



Greenville Technical College Board

MEETING MINUTES

Wednesday, January 20, 2021

Via Zoom

Members Present

Coleman Shouse, Chair
James Blakely
Jo Hackl
Hunter Howard
Dean Jones
Ray Lattimore
Ray Martin
Dr. Burke Royster
Keith Smith
Kenneth Southerlin
David Stafford

Members Absent

Paul Batson

Staff Present

Eric Bedingfield
Jacqui DiMaggio
Julie Eddy
Dr. Abul Hasan
Susan Jones
Dr. Matteel Knowles
Becky Mann
Dr. Keith Miller, President
Dr. Larry Miller
Lauren Simer
Wendy Walden
Ann Wright

Guests

Stacy Brandon, GTC Foundation Board Chair
Grant Burns, State Tech Board representative

Chair Shouse called the meeting to order at 12:02 p.m. and welcomed members of the board, staff, and guests. Chair Shouse announced that in accordance with the Freedom of Information Act, the press had been notified of the meeting though no representatives from the media were in attendance. Chair Shouse acknowledged that the agenda was posted on the GTC website and a quorum of board members was present.

Approval of the Minutes

Ms. Hackl made a motion to approve the November 18, 2020 minutes as circulated. Mr. Southerlin seconded the motion. The motion carried.

Finance Report

Mr. Southerlin asked Ms. DiMaggio to present the finance report.

Current revenues are 5% below the budget and 10% below the prior year actual.

Student revenues are \$2.3 million or 5% below the year-to-date budget and 11% below the prior year actual. Fall curriculum enrollment was lower than the anticipated level, FTE was 3.8% or 265 students below the prior year actual, and headcount was down 5.3% or 592 students. Fall tuition revenue was down approximately \$633,000 from the prior year. Spring enrollment started in October, and as of December 31, spring revenue was down approximately \$1.9 million. Currently, enrollment is down approximately 9.3% or 900 students in headcount and 10.3% or 608 FTEs from the same time last year. The college hopes to fill that gap with a very robust late start plan.

County revenues are below the prior year actual and slightly above the year-to-date budget. This is normal at this time of year. The college receives its county revenue as the county receives taxes. There will be a big influx of revenue from the county in January, February, and March when the college will receive the majority of its county revenues.

State appropriations are on track with the year-to-date budget. The college budgeted for a slight decrease in appropriations for the current year, but the college anticipates receiving more because of some increases in state allocations related to benefit costs.

Auxiliary services revenue continues to decline. There has been an increase in sales for inclusive access (online materials). Inclusive access comes with a much lower price point and therefore a much lower profit margin; however, there is very little inventory cost. More classes are adopting inclusive access; this is a positive for students as it provides access to course materials on the first day of class.

Other revenues are significantly below the budget and prior year actual. There are some decreases this year in interest income because of changes in market conditions as well as a decrease in rental income. There was a spike last year due to a one-time refund of \$100,000 from a software purchase that did not work out.

Total expenses are 1.5% below the budget and 3% below the prior year actual primarily because of non-salary expenditures. Expenses are expected to be at or below the budgeted level by the end of the fiscal year.

Employee salaries are slightly below the budget and very close to the prior year actual.

Employee benefits are slightly above the budget and have increased significantly by approximately 55% over the last 10 years. There is an anticipated increase as healthcare costs continue to increase and the state increases the employer contribution to the state pension plan.

Instructional expenditures are above the budget and very close to the prior year actual.

Academic support is slightly below the budget and above the prior year actual. Additional deans were hired when the college changed to six schools last year.

Student support is below the budget and the prior year actual. There were more vacancies in that area than had been expected. Several replacement positions have recently been posted and will be filled in time for the move to the new student success center.

Operations and Maintenance of plant is below the budget and the prior year actual. Several employees that work in this area have been deployed to assist with COVID preparation and response. When appropriate, their salaries and any costs associated are being charged to the CARES grant.

Administrative and general expenses are below the budget and slightly above the prior year actual. The college incurred expenses related to the data breach not covered by the college's insurance policy.

Technology expenditures are below the budget and the prior year with vacancies in that area and delays in implementing new projects. These expenditures are expected to be on track by the end of the fiscal year.

Remissions and exemptions for the fall and spring semesters were dependent on the timing of registration and the number of students. The budget is significantly lower this year because more of the charter school students are paying a larger portion of tuition.

Auxiliary services expenses are below the budget and the prior year actual because of the impact of inclusive access versus traditional textbooks as well as the decline in enrollment.

Capital expenditures are significantly lower than anticipated. The college had some large capital contributions from the state to purchase equipment for high-demand programs. Those funds are being used before spending college funds where applicable.

Debt service is basically zero at this point. Some of the debt payment schedules have been changed so that all debt payments are made in April.

There was a discussion on CARES Act funds and on the second stimulus package. President Miller stated that the college is awaiting the official word on the amount of funding for the higher education emergency relief fund. Ms. DiMaggio added that the college participated in a Department of Education webinar that clarified many points on the second stimulus package. Total funding is estimated at approximately \$13 million. The college will be required to use the same amount for students as used with the CARES funds (\$3.3 million). Many of the restrictions on the remaining funding have been relaxed. The unused portion of CARES funds (approximately \$1.1 million) can now be used under the new relaxed regulations.

President Miller stated that with the swearing in of the new administration, there is a possible \$1.9 trillion stimulus package with proposed additional funding of approximately \$40 billion for education (k through higher education).

There was a brief discussion about auxiliary services and the bookstore. One of the challenges has been the location of the large bookstore at the Admissions and Registration Center. The small satellite bookstore, located on the Barton Campus, will be expanded in an effort to provide better student access to materials. Amazon-type lockers have been added for students to order online and pick up at their convenience. The new student success center will offer a café serving Starbucks coffee that will fall under auxiliary services. Staff and faculty are being asked to encourage students to utilize the bookstore's ability to price match. More college courses are utilizing inclusive access, which is a money-saver for the student and also promotes student success.

Education and Training Review Committee

On behalf of the committee, Mr. Jones presented and recommended two programs for board approval.

- The Architectural CAD Drafting Certificate Program will be offered in the traditional format. This 17-credit hour program will train students in the entry-level use of CAD and REVIT software, as well as manual drafting. Faculty and staff are already in place to support the program. No additional resources are needed.
- The Estimating and Appraiser Certificate Program will be offered in the traditional format. This 17-credit hour program will provide qualified entry-level estimating and repair technicians in the collision industry. Faculty and staff are already in place to support the program; however, the new offering will require the hiring of one or two adjuncts for evening classes.

Upon approval, both programs will be started as soon as possible.

There being no discussion, the motion carried.

President's Report

President Miller provided the following highlights:

- Although the state budget has not been finalized, the technical colleges did very well in the governor's proposal. The governor has also proposed additional training dollars because of concern with business and industry readiness after COVID.
- The SACSCOC 10-year reaccreditation site visit for the college is scheduled for October 17-21, 2022.
- The Foundation has raised 85% of its \$1,800,000 fundraising goal; awarded over \$450,000 in scholarship funds, primarily from the invested funds of the Foundation; provided over \$50,000 for student emergency needs; raised more than 100% of the Foundation grant goal of \$550,000; and McAlister Square has over 90% occupancy. Student Housing has approximately 65% of the needed 90% or higher occupancy required for debt covenants and debt service. The Foundation continues to build the unrestricted funds balance for protection should there be additional issues.

SCATCC Update

Chair Shouse reminded the board of the SCATCC virtual update and awards ceremony on January 26, 2021 at 2:00 p.m. via zoom.

Chair Shouse asked Mr. Burns to share a South Carolina Technical College System update.

Mr. Burns reported the following information:

- The board is preparing for next week's meeting.
- He reiterated President Miller's comments on the status of the state budget request. The governor continues to be an advocate for the State Tech System and has allotted \$8 million in education emergency relief funds (short-term training programs).
- The state continues to prioritize apprenticeship initiatives, including *Apprenticeship Carolina*.
- ReadySC continues to do well. Boeing is a heavy user of ReadySC.
- The board is working with the Department of Workforce to be able to provide information on technical college offerings to people receiving unemployment benefits.
- Dr. Hope Rivers, former executive vice president for the South Carolina Technical College System, is the new president at Piedmont Technical College.

Old and New Business

There being no old or new business, Mr. Southerlin made a motion to adjourn. Mr. Smith seconded the motion. The motion carried.

The meeting adjourned at 12:44 p.m.