

ISOTHERMAL COMMUNITY COLLEGE
MEETING OF BOARD OF TRUSTEES
MAY 14, 2002

The Board of Trustees of Isothermal Community College met on Tuesday, May 13, 2002, in the Management Seminar Room of the Business Education Building. The following trustees were present: Bobby England, Chairman; Elizabeth Owens, Jervis Arledge, David Herndon, James Hutchins, Warren Carson, Ron Paris, Gordon Scott and Sue Cochran. The following staff members were present: Willard Lewis, Stephen Matheny, Robert Harrison, Catherine Bailey, Fred Bayley, Karen Noel, Bruce Waddingham, Russell Wicker and Scott Scheer. Mike Gavin and Ashley Baker from **The Daily Courier** were also present. Chairman England called the meeting to order at 5:05 p.m.

Approval of Minutes

A motion was made by Gordon Scott, seconded by James Hutchins, to approve the minutes of the regular meeting of February 12, 2002, and the called meeting of April 16, 2002. The motion was unanimously approved.

Trustee Affairs

Elizabeth Owens, Chairman of the Personnel Committee, announced that trustees had returned the presidential evaluation forms and requested that the board go into closed session at the conclusion of the meeting to discuss these evaluation forms.

Upon recommendation of the Nominating Committee, a motion was made by Gordon Scott, seconded by David Herndon, to approve the following slate of officers for 2002-2003. The motion was unanimously approved.

Chairman	Bobby England
1 st Vice Chairman	Elizabeth Owens
2 nd Vice Chairman	Warren Carson
Secretary	Ron Paris

Business Affairs

President Lewis announced that the recent program audit conducted at Isothermal Community College, for the period Spring Semester 2000 through Spring Semester 2001, revealed no audit exceptions or concerns for the classes and programs reviewed. Dr. Lewis stated that the staff was commended for the excellent manner in which they followed the record keeping procedures prescribed by the State Board of Community Colleges.

President Lewis reported that during the recent program audit, one issue was noted which merited the College's attention, but did not warrant inclusion in the College audit report. A review of the College's curriculum co-op records revealed that some of the workbooks/folders lacked necessary information and were in need of improvement. Dr. Lewis stated that the necessary steps had already been taken to rectify this issue.

Stephen Matheny announced that the State Auditors have completed their fieldwork in connection with the financial audit for the year ended June 30, 2001. The auditors expressed concern regarding some internal control procedures, however, the concerns did not merit inclusion in the audit report. Mr. Matheny stated that steps have already been taken to correct these concerns.

President Lewis reported that in 1998, the State Board of Community Colleges authorized colleges to charge fees for those utilizing our facilities such as public and private institutions. Appalachian State University pays us for the utilization of our classroom space which helps us in the local budget. President Lewis stated that this year's local budget is such that he felt that we needed to extend that fee charge to Gardner-Webb University as well. The basic charge for classroom space is \$30.00 per semester credit hour. This is calculated by multiplying the number of students times the number of credit hours (example: $15 \times 3 \times \$30 = \$1,350$). This charge includes the room, security during normal operating hours, utilities, access to the library and parking.

President Lewis reported on the state budget outlook. Dr. Lewis stated that April collections were far worse than expected, collections were off for personal and corporate income, sales and franchise taxes, and other miscellaneous revenues. In addition, tax refunds were up, final tax payments were down, and estimated quarterly payments for the second quarter have fallen as well. Dr. Lewis stated that the following actions have been taken to generate additional savings for the State of North Carolina:

1. A hard freeze is placed on all hiring, travel and purchasing. Hiring should be limited to faculty employed for Summer Term, beyond the 9-month contract.
2. There will be no carry forward of cash from this fiscal year to the next.
3. All non-personnel budgets will be restricted.
4. With respect to encumbrances, all purchase orders for goods ordered but not received, should be canceled. There are to be no new encumbrances this fiscal year.

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5. Travel should be restricted to faculty and faculty supervision only.
6. Equipment purchases that are for educational/instructional equipment and library books ONLY will be honored.

Dr. Lewis reported that the prioritization of cash is as follows:

1. Debt Service
2. Payrolls
3. Required State Aid
4. "30 Day Encumbrances" (lights, water, gas, etc.)

Dr. Lewis stated that he would keep the Board apprized of a worsening state budget picture.

Upon recommendation of the Finance Committee, a motion was made by Jervis Arledge, seconded by Warren Carson, to approve the Rutherford County proposed budget for 2002-2003 in the amount of \$1,442,852. The motion was unanimously approved. (A-1)

Upon recommendation of the Finance Committee, a motion was made by Jervis Arledge, seconded by Warren Carson, to approve the Polk County proposed budget for 2002-2003 in the amount of \$96,726. The motion was unanimously approved. (A-2)

President Lewis announced that gifts, grants, and donations totaling \$2,060 have been received from February 1, 2002 through April 30, 2002. A motion was made by Warren Carson, seconded by David Herndon, to accept these gifts and donations. This motion was unanimously approved. (A-3)

A motion was made by Gordon Scott, seconded by Sue Cochran, to approve budget revisions as presented by President Lewis. The motion was unanimously approved. (Attachment)

A motion was made by Gordon Scott, seconded by James Hutchins, to eliminate the 25% discount on rental fees, originally established for the first year of operations for the lobby banquet space, the Tanner Room (Seminar A) and the Cooley Room (Seminar B) of The Foundation. Russell Wicker reported that the overall use of these facilities had increased over the year to a point where it was very hard for the staff to keep up. Mr. Wicker stated that with the reduction in The Foundation's state allocation, and in order to keep up with

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the demand, The Foundation was proposing that the College implement the proposed rate increases. (Attachment) The motion was unanimously approved.

A motion was made by Gordon Scott, seconded by Sue Cochran, to establish rates for the use of the large parking lot/festival area (currently under construction) behind The Foundation. Such rentals would be at the discretion of the President of Isothermal Community College and the Director of the Performing Arts and Conference Center, with priority for use going first to the College and Foundation events, followed by all other requests. Mr. Wicker stated that the base rate is to be set at \$750 per day, plus all out of pocket, plus cleaning fees. Additional fees for power consumption, use of dump station and water may apply. This motion was unanimously approved.

President Lewis announced that about every five years, the College's banking services are sent out for bids. After reviewing the returned bids, the College feels that BB&T 's banking services would be most beneficial to the College. A motion was made by Sue Cochran, seconded by James Hutchins, to change the College's banking services from First Union to BB&T. The motion was unanimously approved.

A motion was made by Warren Carson, seconded by Ron Paris, to approve an Internal Policy for Bad Debt Write-Offs. The motion was unanimously approved. (A-6)

Mr. Stephen Matheny presented a list of bad debt write-off accounts. Mr. Matheny stated that these accounts had been turned over to a collection agency as well as the State Department of Revenue for collection, without success. A motion was made by Sue Cochran, seconded by Elizabeth Owens, to approve the recommended bad debt write-off accounts for the year ending June 30, 2002. This motion was unanimously approved. (Attachment)

Dr. Robert Harrison announced that a search had begun for a Composites Lab/Trainer/Tester. Dr. Harrison stated that the first responsibility for this individual would be to install the equipment that we have acquired and then meet the necessary industry certification standards so that we can begin marketing the testing side of the facility. In addition, we will start training as soon as possible. The funds to staff this position is made possible through grant funds received nearly two years ago. These funds must be expended before the end of the next fiscal year.

Personnel Affairs

President Lewis announced the resignation of Chanse Simpson, Instructor in Broadcasting Production Technology, effective May 10, 2002. Dr. Lewis stated that even though we can hire new faculty, we plan to hold that position until the state budget is determined.

President Lewis announced the resignation/retirement of Myra Woody, Financial Aid Director, effective March 26, 2002, with 24 ½ Years of Service. Since this position is critical, the College has received permission, from the State, to fill this position.

A motion was made by Elizabeth Owens, seconded by Gordon Scott, to go into closed session to discuss non-renewal of contracts and the President's annual evaluation. The motion was unanimously approved.

Upon return to open session, a motion was made and seconded, to adjourn. This motion was unanimously approved.

The meeting adjourned at 6:25 p.m.



CHAIRMAN



SECRETARY