

GATEWAY TECHNICAL COLLEGE DISTRICT BOARD
Regular Meeting
September 18, 2014

The Gateway Technical College District Board met on Thursday, September 18, 2014 at the Kenosha Campus, Center for Bioscience and Information Technology, Room 120, 3520 30th Avenue, Kenosha, WI. The meeting was called to order at 8:01 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	Excused
Scott Pierce	Present
Roger Zacharias	Present
Pamela Zenner-Richards	Excused
Gary Olsen	Present

Also in attendance were Bryan Albrecht, Kelly Bartlett, Mary Harpe, and 28 citizens/reporters.

III. Approval of Agenda

- A. It was moved by S. Pierce, seconded by R. Bhatia and carried to approve the agenda.

IV. Approval of Minutes

- A. It was motioned by R. Frederick to approve the minutes with the following correction to the Chairperson's Report, Dashboard Monitoring, fourth bulletin: Debbie Davidson spoke on apprenticeship programs. Apprenticeships are strong and have surpassed Gateway's goal in growth four fold. Gateway is experiencing growth due to more employers wanting apprenticeship. Seconded by S. Pierce and carried to approve the minutes of the August 21, 2014 Regular Meeting with the above correction.

V. Citizen Comments

- A. No citizen comments were submitted.

VI. Committee of the Whole

- A. Economic Impact Study and College Foundation Collaboration – A. Whynott and S. Sklba
- Stephanie Sklba introduced guests from the Foundation Board: Stan Manning and Fred Ganaway, along with Foundation Executive Director, Jennifer Charpentier
 - Bryan Albrecht thanked the guests for attending. The Foundation is so important to Gateway.
 - Stan Manning thanked the Board of Trustees for the invite and support. He has been privileged to be a member of the Foundation Board and is excited to see continued growth in support.

- Bryan Albrecht mentioned that connections and relationships add value to the community. Fred Ganaway is another great champion of Gateway and the Foundation.
- Fred Ganaway reported that he has been on the Foundation Board for the past ten years. Seeing the donations grow year after year is amazing. Gateway Foundation has big goals. He mentioned that being a part of the Foundation Board is a great investment of his time.
- Ram Bhatia said that it is a pleasure to serve on the Foundation Board as the Gateway Board liaison. Ram asked that the Foundation Board share the process for scholarships.
- Fred Ganaway responded that Gateway has a wonderful system for online applications. The system matches the applications against all possible scholarships. Readers help to select recipients with the scholarships.
- Jennifer Charpentier reported that after the awards are received, the students write a hand written thank you note to the donor.
- Bryan Albrecht thanked everyone that gives and helps with the Foundation and scholarship process.
- Jennifer Charpentier reported on the Foundation's activities and engagement with the community on behalf of the college.
 - Helping Students
 - a. Scholarships
 - i. Continuing Student Scholarships open until October 14; scholarships range from \$250 to \$2000
 - ii. High school scholarships open in January
 - iii. Granted \$102,000 in FY 2014
 - iv. Scholarship Application Evaluators: 30 from community including Foundation Board, Scholarship & Disbursement Committee members, Gateway retirees and community members
 - b. GED Test Assistance
 - i. \$135 for students who meet eligibility requirements
 - ii. Financial need
 - c. Property purchase: 3626 30th Avenue completed in late July; pleased to be able to help Gateway in this way.
 - Securing resources in support of the Mission
 - a. 20th Anniversary Golf Outing at Hawks View Golf Course in Lake Geneva
 - i. \$41,000 in sponsorships (\$36,000 in 2013)
 - ii. 148 golfers
 - iii. Raised approximately \$58,000
 - iv. May 21, 2015 at Hawks View
 - b. Overall dollars raised:
 - i. \$819,765
 - ii. Number of donors nearly doubled between 2012 and 2014
 - iii. Donor retention at 72%
 - Lake Party Invitation
 - a. September 25, 2014, program and ribbon cutting starts at 5:15 pm
 - b. Highlighting Gateway programs: Culinary, Barber/Cosmetology, Welding, Human Services, and BizSquad
 - Thank you for your generous support
- Anne Whynott introduced Nate Wolff, EIS Client Manager, from EMCI who presented over the phone from Idaho on a report that EMCI prepared for Gateway Technical College.
 - Demonstrating the Value of Gateway Technical College, Analysis of the economic impact and return on investment of education. FY 2012-13

- Study Components: economic impact on local business community and return on investment to students, society, and taxpayers
- Economic Impact Analysis:
 - i. Measures impact of college operations and student spending, impact of worker productivity.
 - ii. Approach: calculate initial sales generated in region, derive sales created by multiplier effects, convert results to income
- Impact of college operations and student spending:
 - i. Initial Effect: college payroll + income created by the spending of out-of-region students
 - ii. Multiplier Effect: income created by the spending of the college and its employees + income created by the spending of businesses patronized by students
 - iii. \$73.3 million
- Impact of Worker Productivity:
 - i. Initial Effect: higher wages of former students + increased output of businesses
 - ii. Multiplier Effect: income created by the spending of students and businesses
 - iii. \$859.9 million
- Economic Impact Analysis Results (added income in region):
 - i. Impact of college operations and student spending: \$73.3 million
 - ii. Impact of worker productivity: \$859.9 million
 - iii. Total impact = \$933.2 million
- Investment Analysis Measures: student perspective, social perspective, and taxpayer perspective
- Investment Analysis Approach: calculate benefits and costs to stakeholders, derive the future benefits stream, discount results to current-year dollars, determine net present value, benefit-cost ratio, and rate of return
- Student Perspective: benefits = greater job opportunities and higher lifetime income; costs = tuition, fees, books, supplies, forgone time and money
 - i. Present value of benefits: \$998.3 million
 - ii. Present value of costs: \$133.5 million
 - iii. Net present value (benefits minus costs): \$864.8 million
 - iv. Benefit-cost ratio (benefits divided by costs): 7.5
 - v. Rate of return: 26.7%
- Social Perspective: benefits = expanded economic base and savings related to improved health, reduced crime, and reduced unemployment; costs = all college expenditures and all student expenditures and costs
 - i. Present value of benefits: \$2.9 billion
 - ii. Present value of costs: \$68.4 million
 - iii. Net present value (benefits minus costs): \$2.6 billion
 - iv. Benefit-cost ratio (benefits divided by costs): 11.8
- Taxpayer Perspective: benefits = added tax revenues and reduced demand for government services; costs = state and local government funding
 - i. Present value of benefits: \$285.3 million
 - ii. Present value of costs: \$68.4 million
 - iii. Net present value (benefits minus costs): \$216.9 million
 - iv. Benefit-cost ratio (benefits divided by costs): 4.2
 - v. Rate of return: 10.6%
- Understanding the Results: Gateway Technical College creates new income in the region, supports local jobs, sustains a skilled workforce, increases students' lifetime income, expands the state's economic base, improves quality of life
- The results of this study were prepared by EMSI

Bethany Ormseth arrived at 8:57 am

VII. Chairperson's Report

A. Dashboard Monitoring –

- Gary Olsen reported that enrollment is up from last month.
- Ron Frederick stated that the job market is picking up which means the economy is improving.
- Roger Zacharias said that the workforce in construction has been busy and it is hard to find enough people to fill the positions. More qualified workers are needed.
- Debbie Davidson said that companies are moving in to the area giving more opportunities to students and others looking for work in the community. Companies are looking for qualified skilled workers.

B. Board Goals Monitoring –

- Effective Meeting:
 - i. Good new format of the Chairperson's Report
 - ii. Similarly, good presentation on End Statement Monitoring
 - iii. Another good meeting with good discussion
 - iv. The August meeting was productive and informative.
 - v. Bill and Zina's reports provided insight and documentation we are accomplishing End Statement #4
 - vi. New seating arrangement was a good thing
- Business and Community Involvement:
 - i. Pam set up a breakfast with a business partner
 - ii. Bill is working on a potential partnership with Lake Geneva Environmental Board
 - iii. Ram attended the College Foundation Board meeting
- District Boards Association Involvement
 - i. Gary attended the District Boards Association Planning Meeting
- College Involvement:
 - i. Susan recruited a student for Gateway
 - ii. Beth, Scott and Gary were involved in planning our secondary school focus group sessions
 - iii. Pam was the guest speaker for the Women's Leadership Program
 - iv. Beth led a discussion with Kenosha Unified for development of Lakeview Academy

C. District Boards Association Planning Meeting –

- A College Involvement:
 - i. Gary Olsen reported that the District Boards meeting in August focused on goals and improving outcomes of the goals. Talked about advocacy and personal relationships with legislature. How to establish better relationships. Along with Industries and associations and use relationships for better the understanding of the college and position the college for the future. We discussed the continued study of health care benefits collaboratively for the opportunity to save money. Also discussed student success and what works and doesn't work so that all 16 colleges are working collaboratively to meet student needs. We talked about course credit transfer between technical colleges and the UW system. Also, on the continuing study on what works best for performance based funding and compensation. Unified state wide message on the impact technical colleges have on communities and return on investment. Most important overall is Board member education and development. Set challenge for association to improve involvement by 10% for this next year and to get more Board members to attend events, mentorships, and continuing mentorship to get information out in to the community. We also discussed partnerships and alliances with K12 and UW and private and independent colleges. Also important is the collaboration that goes on at these meetings between the colleges.

VIII. President's Report

A. Announcements –

- Journey Members in Attendance: Nicci Pagan, Ty Kinis, Courtney Wollert, Astrid Santiago, and Liz Allen

B. Every Child's Place –

- Bryan Albrecht announced that this is Every Child's Place ten year anniversary. Bryan presented ECP a gift of a glider swing on behalf of Gateway Technical College.
- Ginny Brydges, ECP, thanked everyone for the gift and said this glider will be very helpful for the children. Ginny also thanked everyone for everything done on a regular basis. ECP is a place for children to come and get all their needs met. Every Child's Place is running strongly and they are grateful for the opportunity Gateway has given them to serve the needs of families and children. ECP currently has 153 students and a max capacity to care for 172 students. Gateway students and staff make up many of the families receiving care at ECP. 30% of the ECP student population have special needs. Ginny thanked everyone again for their belief and support.

C. Campus Security –

- Bill Whyte reported on campus security updates that are taking place at Gateway. Starting October 6, 2014 Mike Gohlke will be the new Director of Safety and Security at Gateway Technical College. Mike will be located in Kenosha, but will be responsible for the district. Mike comes to Gateway with extensive experience in security while working at Aurora College in Aurora, IL. He was also responsible for Security and Safety at George Williams University in Williams Bay, WI.

IX. Operational Agenda

A. Action Agenda

1. Law Enforcement Facilities Approval

Following discussion it was moved by W. Duncan, seconded by R. Zacharias and carried to move forward with planning of the Law Enforcement Facilities.

Aye: 7

Nay: 0

Abstaining: 1

Absent: 1

2. Approval of President's 2014-2015 Goals

Following discussion it was moved by S. Pierce, seconded by W. Duncan and carried The Approval of the President's 2014-2015 Goals.

Aye: 8

Nay: 0

Absent: 1

3. FY 2013-2014 Budget Revision #2

Following discussion it was moved by R. Frederick, seconded by R. Bhatia and carried to approve FY 2013-2014 Budget Revision #2.

Aye: 8
Nay: 0
Absent: 1

4. **FY 2014-2015 Budget Revision #1**

Following discussion it was moved by R. Zacharias, seconded by W. Duncan and carried to approve FY 2014-2015 Budget Revision #1.

Aye: 8
Nay: 0
Absent: 1

5. **Resolution No. F-2014-2015D.2 – Resolution Awarding the Sale of \$2,805,000 General Obligation Promissory Notes, Series 2014-2015D**

Following discussion it was moved by R. Zacharias, seconded by W. Duncan and carried by roll call vote to approve Resolution No. F-2014-2015D.2 – Resolution Awarding the Sale of \$2,805,000 General Obligation Promissory Notes, Series 2014-2015D.

Aye: 8
Nay: 0
Absent: 1

B. **Consent Agenda**

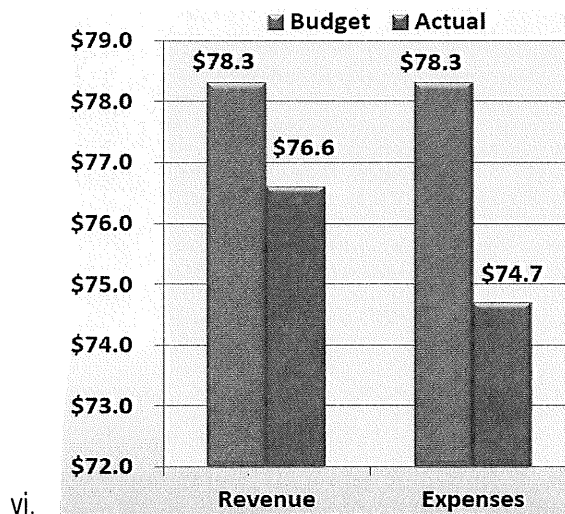
It was moved by R. Zacharias, seconded by R. Bhatia and carried that the following items in the consent agenda be approved:

1. **Finance**
 - a) **Financial Statement and Expenditures over \$2,500:** Approved the financial statement and expenditures as of August 31, 2014.
 - b) **Cash and Investment Schedules:** Approved the monthly cash reconciliation, investment schedule and investment report.
2. **Personnel Report:** Approved the personnel report of eight (8) new hires; one (1) resignation; and no employment approvals-adjunct faculty.
3. **Contracts for Instructional Delivery:** Approved the contracts for instructional delivery report for August 2014
4. **Advisory Committee Activity Report:** Approved the advisory committee 2013-2014 meeting schedule and new members as of September 1, 2014
5. **Program Title and AID Code Change Request:** Approved the submission of the request for approval for a new program – 30-536-1 Community Pharmacy Technician to the Wisconsin Technical College System for consideration.
6. **Approval of BIDS:**
 - a) Bid Nos. 1450, 1451, 1453 – FY-15 Renovation & Repair Projects Kenosha Campus
 - b) Bid Nos. 1454, 1455, 1456, 1457 – South Building Conference Center & Office Elkhorn Campus

X. Policy Governance Monitoring Reports

A. Ends Statement Monitoring

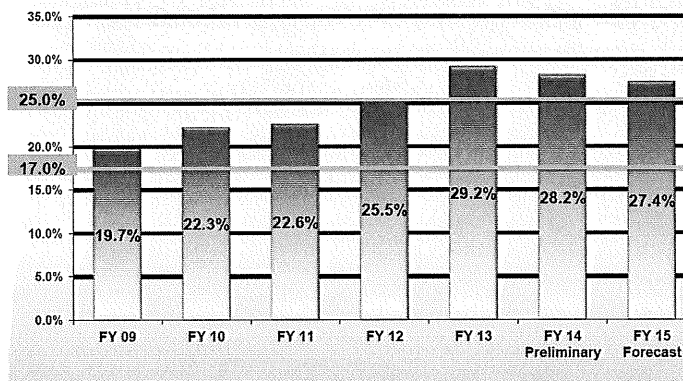
1. End Statement #5 – **Gateway provides** a positive return on taxpayer and community investment by leveraging its core capabilities in a financially and socially responsible manner. FY13-14 Quarterly Financial Report (B. Thomey)
 - a) Executive Limitation Relevant to Today's Presentation: 3.1 General Executive Constraint "The President may not permit financial conditions which risk fiscal jeopardy or compromise Board Ends priorities."; 3.4 Budgeting/Forecasting "Budgeting for any fiscal year or the remaining part of any fiscal year shall follow Board Ends priorities, control College financial risk and accurately reflect projections of income and expenses."; 3.5 Financial Condition "The President shall administer the Board approved budget without material deviation and shall protect the College from financial risk."
 - b) FY14 Year-End Financial Results – Timeline
 - i. September – Auditors completed audit field work
 - ii. October – Final statements are prepared and the CAFR is assembled
 - iii. November – FY14 audited financial statements presented to the Gateway Board at the November 20th meeting
 - iv. December – Financial statements submitted to the WTCS Board on or before December 31, 2014
 - c) FY14 Year-End Financial Results (Unaudited)
 - i. Net Operating Revenue of \$1.9M as Actual Revenues exceeded expenses
 - ii. Actual revenues were below the budgeted revenue by \$1.7M
 - iii. Overall expenses came in under budget by \$3.6M
 - iv. Transferred \$2.1M Fund Balance to capital
 - v. Net effect: General fund Deficit of \$244K reflecting planned use of fund balance



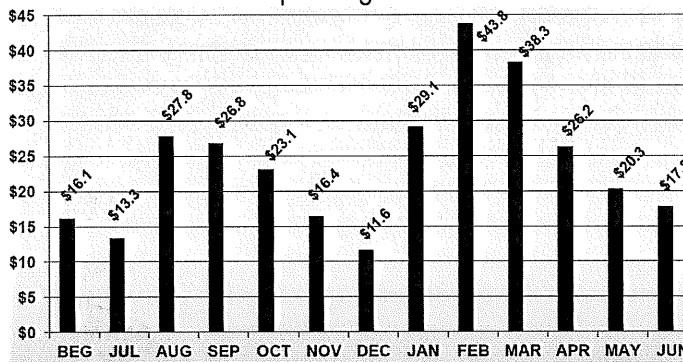
Revenues	FY 2014 Budget	FY 2014 Actual	Fav (Unfav)
Tax Levy	\$48,830	\$48,885	\$ 55
State Aid	5,265	5,617	352
Student Tuition and Fees	20,619	18,916	(1,703)
Transcripted Credits	600	775	175
Contracted Revenue	1,995	1,374	(621)
Other Income	950	991	41
vii. Total Revenues	\$78,259	\$76,558	\$ (1,701)

Expenditures	FY 2014 Budget	FY 2014 Actual	Fav (Unfav)
Full Time Salary and Wages	\$40,151	\$38,584	\$ 1,567
Overtime Wages	190	149	41
Adjunct, Extended and Casual	5,777	7,047	(1,270)
Total Salaries and Wages	46,118	45,780	338
Employee Benefits	18,604	16,999	1,605
Other Expenses	13,537	11,911	1,626
viii. Total Expenditures	\$78,259	\$74,690	\$3,569

d) General Fund Reserves, % Designated for Operations to Revenues



e) FY 2013-2014 Actual Operating Cash Balances



f) FY 2013-14 Other Funds

- **Special Revenue Fund**
 - Revenue over expenses of \$515,137
 - Requires a budget revision for public services & physical plant functions
 - Planned transfer out of \$1M
 - Decrease fund balance by \$485,863
- **Capital Fund**
 - Requires a budget revision for the instructional function
 - Increase fund balance by \$145,166
- **Enterprise Fund**
 - Revenue over expenses of \$90,817
 - No budget issues noted in FY14

g) FY 2014-15 Budget Drivers

- i. State Tax Levy "Buy-Down"
- ii. Performance based funding model
- iii. Tuition Increase of 3%
- iv. Phase III of student services
- v. \$1M vacant position savings budgeted

Following discussion, it was moved by W. Duncan, seconded by R. Zacharias and carried that this report is evidence that the college is making progress on Ends Statement #5.


XI. Board Member Community Reports

- Ram Bhatia mentioned that he will be attending the ACCT Leadership Congress in October along with other Trustees.
- Susan Greenfield had dinner at the Breakwater Dining Room on Gateway's Racine Campus. The culinary students did an excellent job and she encourages everyone to go there for dinner.

XII. Next Meeting Date and Adjourn

- A. Regular Meeting – Tuesday, October 21, 2014, 8:00 am, Burlington Center
- B. At approximately 10:40 a.m. it was moved by W. Duncan, seconded by R. Zacharias and carried that the meeting was adjourned.

Submitted by,


Ronald J. Frederick
Secretary