

Name: Luzerne County Community College Board of Trustees Board Meeting

Date: December 17 2015

Time: 6:00 P.M.

Location: Luzerne County Community College, Dining Room, Educational Conference Center, Nanticoke PA

AGENDA ITEM	NOTES	ACTION TAKEN/FOLLOW UP ACTION NEEDED
Swearing In Ceremony of Michael J. Dubinski	<p>The Honorable Judge Lesa S. Gelb, quoting Dan Rather, stated, "A college degree is the key to realizing the American dream well worth the financial sacrifice because it is suppose open the door to a world of opportunity."</p> <p>The Honorable Judge Lesa S. Gelb stated at Luzerne County Community College the Board of Trustees realizes that while education is the key to realizing the American dream, sometimes the financial sacrifice can be too overwhelming. Becoming a member of the Board, means joining the ranks of a group of people who understand that and sacrifice their time to help others. Mr. Dubinski will bring to the Board a refreshing and necessary perspective, the students.</p> <p>Board Chair Carmen F. Magistro thanked, on behalf of the Board of Trustees, the Honorable Judge Lesa S. Gelb for performing the swearing in ceremony and welcomed Michael J. Dubinski to the Luzerne County Community College Board of Trustees.</p>	The Honorable Judge Lesa S. Gelb performed the swearing in of new Trustee Michael J. Dubinski.
1. Roll Call	<p>Present: Joan M. Blewitt, Ph.D.; John J. Bryan; Elaine Cook, R.N., J.D.; Francis P. Curry; Lynn M. Distasio; Michael J. Dubinski; Brian D. Gill; Paul A. Halesey; Erin K. Keating; Carmen F. Magistro, Board Chair; John R. Serafin, Secretary; Margaret Steele; David James Usavage; Barry H. Williams, J.D., C.P.A., and Joseph Kluger, Esq., College Solicitor.</p> <p>Excused: Erin K. Keating and Susan E. Unvarsky, Vice Chair</p>	
	Carmen F. Magistro., Board Chair, reported that an Executive Session of the Board of Trustees was held, prior to the start of the Board meeting, to discuss personnel and litigation issues.	

AGENDA ITEM	NOTES	ACTION TAKEN/FOLLOW UP ACTION NEEDED
2.Public Comment	Carmen F. Magistro, Board Chair, opened the floor for public comment.	No action required.
3. Approval of October 28, 2015, Board Minutes	Carmen F. Magistro, Board Chair, recommended approval of the October 28, 2015 Board minutes.	Approved. Motion made by John R. Serafin, Secretary; seconded by John J. Bryan. Vote was all "yes". Motion carried.
4.Approval of December 17, 2015 Board Agenda	Carmen F. Magistro, Board Chair, recommended approval of the December 17, 2015 Board agenda.	Approved. Motion made by Elaine Cook, R.N., J.D.; seconded by Francis P. Curry. Vote was all "yes". Motion carried.
5. Report of Officers and Agents <ul style="list-style-type: none"> ○ President's Report 	<p>President Leary stated the College is renewing its Speaker's Bureau through which the community can connect with various subject matter experts on our faculty and staff. Listed in the bureau will be those faculty and staff who are available to speak to community organizations or answer questions related to their areas of study or supervision. Our faculty and staff are highly active in the community, reading to children, leading fundraisers, and serving local boards, youth sports organizations, Kiwanis Clubs, church groups, and more. Because of the knowledge and skills they have gained through their academic experiences, they often serve in leadership roles. The Speaker's Bureau will serve as a central location through which the community can contact these civic-minded individuals to seek their involvement or advice. The College will announce when the Speaker's Bureau, which will be accessible through LCCC's web site at www.luzerne.edu, is available.</p> <p>The College's student-run radio station, WSFX-FM, has been nominated for three national college radio awards through the Intercollegiate Broadcasting System. Students Jeff Jaikes and Dave Sebolka were nominated for Best Promo Series, and students Leo Flynn, Don Kirchner & Travis Slovacek were nominated for Most Innovative Program for their "Drive Time" production. The station itself is up for the Best Community College Station award.</p>	

Statement No. 68. This puts the entire pension liability onto the balance sheet which was never required before. That liability is \$12,923,066. Ms. Ritter stated the liability was always in the notes to the financial statements; the standard did not change the amount that the College owed, it put it onto the balance sheet for the first time. One effect is the Unrestricted Net Asset went negative having to adopt the new standard.

Income Statement – Under revenue there was a decrease in tuition and fees. In the non-allocated benefits the College is self-insured for health insurance so to the extent our experience is high that is reflected in that number.

Change in Net Position is \$1,346,713 (net income). Ms. Ritter stated, when there is a decrease in enrollment, there is a decrease in federal aid which is reflected in the report. With the adoption of the accounting principle the change to the beginning balance is \$12,613,088.

Single Audit Report – Ms. Ritter reviewed the report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.

Ms. Ritter reviewed the items that changed from the previous year. In the prior years there were some material weaknesses but that have all been resolved. Ms. Ritter stated there are two current year findings. For last year’s summer session the College had students who had not paid and didn’t attend but were registered. There was an oversight that those students were not deducted from the revenue and receivables. The effect was \$68,874. Controls were recommended and management responded to ensure that occurs in future semesters. The second item, distribution of federal Pell grants. Students can change their status by adding or subtracting credits after they initially register which could affect student aid. We found students change their credit and the change to student aid was approximately \$516. The error was brought to the College’s attention and management responded and will move to automated process, eliminating manual records audits. This new procedure will now run consistently and with a second back up process to ensure no records are missed.

Ms. Ritter commended the collaboration between Joseph Gasper and

<ul style="list-style-type: none"> ○ Treasurer’s Report 	<p>Robert Linskey. Both individuals are quiet talented and did a wonderful job assisting the auditors.</p> <p>Board Chair Carmen F. Magistro noted the real material difference, year to year is the GASB change that requires the College to account for a portion of the pension liability. Ms. Ritter confirmed Board Chair Carmen F. Magistro was correct.</p> <p>President Leary commended the Finance team, led by Dean Gasper, for the audit report.</p> <p>Joseph Gasper, Dean of Finance presented the Treasurer’s Report is for the period ending October, 2015.</p> <p>When compared to the prior fiscal year the Current Fund Income of \$13,984,000 is down 24.49% and expenses of \$10,375,000 increased .39%. Bookstore Income decreased \$173,000, down 10.19% while Expenses decreased \$297,000 or 18.36%. Food Service Income decreased \$7,000 and expenses decreased \$4,000. Finally Plant Fund Income decreased \$1,250,000 and Expenditures have increased \$44,000.</p> <p>Tuition Income decreased \$1,415,000. The spring 2016 accounts for \$507,000 and the Price and Volume variance is listed on the report. Course fees are down 11.61%. Non-Sponsor Income is down 12.09% which is attributable to a decline in the Out of County and State students. The Commonwealth of Pennsylvania Appropriation has decreased \$2,811,000 which is due to the budget impasse in Harrisburg.</p> <p>Supplement - Current Fund Expenditures - Fringe Benefits are down \$187,000 which is due to the timing of the payments for Retirement and Health Care and the amounts paid. Salaries increased \$72,000. Travel and Conference expense is up \$39,000. The variance for Bank Service/Collection fees is due to the timing of journal entry postings. Advertising costs have increased \$28,000 for this period and utilities are down \$20,000.</p> <p>Supplement - Bookstore Report - Textbook sales decreased \$158,000 for a 10.33% decrease and other sales income is down 8.38%. The related expenses show a decrease of \$249,000 or 18.78% for Textbooks purchases and \$33,000 for Other Purchases.</p>	
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<ul style="list-style-type: none"> ○ Foundation Report 	<p>Food Service Report: Food Sales have decreased \$8,000 when compared to the prior year. Salary expense is down \$3,000 and Food Supply expense is down \$7,000. Fringe Benefits have increased 30.77% due to a change in the status of an employee.</p> <p>Plant Fund: Capital Fees are down 11.79% due to a decline in the Out of County and State enrollment. The Commonwealth of Pennsylvania Appropriation is down due to the budget impasse, no payments were received this fiscal year. The Debt Service Expense variance reflects the annual change in the debt service payment schedule. Equipment Lease expense is up due to the timing of the payments and the change to the annual upgrade lease.</p> <p>Sandra Nicholas, Executive Director of Institutional Advancement, reported the Foundation received notification from an anonymous donor that the College will be the recipient of a \$100,000 gift in support of nursing scholarships. The donor requested full two-year nursing scholarship to cover the expenses for tuition, books and fees. The donation will cover approximately 6-7 nursing students.</p> <p>The Empty Bowl Project Committee, which consists of LCCC, King’s College, Wilkes University and Wyoming Seminary, voted to approve \$5,000 be provided to Luzerne County Community College in support of the LCCC Food Bank. The remainder of the funds will be distributed to Soup Kitchen and CEO.</p> <p>The Foundation received notification from the Greater Cincinnati Foundation in support of a \$5,000 Proctor and Gamble donation to benefit the childrens dental program in the Benco Dental clinic.</p> <p>The Alcoa Foundation has awarded to the LCCC Workforce Division \$75,000 for the 21st Century Skills for NEPA Manufacturers which will support student tuition cost, licensing, industry accreditation requirements and certification costs for students. Eligible students are incumbent workers who are seeking on the job training and formal credentialing.</p> <p>The Northeast PA Health Care Foundation awarded \$3,000 to the Dental Hygiene Department for a Teen Dental Health Educational Program. The</p>	
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<p>○ Student Representative Report</p>	<p>grant will purchase educational supplies. The department has been going to local schools to teach the younger children about dental health and the schools requested that LCCC start to provide training to teens emphasizing how smoking, drugs, and bulimia impact your teeth and health in the long term.</p> <p>The Foundation has been working on Request for Proposal for Financial Services. This RFP will be advertised after the new year.</p> <p>David Jolley, Vice President of Public Affairs, Geisinger, is the incoming President of the Foundation Board of Directors. Baker, Tilly, Krause gave the Foundation a clean audit.</p> <p>The Department of Education will be performing an audit of the ALTA and Perkins programs in March 2016.</p> <p>President Leary extended his congratulations to Curtis Bates for ranking 7th in the nation at the Boston Cross Country race.</p> <p>Curtis Bates, Student Representative to the Board provided an update on student life. In preparation of finals week, Student Life conducted a “Stress Free Week” for the students which featured a different event each day in an effort to calm the anxiety students’ face when preparing for finals.</p> <p>Circle K and Adult Learners conducted a very successful book sale fundraiser at Barnes and Nobles. The students had face-painting, games, activities and music. A percentage of the sales at Barnes and Nobles benefitted Brandon’s House.</p> <p>Mr. Bates stated it has been a great semester for the students and looking forward to the spring semester.</p>	
<p>6. Report/Action of the Executive Committee 6A. Background Check, Clearance and Required Reporting Policy</p>	<p>6A. Board Chair Carmen F. Magistro, recommended the Luzerne County Community College Board of Trustee approve the administrative policy, Background Check, Clearance and Required Reporting Policy.</p>	<p>6A. Approved. Motion made by Joan M. Blewitt, Ph.D., seconded by David James Usavage.</p> <p>Vote was all “yes”. Motion carried.</p>

7. Report/Action of the Academic Committee	7. No report.	7. No action required.
8. Report/Action of the Finance Committee	8. Barry H. Williams, J.D., C.P.A., Committee Chair, presented the following action items.	
8A. Audit Report	<p>8A. Recommend the Luzerne County Community College Board of Trustees approve the Audit Report ending June 30, 2015, as presented by MaherDuessel, Certified Public Accountants.</p> <p>Board Chair Carmen F. Magistro and Committee Chair Williams commended the work of the Finance team. Joseph Gasper, Dean of Finance, also extended his gratitude to Robert Linskey for overseeing the audit process.</p>	<p>8A. Approved. Motion made by John R. Serafin, Secretary, seconded by David James Usavage.</p> <p>Vote was all “yes”. Motion carried.</p>
8B. Summary of Payments	8B. Recommend the Luzerne County Community College Board of Trustees approve the summary of payments.	<p>8B. Approved. Motion made by Joan M. Blewitt, Ph.D., seconded by John Bryan.</p> <p>Vote was all “yes”. Motion carried.</p>
8C. RFP, General Liability Insurance	8C. Recommend the Luzerne County Community College Board of Trustees approve the award of the Property and Liability Insurance Contract in the amount of \$174,955.00 to Cummings Insurance Agency.	<p>8C. Approved. Motion made by Elaine Cook, R.N., J.D.</p> <p>On the question, John Bryan inquired as to the \$48,000 savings from the previous year. Committee Chair Williams stated a presentation was held during the last Finance Committee meeting where the insurance company and underwriters presented a detailed overview of their proposal which explained the cost savings.</p> <p>Motion was seconded by John Bryan.</p> <p>Vote was all “yes”. Motion carried.</p>
8D. RFP, Workers Compensation Insurance	8D. Recommend the Luzerne County Community College Board of	8D. Approved. Motion made by John R.

8E. Continuation of Employee Retraining Opportunities Program	Trustees approve the award of the Worker’s Compensation Insurance Contract in the amount of \$116,900.00 to Arthur J. Gallagher & Co. 8E.Recommend the Luzerne County Community College Board of Trustees approve the continuation of the LCCC Employment Retraining Opportunities Program for the Spring 2016 Semester with a tuition offset for eligible individuals not to exceed a total value of \$50,000.	Serafin, Secretary, seconded by Elaine Cook, R.N., J.D. Vote was all “yes”. Motion carried. 8E. Approved. Motion made by Brian Gill; seconded by Joan M. Blewitt, Ph.D., Vote was all “yes”. Motion carried.
9. Report/Action of the Human Resources Committee	9. No report.	9. No action required.
<u>Informational Items</u>		
1.Unfinished Business of Previous Meeting	1. N/A.	1. No action required.
2.Informational Report of the Executive Committee	2. N/A	2. No action required.
3.Informational Report of the Human Resources Committee	3. Paul Halsey, Committee Chair, noted the information on appointments and leave report stated is located on page 3 of the Board agenda. Committee Chair Halsey stated included in the Board packet is the results/feedback of the Board of Trustee Self-Assessment. Ten (10) Trustees participated in the Self-Assessment survey, prepared by Paula Labenski, Administrative Assistant to the President and Board of Trustees. Committee Chair Halsey stated an analysis of the feedback will be reviewed to discuss the strengths and weaknesses of the Board of Trustees at the next Board of Trustees Human Resources Committee. Committee Chair Carmen F. Magistro requested all Trustees take a moment to review the information provided in the self-assessment report. Committee Chair Carmen F. Magistro stated the information provided in the report is very interesting and eye opening.	3. No action required.
4. Communications	4. Committee Chair Carmen F. Magistro noted all communications were included in the Board packet.	4. No action required.

<p>5.Adjournment</p>	<p>5. At this time Board Chair Carmen F. Magistro wished everyone a safe and happy holiday season.</p>	<p>Motion made Barry H. Williams, J.D., C.P.A.; seconded by Joan M. Blewitt, Ph.D.</p> <p>Vote was all “yes”. Motion carried.</p>