

**STATE BOARD FOR COMMUNITY COLLEGES  
AND OCCUPATIONAL EDUCATION**

**REGULAR MEETING MINUTES**

**February 8, 2006**

**8:00 AM – Executive Session**

**9:00 AM – Regular Session**

**Colorado Community College System**

**9101 E. Lowry Blvd.**

**I. CALL TO ORDER**

- A. Pledge of Allegiance
- B. Roll Call

**MEMBERS PRESENT:** Tamra Ward, Chair, Stephen Chapman, Patricia Erjavec, Jennifer Hopkins, Pres Montoya, Ralph Nagel, Gayle Krzemien and Nathan Overholt

**MEMBERS ABSENT:** Wanda Cousar, Barbara McKellar and David Taylor

Called to order at 8:00 AM. Adjourned to executive session. Reconvened in regular session at 9:25 AM

**II. EXECUTIVE SESSION**

CRS 24-6-402(3)(a)(III) provides for Executive Sessions for matters required to be kept confidential by federal law or rules, state statutes, or in accordance with the requirements of any joint rule of the Senate and the House of Representatives.

CRS 24-6-402 (3)(a)(II) provides that the members of a state public body may hold an executive session to confer with an attorney representing the state public body concerning disputes that are the subject of pending or imminent court action. Governing boards of state institutions of higher education may also confer with an attorney concerning specific claims or grievances or for the purposes of receiving legal advice on specific legal questions.

**III. APPROVAL OF AGENDA**

**MOTION:** Ralph Nagel moved to approve the agenda as presented.

**VOTE:** Stephen Chapman seconded the motion. There being no opposition, the motion passed.

**IV. APPROVAL OF MINUTES**

- Regular Meeting of December 14, 2005

**MOTION:** Stephen Chapman moved to approve the minutes as presented.

**VOTE:** Jennifer Hopkins seconded the motion. There being no opposition, the motion passed.

## **V. PUBLIC COMMENTS**

### **A. Mr. Sam Mamet, Colorado Municipal League**

Mr. Mamet expressed to the board his appreciation for the partnership with CCCS and CCCOnline in developing an online training program for municipal leaders. This was a most productive and successful program and they would like to explore other partnerships efforts with CCCS.

B. No other members of the public addressed the Board.

## **VI. REPORTS**

### **A. Student Representative, Mr. Nathan Overholt**

Nathan Overholt distributed invitations to the Rising Star luncheon and expressed SSAC's hope that the Board Members will be able to attend.

### **B. Faculty Representative, Dr. Gayle Krzemien**

Gayle Krzemien discussed SFAC's written report on the possible uses of unfunded enrollment dollars in the classroom. She was pleased to see how well SFAC's ideas dovetailed with the unfunded enrollment report provided by Marilyn Golden.

### **C. System President, Dr. Nancy McCallin**

Dr. McCallin discussed the following items:

1. Visit to Lamar Community College – There was strong community support for the decision to appoint Jim Rizzuto president of Lamar Community College. The leadership demonstrated by both Jim Rizzuto and David Smith was good and the experience was positive.
2. Reserve report – Dr. McCallin was happy to report that all colleges have met their interim goals of 1% reserve and all but 2 have met the requirement of reaching a 4% reserve level by June 2008.

3. El Pomar Foundation Grant – The southeastern colleges are beneficiaries of an El Pomar Foundation grant to help reach underserved minority students and particularly Latino students. A portion of the grant is being matched by College Invest. Dr. McCallin thanks Preslano Montoya for his efforts in securing the grant.

#### **D. AHEC Board Report, Mr. Steve Chapman**

Mr. Chapman reported that AHEC continues to talk about maintenance issues with the Auraria campus. They also passed the Clear Air Initiative which adds a student fee of \$1 to buy wind energy for the Tivoli and some safety stations around campus. Regarding the sale of the Lawrence Street property, the Auraria executives have supported the transaction and the proposal is moving to the Board of Regents.

### **VII. PRESIDENTS' COMMENTS**

#### **A. Outstanding Program, Trinidad State Junior College**

Ruth Ann Woods introduced the Aquaculture program and the director, Mr. Ted Smith. The aquaculture program was started 10 years ago and aquaculture is now one of the fastest growing segments of the agriculture industry. TSJC is one of only 7 programs nationally and prepares students to meet the growing demand for skilled technicians. TSJC is ideally centrally located. Job placement is 90-100% and starting salaries are in the \$31,000-\$36,000 range. The program is very strong in experiential learning and they enjoy good support from both the private and public sectors.

#### **B. Outstanding Student, Ryan Anderson, Otero Junior College**

Jim Rizzuto introduced Ryan Anderson. He is currently a sophomore and a life-long resident of Otero County. He is president of the Associated Student Government, Phi Theta Kappa co-president and a member of golf team. He plans to continue at University of Colorado at Colorado Springs and pursue a career in dentistry. Ryan believes that the small class size at OJC gives the student more involvement in their academic careers which contributed to his success.

#### **C. Administration at OJC and LCC**

Jim Rizzuto and David Smith reported that things are moving well on both campuses. Staff is currently reviewing where things stand in terms of the general operating budget as well as the auxiliaries. The plan is to train someone at LCC internally to run the everyday business functions. Student Services needed to be filled quickly and that position has been filled by someone in the community.

The recruiting position will be filled shortly. Meetings are being held in the budgeting area to make some changes there. David Smith noted that spring enrollment is up and that FTE are up over last spring.

**D. Other System College Presidents addressed the Board at this time:**

Ruth Ann Woods announced that TSJC brought home the gold when Brandon Samples won the coveted Best Actor Award from the Rocky Mountain Theater Association competition held in Helena, Montana.

Joe Garcia, PPCC, provided a handout detailing their partnership with University of Colorado at Colorado Springs (UCCS) to talk with high school students and encourage them to continue their education. Students who apply to UCCS but are not accepted are encouraged to apply to PPCC and are given the contact information needed to do so. PPCC also partners with the Kane Family foundation to provide scholarships to serve students in CTE as well as academic areas.

Christine Johnson noted that Joe Garcia was recognized by Colorado Springs Hispanic Chamber as their Leader of the Year.

Tamra thanked Bob Rizzuto for his extraordinary service to CNCC. Nancy McCallin announced that John Boyd will be on board on March 13.

**VIII. DISCUSSION AND POSSIBLE ACTION**

**A. ERP Update, Pat Sarkar and SCT SunGard, Brian Madocks**

Pat Sarkar passed out a summary of ERP status noting that it was not a joint report with SCT.

1. The overall project status is yellow meaning we have missed some deadlines. One delay that was faced was the April 1 go-live for the human resources (HR) and financial systems at two pilot colleges which has been moved to the July 1 go-live along with the other colleges. The primary reason for the delay was around multi-institutional functionality on both the HR and finance side. On testing, it was found that the multi-institutional functionality (MIF) did not work according to the specifications. CCCS asked SCT to make the necessary corrections which will be delivered in late March, not allowing time for adequate testing before the April 1 go live date. We are expecting six major deliverables in March, almost all of which are on the critical path. Once testing is successful and complete, we will be on track for the July 1 go live.

2. CCCS is in the process of selecting an outside consultant to work with SCT on contract and financial issues, with an expected start date of Feb. 13.

3. Budget to Actual is on track assuming that the cost basis is what is reflected in Ultimus. Nancy McCallin noted that the board had approved the use of some contingency funds and that use of the contingency is included in the Budget to Actual analysis. The analysis also assumes payments based on the use of time-keeping in Ultimus. There is dispute with SCT regarding additional billing outside of the Ultimus.

4. CCCS is planning on not using some of software from SCT and has issued RFPs. We have not received any credits from SCT for the non-use of their software. This will lead to higher costs.

Brian Madocks framed his response into the areas of project level administration and contract administration.

Brian Madocks stated that SCT believes the project level is on track and dates can be met. He feels that any issues are commensurate with an implementation of this size and can be managed. He stated that the July 1 go-live is within sight and attainable.

Brian Madocks addressed some contract administration issues. Mr. Madocks stated that the decision to delay the April 1 go live was made unilaterally by CCCS. SCT maintains that had they been consulted, they could have offered solutions to insure the April 1 go-live. As noted later, Pat Sarkar disagrees with this perspective from SCT.

Mr. Madocks asked that special attention be paid to accounts receivable. He provided a handout on payment status noting an outstanding balance for services that he said have been delivered. Jennifer Hopkins noted that, per the contract, SCT was required to log their hours on the Ultimus system in order to be paid and asked if the billing is consistent with the logged hours. Brian Madocks answered that he acknowledged the requirement, but was not sure about whether the logged hours in Ultimus are consistent with SCT billings. He said that there was a period during which the system was not accessible to SCT and they were denied access. Note that later in the meeting Mr. Sarkar disagreed with this. Mr. Madocks stated that he believed that documentation had been provided to prove that SCT delivered the hours.

Pat Sarkar responded that there were not any factual errors in the report as Mr. Madocks suggested. Mr. Sarkar stated that the specifications for payroll were very clear and the MIF was not adequate for this purpose. The meeting in which it was decided that the April 1 date couldn't be met was attended by SCT staff. SCT lead consultants were involved in every discussion and they supported the decision. It was not a unilateral decision. Additionally, Mr. Sarkar disagreed that there was a period during which data entry into Ultimus was denied to SCT for billing purposes for the current quarter. Mr. Sarkar said he has a trail of emails

urging SCT to enter their hours on a timely basis into Ultimus. In addition, CCCS provided weekly reports to SCT on the status of disputed and approved hours. Mr. Sarkar stated that he believed that SCT is taking a position that they do not have to justify the hours they bill outside of Ultimus with a status or trip report. They have not provided CCCS with a status report as to what was delivered with the hours. The one major risk of this project is multi-institutional functionality. Some SCT consultants do not understand MIF.

On further questioning of Mr. Madocks, Jenny Hopkins asked if he believed that the status of the project was actually “green” instead of “yellow”. Mr. Madocks stated he believed it was green. Ralph Nagel also asked of the outstanding invoices, is there any part that is not in dispute and that both sides agree has been earned. Brian responded that any disputed amounts were satisfied in credits and that if there were any disputes, it would only be a minor percentage. Nancy McCallin responded that CCCS feels there is a dispute over whether SCT logged hours into the system as the contract requires for payment and over whether CCCS should pay for functionality that was not delivered. There is a dispute as to whether CCCS is receiving accurate documentation as to whether they are legitimate expenses. Thus, Dr. McCallin stated that the full amount was in dispute. Mr. Nagel also asked if SCT needed a cash advance on the disputed claims for cash flow purposes until a resolution is made on the disputed amounts. Mr. Madocks stated that SCT did not have cash flow issues, was cash flow positive, and that cash flow was not the issue.

Nancy McCallin also noted that the reason CCCS chose not to go-live with the pilot schools on April 1 was because the product delivered did not allow CCCS to run payroll simultaneously. Thus, it would take six weeks to run payroll. This functionality did not work. SCT said they could fix it by the end of March and CCCS said there was not sufficient time for testing to go live on April 1. CCCS takes seriously having the payroll operate on a timely basis and that was at risk. CCCS was in a similar situation last June when SCT aggressively told us to go-live with finance on July 1 even though there were system hang problems. We chose to delay and we believe SCT now agrees that was an appropriate decision. Dr. McCallin views the April 1 delay as a similar issue where it was necessary to delay. Mr. Madocks stated that he believed the software was delivered as specified but was not what we need to run a business.

Mr. Madocks reiterated SCT’s belief that they are giving CCCS what was asked for and asked for resolution by the end of February. Nancy McCallin noted that the consultant will be on board next week and a priority will be resolution of the accounts payable issue.

Tamra Ward stated that ultimately, the most important point is that we are committed to resolving those issues. The goal is to get to a point where we can move past these issues and move forward.

## **B. Distribution of Funds from Unfunded Enrollment, Jennifer Sobanet and Marilyn Golden**

Marilyn Golden provided background on unfunded enrollment issue. CCCS will be receiving 38% of total unfunded enrollment dollars, but it has not been determined whether this will be base building. If it's not, we don't want to build a budget around future expectations. The request is that it be base building since CCCS appropriations were reduced by 35% per student over the last few years. The JBC had 2 interests: first, did all governing boards agree and, second, were the local district colleges included. The local district colleges are not in the equation as they didn't experience the same reductions we did.

While CCCS staff knows there is more work to do, the purpose of this report is to get the sense of the board on whether we are heading in the right direction. Surveys were sent to colleges to quantify where reductions have taken place and asking what they would do with the additional funds. The responses indicate that the most important priority was supporting instruction through increasing faculty salaries (Colorado is about 20% below the national average) and increasing the number of full time faculty.

The second most important area was in job placement and workforce development. We estimate a possible investment of \$1 million. Student support services have declined and it is imperative to reinvest in this area.

In the area of community college funding stability, CCHE has been working on finding a meeting ground on fee for service funds. Studies indicate that while the first 2 years of education have been priced, the community college data is not always factored in.

Other areas mentioned include a possible tiered system for employee health benefits, coordinated student recruitment efforts, possibly establishing a merit based scholarship, providing seed money for new programs including research and startup, addressing administrative staffing needs, program evaluation, athletic programs, and several areas of IT.

Regarding controlled maintenance, the good news is that system-wide CCCS has \$18.5 million in requests and it looks like we will receive \$4.3 million in tier one and most of \$6.7 million in tier 2. There are still needs for physical plant.

Ralph Nagel stated that he's not comfortable using numbers at this time given that we don't know what the general assembly will do. Looking at the enterprise as a whole, he feels the priorities would be financial stabilization and ensuring the ability to take on new projects. Tamra Ward feels the faculty salary piece deserves additional thought along with employee benefits such as healthcare. She agrees that importance needs to be placed on financial stability and that the

infrastructure needs are great. There was discussion among board members and presidents on the importance of adding full time faculty as it relates to quality of instruction and to the college's ability to add new programs. Patty Erjavec notes that the provided list is very broad and exhaustive and suggests that the scope be narrowed down to three major areas. Stephen Chapman added that classroom quality is of uppermost importance and that means also keeping facilities maintained, providing fair compensation to faculty and providing more full time faculty. Ralph Nagel pointed out the need to integrate all of the funding sources including unfunded enrollment appropriations, general fund and tuition increases. Nathan Overholt stated he felt CCCS was moving in the right direction and reiterated the need to focus attention on students.

### **C. CTE Audit, Linda Bowman and Barbara McDonnell**

Linda Bowman reported that the CTE performance audit was conducted from April to October 2005. She noted that Colorado Vocational Act (CVA) funds go solely to secondary schools. CCCS's costs for administering the CVA are not covered by CVA funds. Perkins funds go to both secondary and post-secondary programs. For the audit, five years of data was examined and some findings relate back to 2001 and different administrative functions. Several courses of action are underway to resolve the audit issues including examination of legislation. CCCS has already made some corrective actions and there are some resource decisions still to be made.

Given the budget cuts over the last few years, CCCS has focused on sending money and support out to field. Now CCCS will need to evaluate some of the programs and ways of monitoring the dollars.

The audit comments were in on four different areas:

Program Quality - Comments were not about the educational experience, but more focused on data collection, reliability testing, program eligibility and those types of factors. CCCS has implemented a new expired program report to ensure that expired programs don't receive funding. CCCS did make the point with the auditors that programs that expire in mid-year cannot be stopped until end of the year. As to use of CTE funding for the academic component of the Alternative Cooperative Education (ACE) program, CCCS has notified the participating schools that they will not be able to use dollars in that way. The auditors recommended that CCCS track cohorts, but we don't have the data systems to support that function.

Federal Grant Management – CCCS has cleaned up the time sheet issues and is now requiring all parties concerned submit timesheets. The state auditor's office also has suggested that CTSOs be required to comply with state fiscal rules.

CCCS is complying with that request, but the constituency is very concerned about this.

Credentialing – The auditors were concerned about how rules are applied and so we are examining the credentialing rules. Additionally, CCCS is working with the legislature to discontinue credentialing of private occupational schools.

Monitoring – Given the amount of resources available to allocate, CCCS has emphasized providing support to the field rather than additional monitoring. CCCS is currently in the process of developing a more risk based audit cycle and more formal follow up process.

The CCCS report is due back to the Auditor’s Department in 3-6 months. A draft copy will be provided to the board for comment before submittal.

Barbara McDonnell made these observations:

Five percent of the Perkins grant is set aside for administration which is the monitoring part and CCCS uses that 5% for that function. Ten percent is set aside for leadership which is meant to be used for things like curriculum development, program development, and new teacher training. Those dollars are not intended to support extensive monitoring.

Clarification of the CVA Act – There are two areas where we need to work with the legislature to clear up the CVA. The first pertains to references to the requirement that vocational education programs lead to entry level jobs. In today’s world that is no longer practical. Secondly, the auditors are interpreting the act to require follow-up on outcomes of all students who take any CTE courses even if they take only one course. We disagree with that interpretation and think it makes more sense to follow students who complete a CTE program.

#### **D. Introduction of Director of Lowry Redevelopment and Project Status Overview, Marilyn Golden and Gwen Anderson**

Marilyn Golden introduced Gwen Anderson who is the new Director of Lowry Campus Redevelopment. Ms. Anderson’s background includes experience as a real estate attorney and as project manager for the Union Station project. She outlined the necessary elements to create solicitations and develop a timeline. She also discussed the internal assets, timelines and issues, and external factors. She expressed concern about CCCS’s ability to meet the target date of June 30 to enter into a contract with a master developer. This deadline would only accommodate a sale of identified property and that may not be the best direction to take. There should be a broader analysis of the potential development options in order to attain the highest and best use of the property.

Barbara McDonnell added that the Department of Education is on board and understands what we're doing concerning the transfer of restrictions. She expects to receive the completed surveys by this Friday. The Air Force also must approve the transfer of restrictions, and we do not know what their position is on the issue.

**E. Budget Reporting, Jennifer Sobanet and Marilyn Golden**

This agenda item was tabled to the March 8 meeting

**F. Strategic Plan, Kristin Corash**

This agenda item was tabled to the March 8 meeting

**G. Demographic Data, Kristin Corash**

This agenda item was tabled to the March 8 meeting

**H. Northeastern Junior College Agriculture Education Center, Judy  
Giacomini**

The Board felt that the written materials provided in the agenda packet were clear and sufficient to make a decision and no discussion was needed.

**MOTION:** Ralph Nagel moved to approve the proposal for the NJC Agriculture Education Center.

**VOTE:** Jennifer Hopkins seconded the motion. There being no opposition, the motion passed.

**H. Legislative Update, Moira Cullen and Jason Hopfer**

Jason Hopfer solicited any questions the board might have and detailed bills that were of interest to CCCS. Bills that specifically impact CCCS and the colleges include the bill allowing payments for stipends for military personnel taking college classes on base, nursing loan forgiveness, CCHE's bill on underserved students, the surplus property bill, the CNCC bill, and the bill on nursing faculty fellowship program.

Also of concern to CCCS is SB 24 regarding using a unique identifier for students, several procurement bills we are watching to be sure we are not negatively impacted, a bill requiring students to sign a waiver allowing schools to call families if there is a concern about suicide, a bill requiring institutions to refund to students for cancelled classes, a bill requiring additional cultural competencies for nurses, and bills on immigration that we are monitoring.

Regarding private occupational schools, we got an amendment allowing them to do their own credentialing.

Finally, there is an IT bill coming from the governor's office which creates a new IT oversight office. We are working to be sure that office will be responsive to the needs of higher education.

**IX. CONSENT AGENDA ITEMS**

A. Advisory Council Nominations

- Community College of Aurora, Dr. Jay Gershen
- Community College of Aurora, Fr. Michael Sheeran
- Northeastern Junior College, Darcy Garretson
- Pikes Peak Community College, Susan Campbell

**X. WRITTEN REPORTS**

- A. Lowry Update, Barbara McDonnell
- B. YTD Budget to Actual, Jennifer Sobanet and Monica Smith Barden
- C. Compensation and Review Schedules, Cindy Hesse
- D. Reserve Report, Charla McClintock
- E. SFAC Report on "More Money In The Classroom", Gayle Krzemien

**XI. OTHER ISSUES OF CONCERN TO THE BOARD**

No other issues were brought forth.

**XII. ADJOURNMENT**

The meeting adjourned at 2:50.

**The meeting recessed for the Annual Faculty of the Year Luncheon and Award Ceremony at 12:00 and reconvened at 1:50 pm.**