FINANCE COMMITTEE  
October 20, 2016 - 1:30 p.m. 

Members Present:  
Lynn Raye  
Lisa Estep  
Lee Roberts

Jim Rose  
Scott Shook

System Office Staff and Others:  
Jennifer Haygood, NCCCS  
Q. Shanté Martin, NCCCS  
Matt Meyers, NCCCS

Mary Shuping, NCCCS  
Bryan Conrad, OSBM  
Dr. Dale McInnis, Richmond CC/NCCCPA

CALL TO ORDER  
Mr. Lynn Raye called the meeting to order at 1:30 p.m.

ROLL CALL  
Jennifer Haygood took the roll of the Finance Committee members.

ETHICS AWARENESS AND CONFLICT OF INTEREST  
Mr. Raye read the required ethics statement. There were no conflicts of interest.

AGENDA  
Mr. Raye asked for a motion to approve the agenda for the meeting as presented. Mr. Roberts moved, seconded by Mr. Rose.

MINUTES  
Mr. Raye asked for a motion to approve the minutes of the September 15, 2016, meeting as presented. Mr. Rose moved and Mr. Roberts seconded the motion.

FOR INFORMATION  
Estimated Receipts (Attachment FC 1)  
Ms. Haygood reviewed the Estimated Receipts Report which represents tuition and registration receipts collected through September 30, 2016. Ms. Haygood stated that just over $132.5 million has been collected, which represent 38.8% of the receipts budget. Ms. Haygood noted that the proportion is higher than the previous two years and also higher than the benchmark for the first quarter, which indicates that we should be on track for meeting this year’s tuition budget.

Ms. Haygood further stated that several colleges are concerned about the impact of Hurricane Matthew on their students and communities as well as the impact to Spring enrollment. Ms. Haygood continued that 24 colleges are in counties designated to receive Federal Disaster
benefits and two colleges, Lenoir and Robeson Community Colleges, were directly impacted by Hurricane Matthew.

**SBCC Code Report – October 2016 (Attachment FC 2)**
Ms. Haygood stated the SBCC Code report is provided anytime there are amendments to rules in process. She reviewed the report and noted the first item listed is a proposed amendment to the “Curriculum Tuition Receipts” chapters had completed the written comment period and that this item will be discussed further under item FC 6. In addition, Ms. Haygood stated the second item on the report was initiated through the Policy Committee and relates to “Public Input.” This amendment would provide any member of the public the ability to request notification anytime there are rule changes.

**Summary of 2015-16 State Funded Financial Aid Programs for Community College Students (Attachment FC 3)**
Ms. Haygood reviewed the report on State Funded Financial Aid Programs which details three programs specific to community colleges. These programs (the NC Community Grant, Targeted Assistance, and the Less Than Half Time Programs) are funded through the NC Escheat Fund. Ms. Haygood stated that over 26,000 students participated in the programs this year and any unexpended funds would be returned and available for distribution next year.

**For Future Action**
**2017 Budget Priorities (Attachment FC 4)**
Ms. Haygood provided a review of the 2017-19 Budget Priorities. The Committee discussed in depth the following three goals:

1. **HIGHLY SKILLED WORKFORCE PIPELINE**
   - Business & industry must have quick and easy access to a highly-skilled, well-trained workforce.
   - Students must have an awareness of and access to quality, well-paying career opportunities.

2. **ACCESSIBLE & AFFORDABLE EDUCATION**
   - Students need opportunities for college access at a savings to both the student and the State.

3. **STRENGTHEN COMMUNITY COLLEGES’ FOUNDATIONS**
   - To continue to provide business & industry with a highly-skilled workforce pipeline & to provide students with accessible & affordable education, community colleges must have a solid & stable foundation.

After a lengthy discussion, Ms. Haygood introduced Jim Parker, who recently joined the NCCCS as Senior Vice President and Chief Information Officer. Mr. Parker discussed the legislative directive for the replacement and/or modernization of the ERP system and how this project is
moving forward. Ms. Haygood further explained that funding for this directive is not listed on 2017-19 Budget Priorities and this request will be forthcoming.

**Forsyth Technical Community College Multi-Campus Center Request (Attachment FC 5)**
Ms. Haygood reviewed the request by Forsyth Technical Community College to provide preliminary approval to designate the Transportation Technology Center, located at 4255 North Patterson Ave., Winston-Salem, NC as a multi-campus center (MCC). Ms. Haygood briefly discussed the request indicating that Forsyth Technical Community College had met all of the requirements.

Mr. Rose moved to suspend the rules and move the item to For Action. Ms. Estep seconded, and the motion was approved.

Mr. Rose moved to approve the action, seconded by Mr. Roberts and the Committee gave preliminary approval to designate the Transportation Technology Center as a multi-campus center.

**For Action**

**Review Public Comments for 1E Subchapter 900.1 – “Curriculum Tuition Fees” (Attachment FC 6)**
Ms. Haygood introduced the item to review the public comments related to the proposed changes to the Curriculum Tuition Fees rule. Ms. Haygood provided the Committee with background of the rule change and introduced Mrs. Shanté Martin. Ms. Martin further discussed the comments received and how those comments were incorporated into the rule change.

Ms. Estep moved to approve the item, seconded by Mr. Rose and the motion was approved.

**Budget Allocation for 2-1 Summary FY 2016-17 (Attachment FC 7)**
Mr. Rose moved, Mrs. Estep seconded, and the Committee approved the 2-1 Summary report as presented. Ms. Haygood provided a review of the report, calling attention to the year-over-year comparison on page 10. She noted the significant increase, from $10 million to just over $61 million, in state funds for Capital Improvement projects. Ms. Haygood noted that this increase is due to colleges planning and anticipated use of Connect NC Bond funds.

**Allocation for North Carolina Space Grant (Attachment FC 8)**
Ms. Haygood introduced Matt Meyers who provided the Committee with a brief overview of the North Carolina Space Grant. Mr. Meyers discussed the program which is in partnership with NASA, and advocates for STEM Career Pathway development for students at universities and community colleges.

Mr. Rose motioned to approve the action, seconded by Ms. Estep. The allocation of $10,000 from the NC Space Grand fund to the seven community colleges was approved.
Allocation for RN to BSN Competency-Based Education (Attachment FC 9)
Ms. Haygood reviewed the request to allocate $75,000 for the RN to BSN Competency-Based Education program. Ms. Haygood stated that the State Board of Community Colleges delegated the authority to President James C. Williamson to award the approved Perkins Career and Technical Education State Leadership Funds at the September 2016 meeting. She further stated that responses were received from Fayetteville State University and Winston-Salem State University, which was recommended for the award. The State Board is asked to ratify the selection of Winston-Salem State University’s School of Nursing for the RN to BSN Competency-Based Education project.

Ms. Estep motioned for the approval, seconded by Mr. Rose, and the motion passed.

Construction and Property (Attachment FC 10)
Ms. Haygood called attention to the two items listed under “Project Approval – Amended – Connect NC Bonds” which were contingent upon the approval of Craven Community College’s Board of Trustees. She stated that due to Hurricane Matthew, the Board of Trustees meeting was canceled and she requested that these items be tabled until the November SBCC Meeting.

4. Project Approval – Amended – Connect NC Bonds

A. Craven Community College – Project No. 2093 – STEM Building – Havelock Campus – Estimated cost is $4,991,215, composed of $50,000 local funds, $500,000 state equipment funds and $4,441,215 state funds (46620). Project is amended to add $500,000 state equipment funds and $4,441,215 state funds (Connect NC Bonds – 46620/New Construction). Note: Contingent upon Board of Trustees approval which is expected on October 18, 2016.

B. Craven Community College – Project No. 2184 – Barker Hall First Stop Renovation (Student Services) – Main Campus – Estimated cost is $1,200,000, composed of $264,575 local funds and $935,425 state funds (46620). Project is amended to add $264,575 local funds and increase $440,425 state funds (Connect NC Bonds – 46620/Repairs and Renovations). Note: Contingent upon Board of Trustees approval which is expected on October 18, 2016.

Ms. Haygood continued her review of the Construction and Property projects presented for approval. After discussion, Mr. Rose requested the Committee be provided with a report detailing by college all Connect NC Bond projects that have been approved to date.

Mr. Lynn Raye requested a motion to approve. Mr. Rose brought a forth a substitute motion to approve all items presented with the exception of item 3E. Ms. Estep seconded, and the following projects were approved.
1. **Project Approval – New**
   A. Central Piedmont Community College – Project No. 2202 – South Energy Plant Infrastructure Upgrades – Main Campus – Estimated cost is $650,000, composed of all local funds.

   B. Central Piedmont Community College – Project No. 2237 – Overcash Center Roof Replacement – Main Campus – Estimated cost is $750,000, composed of all local funds.

2. **Project Approval – Amended**
   A. Gaston College – Project No. 1961 – Center for Advanced Manufacturing – Main Campus – Estimated cost is $7,640,000, composed of $4,240,000 local funds and $3,400,000 state funds (41620). Project is amended to decrease local funds of $873,231 and add state funds of $3,400,000, (Legislative Appropriation).

3. **Project Approval – New – Connect NC Bonds**
   A. Central Carolina Community College – Project No. 2229 – Economic and Community Development Center (Continuing Education and Basic Skills) Renovation – Lee County – Estimated cost is $495,000, composed of all state funds (Connect NC Bonds – 46620/Repairs and Renovations).

   B. Gaston College – Project No. 2206 – Veterinary Technology Facility – Main Campus – Estimated cost is $4,400,000, composed of all state funds (Connect NC Bonds – 46620/New Construction).

   C. Mayland Community College – Project No. 2221 – Yancey Learning Center (Instructional Classrooms) Roof Replacement – Yancey County – Estimated cost is $75,000, composed of all state funds (Connect NC Bonds – 46620/Repairs and Renovations).

   D. Montgomery Community College – Project No. 2232 – Building 200 (Instructional Classrooms) Roof Replacement – Main Campus – Estimated cost is $200,000, composed of all state funds (Connect NC Bonds – 46620/Repairs and Renovations).

   F. Nash Community College – Project No. 2233 – Continuing Education and Public Services Facility ADA Compliance – Main Campus – Estimated cost is $28,400, composed of all state funds (Connect NC Bonds – 46620/Repairs and Renovations).

   G. Rowan-Cabarrus Community College – Project No. 2234 – Building 300 (Instructional Classrooms) Exterior Renovations – Main Campus – Estimated Cost is $250,000, composed of all state funds (Connect NC Bonds – 46620/Repairs and Renovations).

   H. Western Piedmont Community College – Project No. 2235 – Student Access Door (Multiple Instructional Buildings) – Retrofit – Main Campus – Estimated Cost is $325,000, composed of $125,000 local funds, $75,000 state equipment funds and $125,000 state funds (Connect NC Bonds – 46620/Repairs and Renovations).
I. Wilson Community College – Project No. 2223 – Wilson Buildings L-A and L-F (Instructional Classrooms) Additional Classrooms, Offices and Signage Renovations – Main Campus – Estimated cost is $1,000,000, composed of all state funds (Connect NC Bonds – 46620/Repairs and Renovations).

5. Acquisition and Disposal of Real Property
   A. Rowan-Cabarrus Community College – The Board of Trustees of Rowan-Cabarrus Community College request permission as per G.S. 115D-15 to enter into a five year no-cost lease agreement with the Rowan-Cabarrus Community College Foundation to construct a Solar Photovoltaic Energy System on the college’s Buildings 500, 600 and Building 600 Parking Lot. All net proceeds, excluding the costs of maintenance and insurance for the system, will be directed to support the mission of Rowan-Cabarrus Community College in the form of student scholarships.

   B. Sandhillls Community College – The Board of Trustees of Sandhills Community College request permission as per G.S. 115D-15 to transfer approximately 18 acres of property located at 3395 Airport Drive, North Carolina to the Moore County Schools for the amount of $1.00. The Board of Trustees determined that the property is unnecessary and undesirable for college use.

The following project was tabled, pending additional information.

3. Project Approval – New – Connect NC Bonds

   E. Montgomery Community College – Project No. 2242 – Building 200 (Instructional Classrooms) HVAC Replacement – Main Campus – Estimated cost is $1,000,000, composed of all state funds (Connect NC Bonds – 46620/Repairs and Renovations).

Adjournment
Ms. Estep motioned, seconded by Mr. Roberts and the meeting was adjourned at 3:23 p.m.