM Lab Facilitator Fee for Health Sciences Center

After discussion and with all questions answered, a motion came from Kelly Leonard, by direction of the Committee, to approve the revised 2018-19 Specific Fees and Live Projects for Curriculum and Continuing Education as presented. The motion carried without dissent.

President's Report

President Leatherwood approached the podium and expressed her appreciation to the Trustees for their presence at the meeting and their commitment to the success of the College. She mentioned that a copy of the President's Report was posted to the Board website for their review and encouraged Board members to contact her with any questions. The full report is made a part of these minutes.

Next, President Leatherwood spoke about several topics including:

- Schenck Job Corps
- Helping Hand Development Center
- BRCC paid holidays and the draft State Board of Community Colleges Holiday Policy
- Expanding partnership with Wingate and the addition of the ADN to BSN at the Health Sciences Center beginning January 2019
- New bus shelter to be built on HCC as a result of a grant written by Henderson County
- Spring 2018 Curriculum Enrollment Summary
- National School Walkout

Dr. Leatherwood then moved on to review and discuss "Operational Framework" and the goal to help everyone at BRCC find themselves in the framework, see how they fit into the College efforts collectively, and thereby encourage all to work together as "One College." She stressed the important role of the Board of Trustees in the framework: to connect the College to the community. She walked them through the diagram which was provided at the meeting and posted on the website. All questions were answered.

In conclusion, Dr. Leatherwood recognized Dr. Chad Merrill to report on campus safety. Dr. Merrill updated the Trustees on significant safety activities since the last Board meeting, by campus location. Several questions were raised and discussion followed. Dr. Merrill shared information regarding recent safety enhancements, partnerships and forthcoming initiatives including:

- Review of current safety handbook and emergency response plan for updates on February 20
- New emergency procedure guide books in production to be posted in classrooms and common spaces
- SAFE video, SAFE training and safety drills
- Installation of mass communication system
- Enhanced communication with the Innovative High School; email thread

- Requested funding from Henderson County for:
 - an additional officer on the Henderson County Campus
 - new police radios
 - vehicle lease program in order to obtain new police vehicles for the fleet

Chairman Gould added that he receives regular safety updates from President Leatherwood and Dr. Leatherwood reminded the Trustees of emails that she has sent them after significant safety events. She further stated that the Henderson County Sheriff's office has been complementary of BRCC Police for their quick response and support.

After all questions were answered, Dr. Leatherwood thanked Dr. Merrill for the campus safety update and returned to her seat.

Educational Foundation Report

Educational Foundation Executive Director Ann Green reported total Foundation support and revenue and assets at December 31, 2017. She further reported investment returns for the last twelve months and the trailing five years, respectively. Ms. Green reported on all major gifts and major in-kind gifts received since the last Board meeting, announced a new annual scholarship from American Association of Retired Persons, reported the amount of 2018-2019 Endowment awards, and reminded the Trustees of the upcoming Appreciation Breakfast, all as detailed in the President's Report that was posted to the Board website.

Ms. Green provided each Trustee with a handout about IRA Contributions and the IRA charitable rollover. She concluded her report with a review of selected 2018-2019 fundraising campaign priorities.

Student Government Association (SGA) Report

SGA President Maxwell George provided an update including:

- SGA Valentine's Day events
- Operation Health Sciences Game Day
- Launch of "Spirit Days"
- Spring Picnic scheduled for March 21
- Discover Diversity Week, March 12-15

Old Business

No old business.

New Business

Chairman Gould focused attention to the approval of the Lease Agreement and Memorandum of Understanding with Blue Ridge Literacy Council. Jeremy Gibbs moved to approve the Lease Agreement with Blue Ridge Literacy Council, pending State Board approval. The motion was seconded by Mark Morse and carried without opposition.

Jeremy Gibbs moved to approve the Memorandum of Understanding with Blue Ridge Literacy Council. The motion was seconded by Betty Gash and carried without opposition.

Chairman Gould stated that a letter was received from the North Carolina State Board of Elections & Ethics Enforcement regarding Nathan Kennedy's 2017 Statement of Economic Interest filing. He read the following from the letter: "We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity." Mr. Gould stated that this is a common response, and congratulated Mr. Kennedy for being approved.

Mr. Gould then referenced a letter received by Campbell Shatley regarding legal services. A motion was made by Kelly Leonard to approve the arrangement for legal services effective July 1, 2018, between Campbell Shatley and Blue Ridge Community College Board of Trustees as noted in their letter. The motion was seconded by Duke Woodhull. All approved; there was no opposition.

Dr. Leatherwood remarked that the North Carolina Community College System 2018-2022 Strategic Plan was provided as information for the Trustees and offered to answer any related questions.

The North Carolina Community College System 2018-2019 Legislative Priorities were provided for information and advocacy purposes. If approved, BRCC would receive more than \$170,000 for recurring short-term workforce, and more than \$169,000 for non-recurring equipment. Local impact areas would include:

- SAMTEC/Advanced Manufacturing
- Law Enforcement/Public Safety
- Healthcare
- Fire Training
- Transportation Technology
- Welding

Mr. Gould shared that he and Dr. Leatherwood recently attended the Legislative Update Breakfast where BRCC was mentioned three different times and was complemented for the work being done. Mr. Gould also stated that Dr. Leatherwood has done a good job of articulating College needs and building relationships with legislators.

Jeremy Gibbs, Chair of the President's Evaluation Committee, provided an overview and timeline of the President's evaluation process. He encouraged his peers to complete the evaluation timely and thoughtfully as the new president is eager to receive their feedback. Jeremy stated that the evaluation survey will be sent electronically, as it has in the past, and the results will come directly to him to ensure the confidentially the president's evaluation results should receive. A paper form, along with a self-addressed stamped envelope was provided to any Trustee who preferred to respond manually.

Comments by the Board Members

Mr. Gould reminded Trustees that 2018 SEI Forms must be completed by April 16, 2018, and distributed a contribution form for PAC, should the Trustees wish to participate in the 100 day challenge. Trustees were asked to save the dates of October 30 and October 31 as possible dates for the SACSCOC Board interview.

Adjournment

With all discussion ended and there being no further business, the meeting was adjourned at 6:35 p.m.

Approved by: John B. "Chip" Gould, Chairman
Approved by: Laura B. Leatherwood, Secretary