

MINUTES
FINANCE COMMITTEE
State Board of Community Colleges
February 16, 2017 - 1:30 p.m.

Members Present:

Lynn Raye
Lisa Estep
Jim Rose

Janet Lowder (telephone)
Todd Johnson

System Office Staff and Others:

Elizabeth Grovenstein, NCCCS
Brandy Andrews, NCCCS
Debbie Batten, NCCCS
Dorrine Fokes, NCCCS
Amanda Foster, NCCCS
Cheryl Kaminski, NCCCS
Cindy Mixter, NCCCS

Joy Martin, NCCCS
Sharon Rosado, NCCCS
Debra Smith, NCCCS
Bryan Conrad, OSBM
Lynn Austin, Trustee, Johnston CC
Dr. David Johnson, Johnston CC
Darryl McGraw, Johnston CC

CALL TO ORDER

Mr. Lynn Raye called the meeting to order at 1:38 p.m. in Conference Room 201A.

ROLL CALL

Carmen Cargill 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 reviewed the agenda and stated that Attachment FC 10 – Contract for Enterprise Resource Planning Project would be tabled pending additional information. Mr. Raye asked for a motion to approve the amended agenda for the meeting. Mr. Todd Johnson moved, seconded by Mr. Rose.

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Mr. Raye asked for a motion to approve the minutes of the January 19, 2017, meeting as presented. Ms. Estep moved and Mr. Rose seconded the motion.

FOR INFORMATION

Estimated Receipts (Attachment FC 1)

Ms. Grovenstein reviewed the January 2017 Estimated Receipts. Ms. Grovenstein stated that receipts through the end of January were approximately \$211.8 million, which is about 62% of budget. Ms. Grovenstein further stated that receipts are down slightly, approximately 1%, as compared to last year's benchmark.

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FY 2016-17 Mid-Year State Board Reserve Fund Report (Attachment FC 2)

Ms. Grovenstein reviewed the three items listed on the Mid-Year State Board Reserve Fund Report. Ms. Grovenstein further stated that as of December 31, 2016, \$70,100 remained unencumbered.

SBCC Code Report – January 2017 (Attachment FC 3)

Ms. Grovenstein presented the SBCC Code Report, stating that the first four items listed on the report have been completed. Ms. Grovenstein continued to review the report providing a brief update on the various stages of the rules that are pending.

For Action

Decrease Purchasing Delegation Request – Johnston Community College (Attachment FC 4)

Ms. Grovenstein reviewed the request and provided background information on the Purchasing Delegation process. Ms. Grovenstein introduced Dr. David Johnson, President of Johnston Community College, Ms. Lynn Austin, Chair, Johnston Community College Board of Trustees, and Darryl McGraw, Chief Financial Officer at Johnston Community College. Dr. Johnson and Ms. Austin addressed the Committee and both assured the Committee that immediate action has been taken by the college to address all the audit findings. Dr. Johnson provided details on steps taken to address the concerns. Ms. Estep stated that she had reviewed previous years audit reports for Johnston Community College and found that those audits had no findings. Ms. Estep further stated her appreciation to Dr. Johnson, Lynn Austin and Mr. McGraw for their willingness to address the committee.

After discussion, Ms. Estep motioned for approval, seconded by Mr. Todd Johnson.

Compensation Reserve Report FY 2016-17 (Attachment FC 5)

Ms. Grovenstein introduced the Compensation Reserve Report stating that this report is required by the General Assembly and SBCC approval is necessary. Ms. Grovenstein further stated the report details the use of funds from both the recurring and non-recurring reserves based on type of increase and employee type by community college, and proceeded to review the report attachments.

After discussion, Ms. Lowder motioned for approval, seconded by Mr. Rose, and the request was approved.

Annual Report to the State Building Commission of Capital Projects (Attachment FC 6)

Ms. Grovenstein stated that the State Board of Community Colleges has the authority to grant special construction delegation to colleges spending \$4,000,000 or less of state funds on construction projects with special provisions. The statute that allows the SBCC to grant special construction delegation also requires the colleges to report to the State Building Commission all contracts that have been entered into annually. Three colleges, Central Piedmont, Guilford

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Technical and Wake Technical Community Colleges, have this authority and are detailed on the report.

The motion by Mr. Rose was seconded by Ms. Estep, and passed.

FY 2017-18 NC Community College Grant Program Payment Schedule (Attachment FC 7)

Ms. Grovenstein reviewed the request to approve the 2017-18 NC Community College Grant Program Payment Schedule. She stated that the grant program is designed to complement grants provided through the federal Pell Grant and North Carolina Education Lottery Scholarship programs.

After a short discussion, Mr. Rose motioned, seconded by Ms. Estep, and the motion passed.

FY 2017-18 State Financial Aid Allocation for the Targeted Assistance Student Program (Attachment FC 8)

Ms. Grovenstein introduced the request to approve the 2017-18 State Financial Aid Allocation for the Targeted Assistance Student Program. Ms. Grovenstein further stated that the program is administered by each college and can be used to offer financial assistance for students who 1) enroll in low-enrollment programs that prepare students for high demand occupations, 2) have disabilities and have been referred by the Division of Vocational Rehabilitation, or 3) enroll on a less than half time basis. Ms. Grovenstein also indicated that of the \$550,000 allocated last year, approximately \$417,000 went to targeted assistance programs and \$95,000 to students enrolled less than half time.

Mr. Rose motioned, seconded by Ms. Estep, and the motioned was approved.

Construction and Property (Attachment FC 9)

Ms. Grovenstein introduced the agenda item and called attention to the new consolidated report format the committee requested during the January meeting. The committee members expressed appreciation for the new reporting format.

After discussion of project details, Ms. Estep moved, Mr. Rose seconded, and the Committee approved the projects listed on Attachment A.

Adjournment

Mr. Rose motioned, seconded by Ms. Lowder and the meeting was adjourned at 2:51 p.m.

Respectfully Submitted,

Carmen Cargill
Recording Secretary

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| A. Project Approval - New (Non-State and Other State funds) | | | | | | | | | |
|--|----------------|-------------------------|-----------------------|--|---|-------------------------|------------------------------|-------------------------------|--|
| | | | | | | | Type of Project | | |
| Item | College | Campus or County | Project Number | Project Name | Description | New Construction | Repair and Renovation | Estimated Project Cost | |
| 1 | Forsyth Tech | Main Campus | 2263 | Oak Grove Center and Main Campus Renovations | Renovation of approximately 83,000 square feet of instructional space, site development, parking lot improvements and a maintenance storage building. Estimated cost is \$21,000,000, composed of all non-state funds. | | X | 21,000,000 | |
| 2 | Forsyth Tech | Main Campus | 2264 | Aviation Center - Smith Reynolds | Construction of office, classrooms, lab, and hanger space to provide training for the aviation/aerospace manufacturing and services industries. Estimated cost is \$16,600,000, composed of all non-state funds. | X | | 16,600,000 | |
| 3 | Wake Tech | RTP Campus | 2282 | Classroom Building 2 | Construction of classroom building (approx 80,000 sq ft), 315 space temporary parking lot and a 200 space permanent parking lot. Estimated cost is \$43,994,800, of which \$6,599,220 (non-state) is now available for planning. | X | | 43,994,800 | |
| 4 | Wake Tech | North Wake Campus | 2283 | Automotive and Collision Repair Facility | Construction of Automotive & Collision Repair Facility at the North Wake Campus (approx 90,000 sq ft). Estimated cost is \$41,800,400, of which \$6,270,000 (non-state) is now available for planning. | X | | 41,800,400 | |
| 5 | Wake Tech | Multiple Campuses | 2284 | Mechanical Equipment Replacement | Replacement of HVAC equipment and systems primarily at the Southern Wake and Perry Health Sciences Campuses, but may also include work at the other campuses. Estimated cost is \$6,043,000, of which \$863,286 (non-state) is now available for planning. | | X | 6,043,000 | |
| 6 | Wake Tech | Multiple Campuses | 2285 | Building Automation System Controls Upgrades | Replacement of building automation system controls at the Southern Wake and Perry Health Sciences Campuses, but may also include work at the other campuses. The replacements will include items such as head end systems, controllers, actuators, etc. as well as upgrading and replacing older pneumatic and digital control systems to newer systems. Estimated cost is \$6,014,800, of which \$217,943 (non-state) is now available for planning. | | X | 6,014,800 | |
| 7 | Wake Tech | Multiple Campuses | 2286 | Elevator Modernization | Repairs to elevators at Northern Wake, Perry Health Sciences Campus, but may include other campuses. The repairs will include components such as control systems, elevator cabs, hydraulic systems, electrical systems, etc. Estimated cost is \$802,300, of which \$114,614 (non-state) is now available for planning. | | X | 802,300 | |
| 8 | Wake Tech | Multiple Campuses | 2287 | Building Envelope Upgrades | Building envelope upgrades at Southern Wake, Northern Wake and Perry Health Sciences, but may include other campuses. The upgrades will include system components for roofs, windows, walls, floors, caulking, flashing, etc. Estimated cost is \$6,005,800, of which \$857,951 (non-state) is now available for planning. | | X | 6,005,800 | |

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| Item | College | Campus or County | Project Number | Project Name | Description | New Construction | Repair and Renovation | Estimated Project Cost |
|------|-----------|-------------------|----------------|--|--|------------------|-----------------------|------------------------|
| | | | | | | Type of Project | | |
| 9 | Wake Tech | Multiple Campuses | 2288 | Electrical Replacements | Upgrade to building electrical system components at Southern Wake and Perry Health Sciences Campuses, but may include other campuses. Electrical replacements will include system components such as interior and exterior lighting systems, electrical devices, panel boards, motors, switches, conduit wiring, lightning protection systems, transformers, generators, etc. Estimated cost is \$5,469,500, of which \$781,357 (non-state) is now available for planning. | | X | 5,469,500 |
| 10 | Wake Tech | Multiple Campuses | 2289 | Life Safety Equipment Replacement | Replacement of life safety systems and components. This will include system components such as fire alarm systems and components, emergency lighting systems, emergency generator systems, etc. Estimated cost is \$2,024,500, of which \$289,215 (non-state) is now available for planning. | | X | 2,024,500 |
| 11 | Wake Tech | Main Campus | 2290 | Library Education Building Restroom Renovation | Renovation of the restrooms in the Library Education Building, Southern Wake Campus. Renovation will bring approximately 1,500 square feet of restroom space up to current ADA Accessibility standards. | | X | 748,200 |
| 12 | Wake Tech | Multiple Campuses | 2291 | Security Camera Upgrades and Additions | Upgrading of existing cameras and provide additional new security cameras across all campuses. Estimated cost is \$1,172,300, of which \$296,300 (non-state) is now available for planning. | | X | 1,172,300 |
| 13 | Wake Tech | Multiple Campuses | 2293 | Cellular Signal Repeaters | Installation of additional new cellular signal repeaters to increase the signal strength in the buildings at Southern Wake, Perry Health Sciences and Western Wake, but may include other campuses. Estimated cost is \$1,847,000, of which \$263,857 (non-state) is now available for planning. | X | | 1,847,000 |
| 14 | Wake Tech | Multiple Campuses | 2295 | Signage Upgrades | Replacement of existing wayfinding signage in accordance with signage standards. Estimated cost is \$1,045,700, of which \$618,700 (non-state) is now available for planning. | | X | 1,045,700 |
| 15 | Wake Tech | Multiple Campuses | 2296 | Site Accessibility Upgrades | Upgrades to site pedestrian walkways at Southern Wake and Perry Health Sciences Campus, but may include other campuses. Work will include replacing sidewalks, stairs, ramps, curbs cuts, handicapped parking spaces in order to meet the new standards. Estimated cost is \$2,765,700, of which \$395,100 (non-state) is now available for planning. | | X | 2,765,700 |
| 16 | Wake Tech | Multiple Campuses | 2297 | Southern Loop Road and Paving | Construction of a new road, repave existing roadways and parking lots at the Southern Wake Campus. Estimated cost is \$7,061,200, of which \$2,695,943 (non-state) is now available for planning. | X | | 7,061,200 |
| 17 | Wake Tech | Multiple Campuses | 2299 | Facilities Management and Warehouse Building | Construction of a Facilities Management & Warehouse Building (approx 47,000 sq ft) at the Southern Wake Campus. Estimated cost is \$2,849,610, of which \$2,849,610 (non-state) is now available for planning. | X | | 2,849,610 |

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| B. Project Approval - Amended (Non-State and Other State funds) | | | | | | | | | |
|---|------------|------------------|----------------|-----------------------------------|---|-----------------------------|----------------------------------|--------------|--|
| Item | College | Campus or County | Project Number | Project Name | Description | New Construction | Repair and Renovation | Undetermined | |
| N/A | | | | | | | | | |
| C. Project Approval - New (Connect NC Bond Funds) | | | | | | | | | |
| Item | College | Campus or County | Project Number | Project Name | Description | New Construction Connect NC | Repair and Renovation Connect NC | Undetermined | |
| 1 | Pitt | Main Campus | 2280 | Student Advancement Center | Construction of a Student Advancement Center (33,782 sq ft) to include space for students, medium and large classroom spaces, student and campus activities and meetings for alumni, foundation, marketing and media relations. Estimated cost is \$8,545,500, of which \$4,000,000 (Connect NC Bonds - 46620/New Construction) is now available for planning. | 4,000,000 | | 4,545,500 | |
| 2 | Stanly | Main Campus | 2273 | Patterson Building Renovation | Renovation to replace flooring, ceiling tiles, minor HVAC repairs, electrical, data cabling and sheetrock repair due to the asbestos abatement of the facility. The building currently houses the Academic Support Center (tutoring/computer resources), One-Stop student services (financial aid, registration, advising, transcripts/records), Student Testing Center, Chemistry, Biology Labs, computer labs used for multiple classes, Business/Accounting classrooms. Estimated cost is \$250,000, composed of all state funds (Connect NC Bonds - 46620/Repairs and Renovations). | | 250,000 | | |
| 3 | Tri-County | Main Campus | 2307 | Campuswide Access Door Renovation | Renovation to structurally renovate all exterior and interior student and administration doors campus wide. Programs housed in these buildings include Culinary, Auto Mechanics, Allied Health, and the Book Store. Estimated cost is \$430,00, composed of all state funds (Connect NC Bonds - 46620/Repair and Renovations). | | 430,000 | | |
| 4 | Wilkes | Main Campus | 2238 | Culinary Laboratory Building | Construction of Culinary Laboratory Building to provide instructional lab space for culinary technology and baking/pastry arts program. Estimated cost is \$2,000,000, composed of all state funds (Connect NC Bonds - 46620/New Construction). Note: President Williamson, under the authority granted to him by the State Board, approved this project on January 27, 2017. | 2,000,000 | | | |

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| D. Project Approval - Amended - Connect NC Bonds | | | | | | | | | |
|---|-----------------|------------------|----------------|---|---|-----------------------------|----------------------------------|--------------|--|
| Item | College | Campus or County | Project Number | Project Name | Description | New Construction Connect NC | Repair and Renovation Connect NC | Undetermined | |
| 1 | Beaufort County | Main Campus | 2079 | Public Safety and Workforce Development Complex | Project is amended for an increase in project scope. Project funding is \$105,000 (40720); and amended to increase Connect NC Bonds - 46620/New Construction by \$3,494,750, for an amended project total of \$3,599,750. | 3,494,750 | | - | |
| 2 | Lenoir | Main Campus | 2139 | Elevator Replacements and Renovations. | Project is amended to revise the project scope due to an increase in project cost. Project funding is amended to increase Connect NC Bonds - 46620/Repair & Renovation by \$270,000, for an amended project total of \$720,000. | | 270,000 | - | |
| 3 | Nash | Main Campus | 2137 | Vehicle Shelter for Fire/EMS Program | Project is amended to for an increase in project cost. Project funding is amended to increase Connect NC Bond - 46620/New Construction by \$12,390, for an amended project total of \$43,440. | 12,390 | | - | |
| 4 | Wayne | Main Campus | 2100 | Advanced Manufacturing Center - Repairs and Renovations | Project is amended for an increase in project scope. Project funding is amended to increase Connect NC Bonds - 46620/Repair & Renovation by \$697,077, for an amended project total of \$1,708,751. | | 697,077 | - | |
| E. Acquisition and Disposal of Real Property | | | | | | | | | |
| Item | College | Campus or County | Project Number | Acquisition and/or Disposal | Action Requested | | | | |
| 1 | Forsyth Tech | Main Campus | N/A | Disposal of Real Property | <p>The Board of Trustees of Forsyth Technical Community College request permission as per G.S. 115D-15 to dispose of, by demolition, the following buildings. The Board of Trustees have determined these buildings are unnecessary for college use.</p> <ul style="list-style-type: none"> -Piedmont Building - approximately 21,815 sq ft -Parkway Building - approximately 6,945 sq ft -Winston Building - approximately 15,697 sq ft -Salem Building - approximately 18,700 square feet -Carolina Annex Building - approximately 1,440 square feet | | | | |