

MINUTES
District Board of Trustees
Tallahassee Community College
444 Appleyard Drive
Tallahassee, FL 32304-2815
May 16, 2011
Board Workshop – 2:30 pm
Business Meeting – Immediately Following

Chair Lamb called the District Board of Trustee workshop and business meeting to order at approximately 2:30 pm.

Members Present: Chair Lamb, Trustees DeFoor, Moon, and Moore.

Absent: Trustees Callen and Messersmith

Via phone: None

Others Present: President Jim Murdaugh, Teresa Smith, Chip Singletary, E.E. Eunice, Barbara Sloan, Bill Spiers, Robin C. Johnston, Karinda Barrett, Sally Search, Marge Banocy-Payne, Jerry Schilling, Kate Stewart, Frank Brown, Alice Nied, Sharon Jefferson, Sheri Rowland, Monte Finkelstein, John Chapin, Carol Easley, Rick Frazier, John Norris, Curtis Watkins, Bobby Jones, Renae Tolson, Barb Gill, Marilyn Dickey, Bobby Hinson, Bonnie Holub, Patricia Manning, Matt Littlefield, Susie Hall, Gareth Euridge, April L. White, Alan Boyd and Lenda Kling.

COMMENTS

Board Chair – Chair Lamb asked everyone to stand for a moment of silence and the pledge of allegiance.

Chair Lamb stated he had attended and enjoyed many activities and events on campus since our last meeting. He indicated the Barry University graduation Saturday was very organized and nice.

Board Members – Trustee Moore thanked the President and TCC for allowing the March of Dimes Walk for Babies on campus, sharing there were about 2,500 people walking to raise money.

Trustee DeFoor indicated it was delightful to have everyone in Wakulla County and thanked the staff for making the necessary arrangements. He stated the facility captured the flavor of the opportunity better than any words we could use.

President – President Murdaugh stated Trustees Messersmith and Callen would not be joining us today. He thanked the Trustees for working TCC activities and events into their busy schedules.

BOARD WORKSHOP

Budget

President Murdaugh stated our workshop today was focused primarily on revenue and he would lead with a conversation on tuition and fees. He started by showing the actual 2010-11 state

funding compared to the allocation for 2011-12. The community college program funding was cut 8.1% across the college system this year, however they have increased the allowable standard fee by 8% for colleges at the maximum of the standard fee. College Trustees can go 15% above and 10% below the standard fee, reminding us we have been below the standard fee for some time.

The lottery contribution has also decreased just under \$100,000 and the federal stabilization funds of approximately \$2.4 million are going away. We have previously used the federal stabilization funds for non-recurring expenses, so it will not affect normal college operation.

Trustee Moon inquired if the lottery funds were entirely for education and, if so, why we were down \$100,000. President Murdaugh indicated the lottery projected their income would be lower, although he was uncertain of the percentage of lottery funds that go to education. Trustee Moon then inquired about the impact to us if the projections were incorrect, with VP Smith indicating any impact would be in the 2012-13 fiscal year.

When looking at growth over the last four years compared to state funding, there has been a decline in the state funding per credit hour from approximately \$93 per hour in 2007 to \$81 in 2010. This reflects an erosion of funding for education over time and there does not appear to be a prediction for change in the trend line going forward.

When the upward growth trend line is compared to staffing, you will notice that full-time faculty has remained basically flat, adjunct faculty has increased and non-instructional staff has decreased. With an approximate 16.5% increase in growth and basically a 13% decrease in non-instructional staff, this staffing trend is not sustainable over time for quality.

President Murdaugh indicated we would be requesting a 10.5% increase in tuition. The amount requested is 2.5% over the 8% being lost in state funding. He reminded the Board they had the authority, with the increased standard fee, to increase tuition by 13.4%. He stated that per three hour course, a student would pay approximately another \$33 in tuition.

President Murdaugh shared there are statutory created fees we are allowed, but not required, to charge and indicated some colleges charge many fees we do not. Examples of the fees include parking, graduation, replacement of diploma, etc. He shared that some of the colleges, who implemented a graduation fee, experienced a decrease in participation at graduation. They have recognized it is harming their appearance to those they serve, resulting for some in a pullback of the fee.

The fees are restricted, with the use of the fees and the maximum amount that can be charged outlined in statute. The technology fee by statute is limited to 5% of tuition, as proposed, and can only be used for faculty and student technology and support. Capital Improvement fees cannot exceed 10% of tuition, although the annual increases cannot exceed \$2, as we proposed. President Murdaugh communicated approximately a million dollars annually of the capital improvement fees are obligated for payment to the parking garage.

The financial aid fee, limited to 5% of tuition, is used to guarantee or improve access to the college and, by statute, 75% of the fees must be used for needs-based students. The student activity fee is for use by our students and covers, among other things, the highly used StarMetro cost. After reviewing the student activities budget, we are not seeking an increase in this area.

President Murdaugh indicated we have not previously charged a distance learning fee, however a survey from the Distance Learning Consortium indicated these fees ranged from \$5.70 to \$35.00 per credit hour. The fees are restricted to distance learning purposes, can only be charged to students enrolled in distance learning classes, and cannot exceed the cost of the service.

We want to ensure a quality distance learning service with a support system that ensures engagement. We looked at the services we provided for the 40,000 hours of distance learning last year and determined the cost was \$10 per credit hour. Almost all of our courses have a blended approach or at least some blackboard involvement, but we did not include this in the calculation for the fee.

Trustee Moore recognized the distance learning fee was a priority, since it needs to be funded appropriately to be successful. She feels we have not put the resources in it previously, but are trying to catch up and wondered why we didn't ask for \$12. Dr. Sloan shared we wanted to be conservative to ensure we do not over collect, which could result in refunds. President Murdaugh reported the \$10 fee covers added staff, support systems and technology.

President Murdaugh indicated our fees should accurately reflect the services and quality we provide, sharing he was pleased with the plan. Trustee DeFoor stated with distance learning he felt some large universities would emerge that could monopolize the market and asked how we would be different in a very challenging environment. President Murdaugh stated he was not opposed to coming back more than annually to discuss changes and fees.

President Murdaugh stated while we were restricted to how we use the funds, there was a provision which is not as restrictive that allows us to contract with another agency. Tomorrow our Director of Distance Learning is meeting with Saint Leo to see if we can figure out the business model. He feels the contract provision may be the answer to working with Saint Leo to find a new target population.

Dr. Sloan said we were working diligently to get the partnership going, but first we need to build the infrastructure for true web-based access, support and classes. President Murdaugh shared our new Director of DL, Dr. Dickey, was a product of distance learning and saw things from a new prospective. Trustee Moon indicated she was for distance learning and felt we were behind in this area, although as one of the Trustees from Gadsden County she expressed concern that we might be pushing away some of the kids with the tuition increase.

President Murdaugh imparted we are always concerned about access and success. He shared the increased financial aid fee would create about another \$600,000 for assistance to needs-based students, indicating VP Johnston reported the Foundation has about \$500,000 in scholarships available to keep the open door open. President Murdaugh expressed that once the door is open we must provide the quality infrastructure and education for our students.

Chair Lamb indicated he was pleased with the way President Murdaugh was looking at access for the Gadsden County students and the quality of TCC. Trustee Moon expressed concern about the communication of financial aid options available to students, because she did not want us to push away the middle class student.

President Murdaugh indicated he would like to put some of the funds into the 10 hours we have available for our use every day on Cable Channel 22. Originally the channel was used for

teaching classes, although we do not currently use the time to our best advantage. He feels we could produce a college readiness series, to include financial aid and other subjects, we could run repeatedly. On Friday, we put together a program where we interviewed students asking what they felt the new student needed to know.

Trustee Moon inquired that with the state of the economy, if we did not raise tuition would we gather more people and hence gain more money. President Murdaugh indicated we have been in 27th place out of the 28 colleges for the past few years and experience suggests it has not helped our enrollment, which has remained relatively flat. The students from other parts of the state indicate they are coming here with the intention to go to FSU or FAMU.

Based on an assumption that we increase tuition by 10.5% and the other colleges in the state increase by the authorized 8%, we would move from 27th to 25th place. President Murdaugh acknowledged that some of the colleges might not go up 8%, but felt it would not make a significant difference in our ranking. He reiterated that the requested tuition increase did not move us significantly out of being nearly the cheapest in the state.

Trustee DeFoor said he would like to have the output measurement from this year before we looked at an input measurement for next year. President Murdaugh indicated that when comparing our rates to FSU and FAMU, who are phenomenal and probably very competitive within their own markets, we are certainly very competitive for an entering freshman.

Trustee DeFoor inquired about how we compare to Kaplan, Keiser, Thomas, etc. President Murdaugh stated he could get the data, but that the universities named had access to FRAG to offset the cost of their higher tuition. Trustee Moon confirmed Georgia and Alabama students are considered out-of-state.

President Murdaugh indicated that for the first time we find more than 50% of our revenue is from tuition and fees, even without a tuition increase state funding would be less than 50%. He indicated the requested tuition increase would fund the preservation of our current activities, improve student readiness and change student experiences with access and success. He imparted that with these additional dollars things would be done differently, with a real opportunity to change the model for registration and financial aid.

The model has been the same for everyone previously, in the future we will adapt to the needs of the student. He shared that historically we have used faculty in the role of registration and advising, but he feels their time can be used better in mentoring and program advising. We will be able to add staff to enrollments and financial aid, as well as, add back faculty. We know that the first fourteen days a student is here is critical to student success.

President Murdaugh shared he would like to add more resources for our international students. This is also the first year we will open and fully fund the Ghazvini Center, and although we have projections, we do not really know what the actual cost will be. We will also develop a structure and system for accountability and strategic planning. We recognize this is a passion of Trustee DeFoor and believe accountability will become an increased issue of concern for all colleges.

He would like to see a dashboard with metrics that have meaning for the Trustees and allows us to have established goals with achievement updates. He shared that within Florida we are about mid-size among the colleges, but are larger than 5 of the universities. For an institution of

our size, we need an Office of Institutional Effectiveness with an Associate Vice President that brings together varied resources from 3 different areas.

President Murdaugh proposed that strategic planning move from the Executive Team level to the Office of Institutional Effectiveness. The current strategic plan has essentially reached its end date and needs to be updated. The revision should include external stakeholders, reflect what the Trustees think the college should be, create measurable objectives, and allow us to draw together resources from various areas.

He recommended VP Sloan be elevated to the position of Provost, indicating she worked with DOE to set policy that affected our college. She has been in Gadsden County working on K12 opportunities. VPs Jefferson and Sloan have been working with FAMU on other opportunities. He proposed placing an Associate Dean in Academic Affairs to handle the daily operations and free up VP Sloan for strategic activities and program growth/review.

Tuition funding will also allow us to maintain and increase our commitments to the community. As the Board requested, we are continuing to be a community partner of choice to the arts, civic programs, nonprofits, Economic Development Council and Chamber of Commerce.

The Distance Learning fee will allow us to integrate web resources, provide course redesign and development, train faculty and core adjuncts, and develop/implement a marketing plan to double enrollment.

Proposed changes in course lab fees will recoup appropriate costs at the unit level. Other fees will assist with the upgrade of instructional technology and increase financial aid available to our students. President Murdaugh shared his concern with our technology, some of which is 8 years old, and our bandwidth access.

Trustee DeFoor stated it was important for the institution to recognize this teaching moment, since what we are experiencing is painful but ultimately good. He said it was a time for refocus and pruning, although he thought there was a lot of inward focus that caused him concern. He expressed his faith in President Murdaugh, indicating he would support the proposal.

Trustee DeFoor continued that he was not impressed with relative positions or comparison to FSU and FAMU, agreeing that education is too cheap in Florida. He stated he is not seeing a hunger to save money in the institution, a message to others that we get the issues, or a sense of urgency. He said we were doing a very precise job of measuring inputs and next year he wanted to see a very precise job of measuring output.

Trustee Moon asked Trustee DeFoor for clarification. Trustee DeFoor stated we have measured to the penny money going into the system, although he had not seen measurable objectives by which we can know a year from now if we have succeeded with the new money. He indicated we are in a very competitive environment.

President Murdaugh acknowledged the message from Trustee DeFoor, indicating he understood accountability was important. President Murdaugh stated it was critical for us to know if we were spending our money and applying our resources in the right places. Trustee DeFoor stressed the need to institutionalize the message and do something dramatically different in the next few years.

Trustee Moore indicated Trustee DeFoor had made some very appropriate comments about doing things that would make us more cost effective. She stated we had cut the fat over the past few years and made a concerted effort to be as efficient as possible. At some point with a 13% reduction, we have to put money in to ensure quality. Indicating if she had not seen the due diligence work on other projects to identify further funding options, then the tuition increase might have required further discussion.

Chair Lamb indicated the points were well taken and that the President was on top of it. Trustee DeFoor stated the Board was investing a great deal of confidence in the President.

BUSINESS MEETING

Chair Lamb called the Board meeting to order at approximately 4:08 pm.

COMMENTS

Chair – Chair Lamb indicated we had a special guest in the house.

Board Members – None

President – President Murdaugh shared that our very special guest loved Tallahassee Community College, indicating he would like to read a resolution thanking and honoring former Congressman Alan Boyd, Jr. Former Congressman Boyd shared that he was grateful to the community college system, since he was a product of community colleges. He thanked us for all the work we do, indicating he was honored to be here.

APPROVAL OF MINUTES

Chair Lamb asked if there were any comments and requested a motion to approve the minutes of the April 26, 2011 Workshop and Board Meeting.

MOTION: Trustee Moore
SECOND: Trustee DeFoor
Motion passed unanimously.

INFORMATION AND NEWS ITEMS

Susie Hall introduced the news clips that included the care packages for our vets prepared in the class of Melissa Saldoni-Lemon, softball team going to national tournament and a TCC tech@night commercial.

UNFINISHED BUSINESS

None

PUBLIC COMMENT OR PRESENTATIONS

None

NEW BUSINESS

Approval of Consent Agenda

Chair Lamb asked if there were any comments or requests for the Consent Agenda.

MOTION: Trustee Moore
SECOND: Trustee Moon
Motion passed unanimously.

Trustee Moon asked to pull Tabs 5 & 6 for explanation. She asked if we were the provider, what the indirect cost rate was. Assistant VP Schilling indicated it was money coming to us for the cost of maintaining the grant, such as human resources, etc. Trustee DeFoor asked if we knew the break and was informed it was handled on a case by case basis.

Trustee Moon inquired about the 8% rate when TCC was fiscal agent, with Asst. VP Schilling stating this is our starting rate but is negotiable. She asked about the 0% indirect cost for some of the grants. VP Smith shared this decision, based upon the best interest of the nonprofit community, was made a few years ago and we are currently analyzing the actual costs and adjusting. Trustee Moon asked if the agencies were expressing concern and VP Smith indicated some are and we have lost one grant over the past six months.

MOTION: Trustee Moon
SECOND: Trustee Moore
Motion passed unanimously.

Administrative Services

Construction Status Report (Information)

President Murdaugh inquired about Mr. Stallworth, who was not available. Mr. John Norris indicated the Ghazvini Center construction was going very well and we were currently receiving equipment, stating it should be almost complete by the end of May. VP Smith stated there appeared to be significant changes every day and we should take official occupancy the end of May or first of June, with the first group of faculty moving in after our June Board Meeting at the Center.

Fund Analysis April 2011 (Information)

President Murdaugh stated he would answer any questions. Trustee Moon inquired about the purchase orders over \$100,000 but under \$250,000, specifically the campaigns for advertising and promotion. VP Smith indicated these are grants that we manage and the funds are those of the agency, not TCC.

Trustee Moon requested we be more explicit in the future. President Murdaugh suggested we redo the column for item description to include the source of funds.

Approved Grants and Contracts – TCC as Fiscal Agent (Information)

President Murdaugh indicated he would answer any questions.

Approved Grants and Contracts – TCC as Provider (Information)

President Murdaugh stated he would answer any questions.

Disposition of Surplus Property Assets (Action)

President Murdaugh indicated this was an action item for the disposition of surplus assets.

This request is for the Board to authorize staff to dispose of the surplus and obsolete property items, listed on the attached and having a total acquisition cost of \$555,740.92 in accordance with the procedures identified in sections 274.05 and 274.06, Florida statutes.

MOTION: Trustee Moore
SECOND: Trustee DeFoor
Motion passed unanimously.

Annual Inventory of Property Assets (Information)

President Murdaugh indicated he would be happy to answer any questions.

Proposed fees for 2011-2012 (Action)

President Murdaugh stated this is the item outlined in the workshop. This reflects the philosophy of charging fees at the course level and provides the out-of-state rate, which is mathematically calculated based upon in-state rate.

Trustee Moore registered her support on the recommendations of the President. Trustee Moon restated the Board is putting a lot of trust in the President and holding him accountable, since she still has a little bit of concern.

Trustee DeFoor stressed again the concerns raised at the workshop, but his confidence remains and he will vote for this. Chair Lamb stated he had gone over this with the President and had confidence that the right thing would happen.

There was a Scribner's error in the document provided to the Trustees, although it has no financial impact. The course titled ETI2469C should have been ETI2460C with the same fee.

This request is for the Board to approve the proposed tuition and fee structure.

MOTION: Trustee Moore

SECOND: Trustee Moon

Motion passed unanimously.

Annual SREF Update – May (Information)

President Murdaugh indicated this was an update to the report we discussed at the last meeting. The items highlighted in yellow have been cleared from the list.

TCC Foundation

TCC Foundation Update (Information)

VP Johnston shared the President's Circle event scheduled on the 19th would be rescheduled. He shared there has been a slow down on fundraising with the switch from one campaign year to the next and a change in focus on campaigns. Trustee Moore requested a list of people on the teams.

TCC Foundation – Quarterly Financial Update (Information)

VP Johnston indicated this is the standard report, pointing out that we now exceed our proposed recovered assets.

PRESIDENT'S REPORT

President Murdaugh shared we were facilitating a group of people in the community at a meeting on May 27th to address the state worker layoffs. It will be a broad cross section of leadership within the community, not only for employment opportunities, but also to address high levels of stress, healthcare questions, etc. The purpose will be to develop one point of entry and multiple points of exits, to help workers know where to go for answers, although no one at the meeting will have all the answers.

NEXT MEETING DATE

June 20, 2011 – Ghazvini Center

Chair Lamb indicated at the last meeting he had voted on the sublease of the Woodham building in Gadsden County. Later he wondered, if as a Gadsden County Commissioner, he should have voted and discussed with the Board Attorney, Bill Mabile. Chair Lamb stated Mr. Mabile did not have a concern with him voting on the item.

Mr. Mabile indicated he would consolidate all the Trustee evaluations onto one form that will be provided to the Presidential Evaluation Committee. Chair Lamb appointed Trustees DeFoor and Callen to a two-member committee for the President's evaluation.

President Murdaugh shared his contract required him to have an annual physical, with the results showing no significant findings this year. The contract also calls for an annual salary review and he is making no request this year, but inquired about the committee conducting the review. Bill Mabile indicated it had been the same committee in the past, which streamlines the process. Chair Lamb indicated it would be the same committee.

ADJOURNMENT

Meeting adjourned at approximately 4:45 pm.

Minutes approved at regular meeting of the District Board of Trustees on June 20, 2011.

Eugene Lamb, Jr.
Chair

Jim Murdaugh, Ph.D.
President