

GATEWAY TECHNICAL COLLEGE DISTRICT BOARD

Regular Meeting

April 14, 2016

The Gateway Technical College District Board met on Thursday, April 14, 2016 at the Racine Campus, Room R102, 1001 S Main Street, Racine WI 53403. The meeting was called to order at 8:00 am by Gary Olsen, Chairperson.

I. Call to Order

A. Open Meeting Compliance

- K. Bartlett confirmed the meeting was duly noticed in accordance with state statutes for open meeting compliance.

II. Roll Call

Ram Bhatia	Present
William Duncan	Present
Ronald J. Frederick	Present
Susan Greenfield	Present
Bethany Ormseth	Present
Scott Pierce	Excused
Roger Zacharias	Excused
Pamela Zenner-Richards	Present
Gary Olsen	Present

Also in attendance were Bryan Albrecht, Kelly Bartlett, Mary Harpe, and 18 citizens/reporters.

III. Approval of Agenda

- A. It was moved by W. Duncan and seconded by P. Zenner-Richards and carried to approve the agenda.

IV. Approval of Minutes

- A. It was moved by R. Bhatia, seconded by W. Duncan and carried to approve the minutes of the March 17, 2016 Regular Meeting.

V. Citizen Comments

- A. There were no citizen comments.

VI. Chairperson's Report

A. Policy Review Committee Updates

- P. Zenner-Richards reported that the Ad Hoc Committee continues to meet every three weeks. They are moving along nicely and should be done with the review and edits in May 2016.

B. Dashboard Report

- 2016 Transcribed Credit FTE's are up 367 over 2015.
- Employee headcount, for both full-time and adjunct, is down to align with enrollment.
- FY16 General Fund represents an estimated \$1M in savings.

C. Board Evaluation Summary

- Nice presentation on introduction to the Gateway radio station. Similarly, good presentation on Ends Statement Monitoring by Justin Kehring. New Employer web site is great. Good meeting. Good meeting, with a thank you to the entire Gateway Team, you make the difference on the future of so many! Was impressed with our work study program.

VII. President's Report

A. Announcements –

- B. Albrecht introduced the following employees that were attending the Board meeting as part of their Gateway Journey: Jehan Ghuari and Christopher Venckus.
- B. Albrecht announced that he attended AACC in Chicago this past weekend and there was a lot of recognition of Gateway as a leader.
- B. Albrecht mentioned all of the student competitions taking place this time of year along with reports, and students getting ready to graduate.

B. Student Star Ambassadors

- B. Albrecht introduced two of the three student Star Ambassadors that were able to present at the Board meeting; Eric Kent and Vicki Zirbel.
- Eric represents the Racine Campus as a Star Ambassador. He mentioned that he is privileged to represent Gateway. Eric spoke about how exhilarating it is to sit in a classroom with students just as excited about Gateway as he is.
- Eric had the honor of writing a grant in one of his classes for \$14,000 and was able to put this grant towards an organization of his choice.
- Eric spoke on how Gateway has provided him his platform for education. Gateway has exposed him to so much. He appreciate and enjoys the challenges and has earned certificates along the way that go hand in hand with his degree. He will be graduating in May, but will continue on with classes this summer. He wife has also started her journey at Gateway.
- Eric will be the first male in his family to graduate college.
- Vicki is in the CNC production program and mentioned that she is proud of her 4.0 GPA.
- Vicki completed the provost project for the CNC department and looked at ways to bring a positive outlook in to CNC. She enjoys helping fellow students through projects.
- Vicki's instructor talked to her about becoming a Star Ambassador which opened her up to this opportunity. Vicki saw the opportunity for positive connections that would come from being a Star Ambassador.
- Vicki speaks very highly of her journey with Gateway and is excited to share the great benefits of Gateway with others.

C. President's Excellence – NISOD Award Winners

- Kyle Kendall and Susanne Stokes-Nelson spoke to the Trustees about what it means to them to receive the President's Excellence Awards.
- Kyle was hired in 2013 as an instructor and helped to revamp the Spanish curriculum and program. He also helped Gateway reintroduce Spanish to Parkside resulting in a partnership allowing for all Gateway Spanish classes to transfer to Parkside. These revamped Spanish classes and partnerships help to make Gateway Spanish more appealing to students. Enrollment for Gateway Spanish classes are up 32% for 2015FA.
- Kyle mentioned that he enjoys teaching in a practical way where students can apply what they are learning. Learning a language is a willingness to seek out and embrace what is different.
- Kyle mentioned that he sincerely appreciates and is honored to receive this award. He is thankful for the leadership of Gateway and the ability to pave his own path. He is inspired by the students and challenges they face just to attend school.
- Susanne also mentioned that she is honored to be chosen and appreciates the recognition. She enjoys working with the students at Gateway. Susanne thanked the administration, faculty, trio, counselors, and multi-cultural center, among others that work as a team to help the students grow academically.
- Susanne works with students with disabilities and of all ages and stages of their lives. She provides services to these students to help them to become successful.
- Susanne mentioned that the best part of her job is watching the students receive their degrees or complete their goals.

- Susanne spoke on the types of equipment that are available for the students through her department and the Gateway libraries.

VIII. Operational Agenda

A. Action Agenda

1. FY 2015-16 Budget Revision #3

It was motioned by R. Frederick, seconded by P. Zenner-Richards and carried to approve the FY 2015-16 Budget Revision #3.

B. Consent Agenda

It was moved by P. Zenner-Richards, seconded W. Duncan and carried that the following items in the consent agenda be approved:

1. **Finance**
 - a) **Financial Statement and Expenditures over \$2,500:** Approved the financial statement and expenditures as of March 31, 2016.
 - b) **Cash and Investment Schedules:** Approved the monthly cash reconciliation, investment schedule and investment report.
2. **Personnel Report:** Approved the personnel report of two (2) new hires; one (1) promotion; one (1) termination; no employment approvals-casual, non-instructional; and no employment approvals-adjunct faculty.
3. **Grants Awards:** Approved the Grant Awards for April 2016
4. **Contracts for Instructional Delivery:** Approved the contracts for instructional delivery report for April 2016
5. **Advisory Committee Activity Report:** Approved the advisory committee 2015-2016 meeting schedule and new members as of April 1, 2016

IX. Policy Governance Monitoring Reports

A. Ends Policy Monitoring

College Ends Policy – The tri-county community benefits from affordable higher education that allows residents to develop knowledge and skills for family-supporting careers that contribute to the growth and sustainability of the local economy at a cost commensurate with the value of services provided. **5) Educational partners, locally, nationally, and internationally, connect their students to Gateway’s well-developed career pathways courses, facilities, and educational spaces.** *Career Pathways*

- Jaime Spaciel, Career Pathways Manager, reported on Ends Policy Number 5.
- WTCS Career Pathways Consortium: Trade Adjustment Assistance Community College and Career Training (TAACCCT) Round 4 – funding acquired for a career pathways coordinator at each WTCS college. Advancing Careers of TAA and Transitioners, or ACT2, will bring dedicated and directed cohesion to existing practices and take career pathway advancement in Wisconsin to greater scale and alignment. Funding for ACT2 runs through September 30, 2017
- ACT2 Indicators: Goal 1: Align career pathway policy between systems through collaboration. Goal 2: Take district career pathways to scale using coordinated learning and professional development for WTCS staff, partners, and college personnel. Goal 3: Evaluate and incorporate best practices and supports to transition adult learners and improve outcomes.

- **WTCS Pathway Credential Options:**

	Embedded Technical Diploma	WTCS Pathway Certificate
Courses	70 to 100% occupationally specific 0 to 30% occupationally supportive Aid Code 30 = 2-25 credits Aid Code 31 = 26-54 credits	66 to 100% occupationally specific 0 to 33% occupationally supportive Aid Code 61 = 2-18 Credits
Approval	Embedded Technical Diploma Process	WTCS Pathway Certificate Process
Data/Courses	Courses from anywhere within already approved parent program	Initial sequence - Courses from first two semesters of already approved parent program
Jobs	Skill set which prepares students for a job in demand by local employers	Entry level skills leading to a job opportunity in demand by local employers
Outcome	Graduate	Completer

- Program Areas with WTCS – Approved Pathway Credentials: Accounting, Administrative Professional, Automotive, Business Management, CNC, Cosmetology, Diesel, Early Childhood, IT-Computer Support, IT-Web Developer, Paramedic, Supervisory Management, Welding
- Progress to Date: Industry Certification Inventory, Pathway credentials – 10 pathway certificates, 11 embedded technical diplomas (2 additional certificates pending approval), Automated accept/graduate process for certificates; developing similar process for diplomas, Advisory committee presentations, Faculty training, Pathway maps
- High School Connections: Annual administrator breakfast, Racine Unified – High School Academies Summit and Academies “A” Team, Career Prep Consortium presentation, High School Lunch & Learn presentations, Pathway maps for all guidance offices, Training for all New Student Specialists
- External Partnerships: Higher Expectations for Racine County Youth – Post-Secondary Education and Training Network **21st Century Skills Project (targeting underrepresented students), Wisconsin Literacy
- National Project Work: American Association of Community Colleges AACC: The Right Signals Initiative and Pathways Session at Annual Conference. National Career Pathways Network NCPN: Annual Conference
- Taking Progress to Scale: Increase number of credit for prior learning opportunities, Increase number of high school dual credit options, Establish community and industry connections, Increase number of pathway credentials in high-demand fields, Address barriers to creating pathways in non-traditional areas (health care)
- Sustainability: Career Pathways Steering Committee, Divisional career pathways five-year development plans, Program and divisional current state maps, Intranet page, Ongoing training for deans and faculty

Following discussion, it was moved by W. Duncan, seconded by P. Zenner-Richards and carried that this report is evidence that the college is making progress on Ends Policy #5

B. Executive Limitations

1. **3.5 Financial Condition, Quarterly Financial Review – B. Thomey**
 - FY16 General Fund Financials

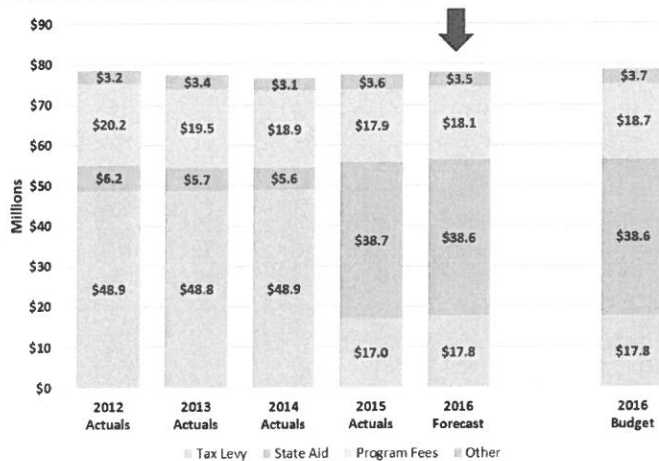
General Fund Operations					
Stated in Thousands	FY15 Actual	FY16 Budget	FY16 Forecast	Fav (Unfav)	
Tax Levy	\$ (17,040)	(17,814)	(17,807)	(7,00)	
State Aids	(38,680)	(38,575)	(38,575)	-	
Tuition & Fees	(17,924)	(18,661)	(18,101)	(560)	
Contracts For Service	(2,649)	(2,846)	(2,611)	(235)	
Other Revenue	(978)	(863)	(879)	16	
TOTAL REVENUES	\$ (77,271)	\$ (78,759)	\$ (77,973)	\$ (786)	
Salaries & Wages	\$ 45,609	47,020	45,998	1,022	
Benefits	\$ 17,305	18,705	17,780	925	
Other Expenses	\$ 12,762	13,234	13,195	39	
TOTAL EXPENSES	\$ 75,676	\$ 78,959	\$ 76,973	\$ 1,986	
Net Operating (Rev) Exp	\$ (1,595)	\$ 200	\$ (1,000)	\$ 1,200	
Transfer Out	\$ 150	\$ -	\$ -	\$ -	
General Fund - (Surplus) Deficit	\$ (1,445)	\$ 200	\$ (1,000)	\$ 1,200	

FY16 Forecast numbers include a 3% reduction in tuition and fees. Vacant positions and benefits are expected to come in less than budget. Management continues to monitor current expenses and control discretionary spending.

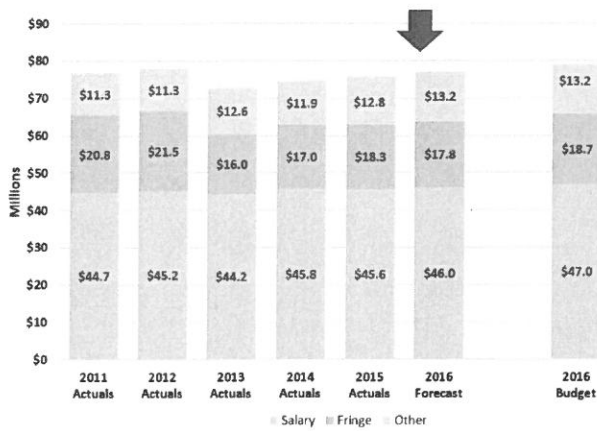
	Issued	Budgeted
FY 16 Borrowing	\$ 12,000,000	\$ 12,000,000

All debt has been issued for FY2015-2016. The college has maintained its Aaa bond rating for all FY2015-2016 issues.

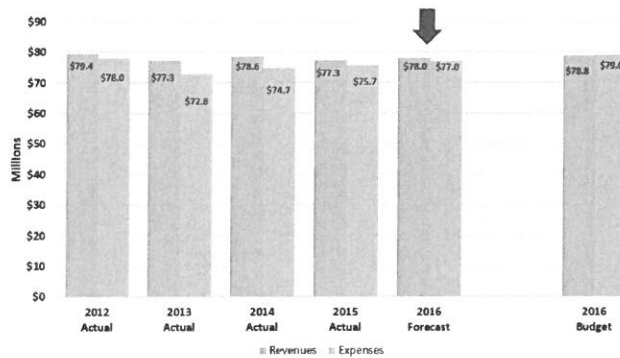
- FY16 Forecast General Fund Revenues: State aid expected as budgeted, Tax Levy expected as budgeted, Program fees \$560,000 less than budgeted - FTE down ~ 3%, Other revenues \$219,000 below budget - Contract revenue, Overall General Fund revenues are anticipated to be \$786,000 under budget, Total Revenue Estimate: \$78.0M
- FY16 Forecast General Fund Revenues:



- FY16 Forecast General Fund Expenses: Salary net reduction of \$1M - Vacant position savings, Fringe net reduction of \$924,000; Vacant positions budgeted for family coverage, WRS & FICA budgeted at a higher salary, OPEB savings. Other Expenses net reduction of \$39,000; Savings in supplies, rentals & insurance, Uncollectable fees deficit, Potential for additional savings. Overall expenses are anticipated to be \$1,986,000 below budget. Total Expense Estimate: \$77.0M
- FY16 Forecast General Fund Expenses:



- FY16 Forecast General Fund Revenues & Expenses



- FY16 Forecast – Other Funds: **Special Revenue Fund** (grant activity) Revenues and expenses expected to come in at budget. **SRF Non-Aidable Fund** (financial aid, student activity funds, student clubs and consortiums) Revenues & expenses expected to come in under budget. **Capital Projects Fund** (capital purchases) Over \$9.9m in capital purchases made year-to-date; as of 3/31/16, \$4.6M in equipment \$5.3M in remodeling/construction. **Debt Service Fund** (debt activity for capital purchases) Spending this year includes \$8.8M in debt principal payments and \$1.6M in interest payments on debt. **Enterprise Fund** (activities financed through user fees) No significant cost variances from budget for FY 2016; Revenues & expenses expected to come in slightly under budget.

Following discussion, it was moved by R. Bhatia, seconded by S. Greenfield and carried to approve 3.5 Financial Condition, Quarterly Financial Review.

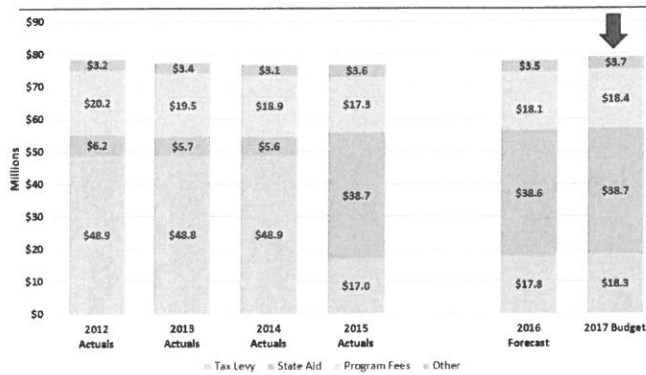
2. 3.4 Budgeting/Forecasting and 3.5 Financial Condition, FY 2016-2016 Preliminary Budget Approval for Public Hearing – B. Thomey
 - FY17 Proposed Budget Summary

Revenues	
Tax Levy	\$ 18,313,826
State Aid	38,675,296
Tuition & Fees	18,372,682
Other Revenue	3,682,905
Total Revenue	\$ 79,044,709

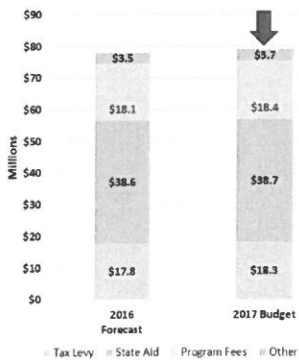
Expenses	
Salaries & Wages	\$ 47,328,075
Employee Benefits	18,666,153
Other Expenses	13,050,481
Total Expenses	\$ 79,044,709

Net Revenue / (Expenses)	\$ -0-
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General Fund Revenues



General Fund Revenues



TAX LEVY:

- Increased \$500,000 for estimated net new construction

STATE AID:

- \$100K increase for Outcome Based Funding
- Shifts to 30% OBF/70% formula

PROGRAM FEES:

- 1.5% increase in Tuition
- Flat FTE's
- No increase in Material Fees
- No increase in Other Fees

OTHER REVENUE:

- Slight Increase

FY17 Tuition & Fees

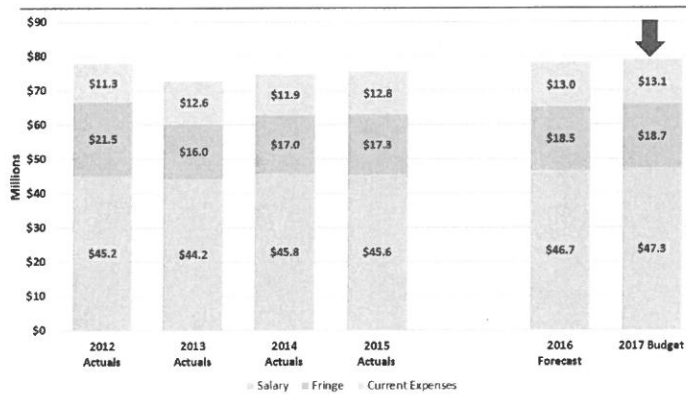
	FY15 Actual	FY16 Forecast	FY17 Budget	Incr (Decr)	%
Tuition	\$15,397,383	\$15,444,478	\$15,676,145	\$231,667	1.5%
Material Fees	746,748	733,010	744,005	10,995	1.5%
Other Fees	1,781,542	1,923,677	1,952,532	28,855	1.5%
Total	\$17,925,673	\$18,101,165	\$18,372,682	\$271,517	1.5%

FY 2017 Tuition reflects a 1.5% tuition rate increase and flat enrollment.
Cost per credit will increase to \$130.35

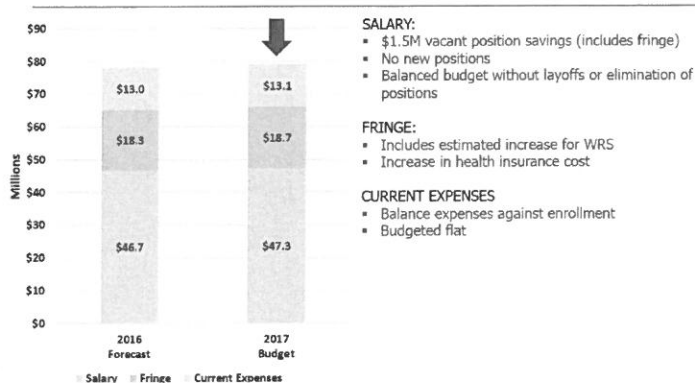
FY17 Other Revenues

	FY2015 Actual	FY2016 Forecast	FY2017 Budget	Incr (Decr)	%
Total Other Revenue	\$3,626,377	\$3,529,422	\$3,682,905	\$153,483	4.3%

General Fund Expenses



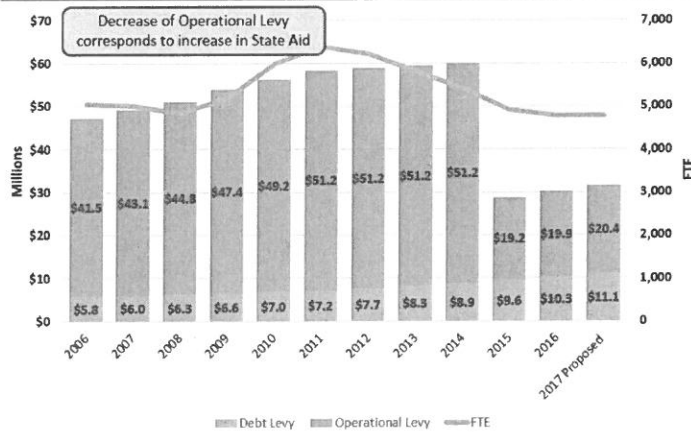
General Fund Expenses



FY17 Operating Expenses

	FY 2015 Actual	FY 2016 Forecast	FY 2017 Budget	Incr (Decr)	%
Salaries & Wages	\$45,608,816	\$46,701,677	\$47,328,075	\$626,398	1.3%
Employee Benefits	17,304,927	18,489,544	18,666,153	176,609	0.9%
Other Expenses	12,761,858	13,028,488	13,050,481	21,993	0.1%
Total	75,675,601	\$78,219,709	\$79,044,709	\$825,000	1.0%

Total Tax Levy



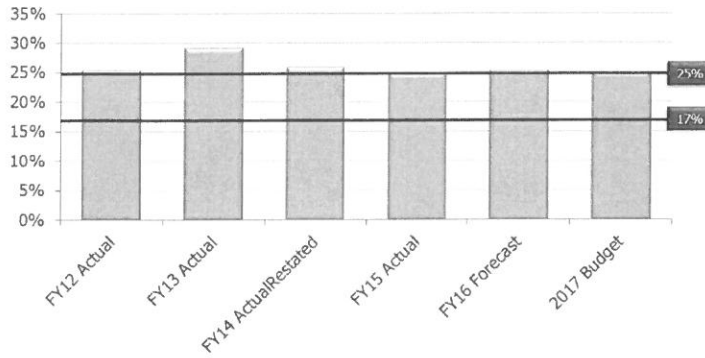
Property Tax Impact



- Operating tax levy budgeted at \$20,408,031
 - Increase of \$500,000; net new construction
 - Slight increase of 2.51%
- Debt levy budgeted at \$11,081,000
 - Increase of \$765,000
 - Slight increase of 7.42%
- Total mill rate is 0.82816 compared to 0.79489 last year, an increase of 4.19%
- Tax rate assumes assessments are flat
- Homeowner will pay \$124.22 for a home valued at \$150,000
 - \$4.99 increase over last year

General Fund Reserves

Percent Designated for Operations to Revenue



• \$17,349,608 \$19,889,908 \$22,560,537 \$21,621,182 \$19,811,250 \$19,689,716 \$19,761,177

Long-Term Capital Financing

The capital borrowing plan includes \$14M borrowing for general equipment, building remodeling and improvements, expansion & site improvements.

- Borrowing decrease of \$2M over last year
- 7.42% increase in debt levy totaling \$11,081,000
 - Increase of \$765,000

FY17 Capital Budget

Building Remodeling & Improvement Projects		Equipment		Site Improvements	
Elkhorn Manufacturing	\$270,000	Academic Classroom Equipment	2,500,000	Elkhorn Manufacturing	\$230,000
Racine Classroom remodel	1,000,000	New Program Classroom Furniture	\$300,000	Police Academy	455,000
Kenosha classroom	500,000	IT Equipment & District Infrastructure	2,500,000	General Repairs	45,000
Kenosha Technical Building	500,000	Operations and Facilities Equipment	100,000		
Elkhorn Eng Wing	1,000,000	BWS Training Equipment	100,000		
Racine Corridor	1,000,000				
General repairs	2,455,000				
Police Academy	1,045,000				
Total:	\$7,770,000	Total:	\$5,500,000	Total:	\$730,000

Following discussion, it was moved by S. Greenfield, seconded by P. Zenner-Richards and carried to approve – with suggested corrections - 3.4 Budgeting/Forecasting and 3.5 Financial Condition, FY 2016-2016 Preliminary Budget Approval for Public Hearing.


X. Board Member Community Reports

- There were no Board Member Community Reports

XI. Next Meeting Date and Adjourn

- A. Public Hearing – Monday, May 2, 2016 Elkhorn Campus, 7:00 pm, Rooms 112/114
- B. Regular Meeting – Thursday, May 12, 2016, 8:00 am, SC Johnson iMET Center, Room 104
- C. At approximately 10:08 am it was moved by R. Bhatia, seconded by W. Duncan and carried that the meeting was adjourned.

Submitted by,


Susan Greenfield
Secretary