

MINUTES
State Board of Community Colleges
FINANCE COMMITTEE
Thursday, July 16, 2020 – 2:00 p.m.

FINANCE COMMITTEE MEMBERS PRESENT

Lisa Estep*	Burr Sullivan*	Steven Walker*
Bur Sullivan*	Bob Stephens*	(designee for Lt. Governor)
Frank Johnson*		

Attended via phone or Zoom technology*

Members absent: Treasurer Dale Folwell, Jim Rose, Catherine Edmonds, Stephen Rosenburgh

OTHERS IN ATTENDANCE*:

Elizabeth Grovenstein	James Aughenbaugh	Candid Carrington
Bryan Jenkins	Jennifer McLean	Colleen Turnage
Jim Parker	Rondra McMillan	Dr. JW Kelley
Andrea Poole	Kathy Davis	Dr. W. Dale McInnis
Mary Shuping	Sharon Rosado	(Richmond CC)
Kimberly Gold	Anne Bacon	Dr. Russell Hunt
Maureen Little	Breeden Blackwell	(Lenoir CC)
Jane Stancil	Liz Simmons	Dr. Larry Keen
Sondra Jarvis	Alex Granados	(Fayetteville Tech. CC)
Nancye Gaj	Bryan Conrad	Robin Deaver
Brandy Andrews	A. Cooper	(Fayetteville Tech. CC)
Jason Forlines	B. Carrington	
Petrina Lyons Herring	Dan Gerlach	
Dorrine Fokes	Immanuel Bryant	
Cheryl Kaminski	Tory Russo	
Jonathan Harris	Chelsea Whidbee	

CALL TO ORDER

Ms. Estep called the meeting to order at 2:01 p.m.

ROLL CALL

Ms. Herring took the roll of the Finance Committee members.

ETHICS STATEMENT

Ms. Grovenstein read the required ethics statement. There were no conflicts of interest.

APPROVAL OF THE AGENDA

Ms. Estep asked for a motion to approve the agenda of the meeting as presented. Mr. Sullivan moved, seconded by Mr. Stephens, and the motion was unanimously approved via voice vote.

APPROVAL OF THE MINUTES

Ms. Estep asked for a motion to approve the minutes of the May 14, 2020 Finance

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Committee meeting. Mr. Sullivan moved, Mr. Stephens seconded the motion, and the motion was unanimously approved via voice vote.

FOR ACTION

Extension of Waiver of 1B SBCC 200.3 (c)(9) – Establishing Multi-Campus Centers (Attachment FC 01)

Ms. Grovenstein explained that multi-campus centers (MCC) require a minimum FTE level and do not include online FTE. Ms. Grovenstein stated that in the spring colleges had impacts from COVID-19 such as students withdrawing, college courses pausing due to not being able to convert to an online course, and college courses converting to online courses. Ms. Grovenstein stated that the policy does not allow online instruction to count for the MCC minimum FTE. Ms. Grovenstein stated that the MCC funding is for the location and physical facility support functions at the MCC.

Ms. Grovenstein stated due to the pandemic the Board has already approved this item previously to allow a temporary waiver of the MCC for the current budget period due to the impact from Spring 2020. Ms. Grovenstein explained to the Board it would not negatively impact the budget beginning July 1 for a one-year period. However, due to the continuing circumstances with the pandemic, colleges will continue more online instruction with students attending in the summer and fall.

Ms. Grovenstein explained this item would extend this waiver for another year which would mean that the FTE that occurs during the current fiscal year beginning July 1, 2020 would not negatively impact colleges funding for the fiscal year beginning July 1, 2021. Ms. Grovenstein stated this would enable stability funding for our colleges that have multi-campus centers.

Mr. Stephens motioned for approval; Mr. Sullivan seconded the motion. The Committee approved Extension of Waiver of 1B SBCC 200.3 (c)(9) – Establishing Multi-Campus Centers (Attachment FC 01) via voice vote.

Contract for Migration of College Information System (CIS) to the Cloud (Attachment FC 02)

Ms. Grovenstein explained that this item is a request for a one-year contract that will enable the System Office to assist our colleges with migration of their existing college information system which is the existing community colleges on-premise Enterprise Resource Planning (ERP). Ms. Grovenstein stated that colleges are moving the College Information System (CIS) from each community college to the Cloud. Ms. Grovenstein explained the colleges have many different servers at their colleges to support CIS.

Ms. Grovenstein stated that the IT team at the System Office has already been working in collaboration with three colleges to convert CIS to the Cloud. The three colleges, Mayland, Richmond, and Craven Community Colleges, have been converted to the Cloud via Amazon Web Services. Ms. Grovenstein explained in the item (Attachment FC 02) there is a listing of the other colleges that are in the process of migrating to the Cloud to enable this process.

Ms. Grovenstein explained that the System Office does not have the staff capacity to rapidly be able to do all the work that is needed to assist these colleges to get this process completed.

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Ms. Grovenstein explained that is why we are asking for this contract approval. Ms. Grovenstein stated this contract approval would be through an existing managed contract, that we had previously received approval for through the State Department of IT. Ms. Grovenstein stated we are selecting the vendor from that already approved contract and we do have the funding available.

Ms. Grovenstein and the Committee discussed the item.

Mr. Sullivan motioned for approval; Mr. Walker seconded the motion. The Committee approved Contract for Migration of College Information System (CIS) to the Cloud (Attachment FC 02) via voice vote.

Request for an Installment Purchase Contract – Southwestern CC (Attachment FC 03)

Ms. Grovenstein explained this item FC 03 is an item that we typically do not receive often, but we do on occasion. Ms. Grovenstein stated to the Board this item is first to occur during my 3.5 years at the System Office.

Ms. Grovenstein explained that in G.S. 115D-58.15 the powers and duties of local boards of trustees include the ability to enter into lease and installment purchase contracts for equipment.

Ms. Grovenstein explained that a contract for more than one hundred thousand dollars (\$100,000) or for a term of more than three years shall be subject to review and approval by the State Board of Community Colleges if the source of funds for payment of the obligation by the community college is intended to be State funds.

Ms. Grovenstein reviewed the request section of Attachment FC 03 with the Board.

Mr. Walker motioned for approval; Mr. Sullivan seconded the motion. The Committee approved for Service Agreement for Community Colleges Grant Program (Attachment FC 03) via voice vote.

Allocation of Title II Adult Education & Family Literacy Act (AEFLA) Section 231 (Attachment FC 04)

Ms. Grovenstein reminded the Committee that the System Office went through a competitive process for federal Title II AEFLA funding a few years ago. Ms. Grovenstein explained that the federal Title II AEFLA funding was required to be awarded through that competitive process, and through that process those funds were to be awarded to eligible providers that meet the requirements. Ms. Grovenstein explained that as of July 1, 2020, it is the third year of the three-year grant cycle process.

Ms. Grovenstein explained that the federal funds total \$14,445,070 for 62 eligible providers. Ms. Grovenstein stated these 62 providers had to do a continuation grant and still meet requirements under federal law. Ms. Grovenstein explained this item is consist with the requirements of the approved funding formula.

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Ms. Grovenstein, Ms. Gaj, Ms. Kaminiski, and the Committee discussed the item.

Mr. Johnson motioned for approval; Mr. Sullivan seconded the motion. The Committee approved the Allocation of Title II Adult Education & Family Literacy Act (AEFLA) Section 231 (Attachment FC 04) via voice vote.

Allocation of Title II, Adult Education & Family Literacy Act (AEFLA) Section 225, Corrections Education and Other Institutionalized Individuals (Attachment FC 05)

Ms. Grovenstein stated that this is like the item we just discussed.

Ms. Grovenstein stated FC 05 is a portion of Title II AEFLA funds that are specifically allocated for this section 225, that serves correctional education and institutionalized individuals in our state. Ms. Grovenstein explained that nineteen programs were funded through that competitive process and this item continues those allocations for the fiscal year that begin July 1, 2020 consist with the approved formula.

Mr. Sullivan motioned for approval; Mr. Stephens seconded the motion. The Committee approved Allocation of Title II, Adult Education & Family Literacy Act (AEFLA) Section 225, Corrections Education and Other Institutionalized Individuals (Attachment FC 05) via voice vote.

Allocation of Title II, Adult Education and Family Literacy Act (AEFLA) Section 243, Integrated English Literacy Civics Education (IELCE) FC 06)

Ms. Grovenstein explained that FC 06 is the third item under Title II. Title II Section 243, Integrated English Literacy Civics Education, must be awarded to serve English Language Learners.

Ms. Grovenstein stated that we have had ten providers that have received this grant from our competitive grant process. Ms. Grovenstein explained this is the third year of this cycle for these programs beginning for the fiscal year of July 1, 2020.

Mr. Walker motioned for approval; Mr. Sullivan seconded the motion. The Committee approved Allocation of Title II, Adult Education and Family Literacy Act (AEFLA) Section 243, Integrated English Literacy Civics Education (IELCE) (Attachment FC 06) via voice vote.

Construction and Property – July 2020 (Attachment FC 07)

Ms. Grovenstein reviewed FC 07.

Ms. Grovenstein, Ms. Kaminski, and the Committee discussed the item.

Mr. Johnson motioned for approval; Mr. Sullivan seconded the motion. The Committee approved Construction and Property – July 2020 (Attachment FC 07) via voice vote.

Allocation for Enhancing Online Learning (Attachment FC 08)

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Ms. Grovenstein explained that FC 08 is a request to approve an allocation amount not to exceed three million dollars from Coronavirus Relief Funds that the NC Community College System Office has received through the 2020 COVID-19 Recovery Act (Session Law 2020-04). Ms. Grovenstein stated this item and the next item will be funded with the Coronavirus Relief Funds.

Ms. Grovenstein explained that the purpose of this item is to help the System in enhancing online learning. Ms. Grovenstein stated online learning is dramatically up during these times with the pandemic. Ms. Grovenstein stated there is a need to make sure our online learning is meeting our students' needs and online learning is a greater need than ever.

Ms. Grovenstein explained that the NCCCS Foundation received some private funding and that private funding has enabled a consulting group to review our online offerings and structures. Ms. Grovenstein stated the consulting group is still making recommendations to the System Office to enhance and improve this work. Ms. Grovenstein stated these recommendations are helping us and guiding this item. In addition, there is a federal deadline for all the funding to be completed and the services to be finalized with this funding source by December 30, 2020.

Ms. Grovenstein reviewed and explained the three areas for enhancing online learning are platform improvements, quality improvements, and content improvements. Ms. Grovenstein stated we are asking for the Board to approve this as an allocation this would enable us to address these three areas. The request is for the System President to be able to determine the specific allocation amounts.

Ms. Grovenstein and the Committee discussed the item.

Mr. Stephens motioned for approval; Mr. Sullivan seconded the motion. The Committee approved Allocation for Enhancing Online Learning (Attachment FC 08) via voice vote.

Allocation to Support Rural College Broadband Access (Attachment FC 09)

Ms. Grovenstein explained this request would allow up to nine-million dollars from the Coronavirus Relief Funds to deliver IT infrastructure improvements to twenty colleges in our most rural and economically challenged areas. Ms. Grovenstein stated in the second part we are asking the State Board to approve up to \$500,000 of state appropriations, which we have available if needed, to provide additional networking engineering services for these colleges using our existing MCC contract. Ms. Grovenstein then recognized Mr. Jim Parker to review a PowerPoint presentation about this item.

Mr. Parker stated this is to allow us to expend these funds to target twenty colleges that are most in need in our rural areas. Mr. Parker stated we have forty-six community colleges that are classified as rural and this funding is for targeting these rural colleges to expand our broadband access to the students that the colleges serve.

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Mr. Parker stated for this funding to be effective it needs to address those colleges that are in the greatest need, greatest impact, and the significant number of students are in the rural communities.

Mr. Parker explained that the COVID-19 pandemic has impacted these rural community colleges in a negative way especially Broadband access.

Mr. Parker explained to the Board we contracted an agreement in February of this year with the Friday Institute from NC State University to help us to perform some analysis. Mr. Parker stated to the Board based off the report, Mr. Parker and his staff is working with MCNC and the Friday Institute on this initiative.

Ms. Grovenstein, Mr. Parker, and the Committee discussed the item.

Mr. Stephens motioned for approval; Mr. Walker seconded the motion. The Committee approved Allocation to Support Rural College Broadband Access (Attachment FC 09) via voice vote.

For Information

System Office Contracts Reports as of June 30, 2020 (FC 10)

Ms. Grovenstein reviewed FC 10.

System Office Grants Awarded Report as of June 30, 2020 (FC 11)

Ms. Grovenstein reviewed FC 11.

Delegated College Allocations Reports as of June 30, 2020 (FC 12)

Ms. Grovenstein reviewed FC 12.

Year End Receipts – June 2020 Estimated (FC 13)

Ms. Grovenstein reviewed FC 13.

Connect NC Bond Status Report – June 30, 2020 (FC 14)

Ms. Grovenstein reviewed FC 14.

NEW BUSINESS

ADJOURNMENT

Mr. Walker motioned for the meeting to adjourn, seconded by Mr. Sullivan and the meeting was adjourned, unanimously approved via voice vote at 3:39 p.m.

Respectfully Submitted,

Petrina Lyons Herring,
Recording Secretary