

**Minutes of the
Gaston College
Board of Trustees Meeting
Myers Center Board Room
March 27, 2017**

Members Present: Mr. Stephen Campbell, Secretary
Sheriff Alan Cloninger
Judge Craig Collins
Mr. John Dancoff
Mr. Ron Hovis
Mr. Brett Keeter
Mr. Brad Overcash
Mr. Tracy Philbeck
Dr. Jim Ragan, Vice Chair
Ms. May Gray Robinson
Mr. James Smith
Mr. Randy Vinson
Dr. Jim Watson, Chair
Ms. Madison Knowles, SGA President

Dr. Patricia Skinner, President

Members Absent: Ms. Jennifer Davis

Others Present: Ms. Julia Allen, Ms. Dorothy Ayers, Dr. Dewey Dellinger, Ms. Mary Ellen Dillon, Mr. Rocky Goins, Dr. Kyndra Griffin, Dr. Anne Marie Hayes, Ms. Renita Johnson, Ms. Kulwant "KK" Kaur, Dr. Joe Keith, Ms. Marla Lepley-Starr, Ms. Cynthia McCrory, Dr. Dennis McElhoe, Ms. Stephanie Michael-Pickett, Dr. Silvia Patricia Rios Husain, Ms. Misty Shane, Mr. Calvin Shaw, Mr. Chris Thurley, Mr. Luke Upchurch, Officer T. D. Wilson; and Mr. Carl Stewart, College Attorney.

- **Board Chair Dr. Jim Watson called the meeting to order at 4:01 p.m. and declared a quorum present.**
- **Invocation – Mr. Philbeck**
- **Ethics Awareness and Conflict of Interest Reminder**

Chair Watson reminded Trustees of the ethics requirements of public servants and also requested they identify any conflicts of interest or appearance of conflicts of interest present. None were identified.

A. APPROVAL OF THE AGENDA

Chair Watson asked if there were any changes, additions, or corrections to the agenda. None were identified. Sheriff Cloninger made a motion to approve the agenda; Mr. Hovis seconded the motion. The motion carried.

B. APPROVAL OF THE MINUTES FROM THE NOVEMBER 14, 2016, BOARD MEETING; the FEBRUARY 3, 2017 BOARD RETREAT; and THE CALLED BOARD MEETING ON MARCH 8, 2017.

Chair Watson presented the Minutes of the November 14, 2016, Board Meeting; the February 3, 2017, Board of Trustees Retreat; and the March 8, 2017, Called Board of Trustees Meeting and asked if there were any additions or corrections.

Sheriff Cloninger made a motion to approve the November 14, 2016, February 3, 2017, and the March 8, 2017, minutes; Mr. Philbeck seconded the motion.

During discussion, one change was identified on the November 14 Board minutes; the date of the September meeting was corrected from September 14 to September 26, 2016.

Judge Collins made a motion to amend the February 3, 2017, Retreat minutes under Advocacy to delete unneeded details and the March 8, 2017, Called Board Meeting minutes under Legislative House Bills 12 and 14, also, to delete unneeded details; Ms. Robinson seconded the motion. The motion carried. Copies of the corrected/amended minutes for November 14, 2016, February 3, 2017, and March 8, 2017, are attached with the March 27, 2017, minutes.

No other changes were identified.

Sheriff Cloninger amended his previous motion to approve the November 14, 2016, Board minutes as corrected; the February 3, 2017, Board Retreat minutes, and the March 8, 2017, Called Board minutes as amended. Mr. Hovis seconded the motion. The motion carried.

C. INTRODUCTIONS AND SPECIAL PRESENTATIONS

1. Welcome New Employees

Dr. Skinner welcomed Mr. Luke Upchurch, representing Staff Senate; Mr. Chris Thurley, Faculty Senate President; and Ms. Ashley Hagler, attending for a special presentation.

Dr. Dellinger Introduced:

Ms. Dorothy Ayers, Instructor-Nurse Aide

Dr. Kyndra Griffin, Instructor-Paralegal Technology

Dr. Anne Marie Hayes, Instructor-Criminal Justice Technology, Educational Partnerships

Ms. Maria Lepley-Starr, Instructor-Practical Nursing, Lincoln Campus

Ms. Misty Shane, Instructor-Practical Nursing, Lincoln Campus

Mr. Calvin Shaw, Chair/Instructor-Criminal Justice and Paralegal Technology

Ms. Marlena Thomas (not present), Program coordinator/Instructor-Human Services Technology

Ms. McCrory Introduced:

Ms. Kulwant "KK" Kaur, Housekeeper

2. Recognition of Ms. Ashley Hagler, Recipient of the NC 2017 Excellence in Teaching Award

Dr. Skinner asked Ms. Ashley Hagler to stand and be recognized by the Board. She relayed the following information:

Ms. Hagler has been an extraordinary instructor at Gaston College for over nine years and is dedicated to helping her students grow. She understands that challenging students enables them to develop critical thinking skills, instills confidence, and provides experiences that stimulate lifelong learning.

Her desire to create an interactive, inquiry-based learning environment for her students in an effort to improve retention and graduation rates for Science, Technology, Engineering, and Math (STEM) students was the impetus for the development of a new program at Gaston College known as SPARC³ (STEM Persistence and Retention through Curriculum, Cohorts, and Centralization). Through her efforts and encouragement, our faculty and students are excited about learning. Thus far, our graduation rate is 100% in the SPARC³ program. In the Associate of Science degree program, the enrollment rate has increased by 197% and the graduation rate has increased by 94%.

The SPARC³ team, consisting of faculty and students, competed with over 1,000 community colleges across the nation for the 2016 Bellwether Award, winning in the Instructional Programs and Services category, making Gaston College only the third North Carolina community college to have won this award.

Throughout her years at Gaston College, Ms. Hagler has shown progressive growth with demonstrated leadership skills, dedication, and commitment to students, faculty and community.

Dr. Skinner asked the Board of Trustees to join her in commending Ms. Hagler for all her hard work and congratulating her as the North Carolina 2017 Excellence in Teaching Award winner.

Dr. Skinner and Chair Watson relayed how proud they were of Ms. Hagler for bringing this tremendous award distinction to Gaston College and, again, commended her for her work. Ms. Hagler will also be recognized at the April 7 Faculty and Staff Employee Appreciation and Recognition event and at the State Board Meeting in Raleigh, on April 21, 2017. Ms. Hagler thanked the Board for all they do to support the College.

3. Gaston College Foundation Advocacy Opportunities

Ms. Julia Allen provided a presentation that provided insight into the Gaston College Foundation budget, student-endowed and named scholarships, building and expansion projects, College projects, various types of financial support opportunities available, and annual gift-giving opportunities. She expressed her hopes to improve Board of Trustees giving to 100%. Pledge forms and information on the April 8, 2017, Community Foundation Run were distributed.

Dr. Watson thanked Ms. Allen for the informational presentation and encouraged Board members to participate in giving to the College.

D. PRESIDENT'S REPORT

Following is a summary of Dr. Skinner's activities and travel since the November 14, 2016, Board meeting. Additional details for each item can be found with the report in the Board packet distributed at the meeting.

- North Carolina Association of Community College Presidents (NCACCP) November Meeting - The Legislative and Finance Committees brought recommendations for budget priorities for 2017-19. More discussion took place concerning Community College Day which will be in Raleigh, on March 29, 2017. Gaston College will facilitate a local press conference for the Southwest Prosperity Zone, on the Dallas Campus, on April 19, 2017, at 11 a.m. (After the March 27 Board Meeting, the date for the press conference was changed to April 18, 2017, at 11 a.m.)
- National Apprenticeship Week - Gaston College held an event on November 17, 2016, to celebrate the second National Apprenticeship Week and Gaston College's second year of Apprenticeship 321.
- SACSCOC Annual Meeting - The SACSCOC Annual Meeting was held in Atlanta, GA, December 3-6, 2016. Drs. Skinner, Ammons, Husain, and Dellinger attended along with Ms. Nichols, Ms. Broome, and Ms. Duncan.
- Building Maintenance Certificate Program - On January 11, 2017, Gaston College was presented a check for \$14,000 from The Community Foundation of Gaston County and three other organizations to fund a new Building Maintenance Certificate program.

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- Gaston County Annual Martin Luther King, Jr. Unity Awards – Dr. Skinner attended the Gaston County Annual Martin Luther King, Jr. Unity Awards on January 16, 2017. Sheriff Alan Cloninger had been selected by the Gaston Clergy and Citizens Coalition, an initiative of Gaston Together, as one of the award recipients for 2017.
- Jobs for the Future Student Success Center Network (JFFSSCN) Meeting - On January 24, 2017, in Seattle, WA, a JFFSSCN Meeting was held, and as Chair of the NC Student Success Center Advisory Board, Dr. Skinner was invited to attend.
- 2017 Winter State Policy Meeting - At the 2017 Winter State Policy Meeting, January 25-26, 2017, the main focus was on Guided Pathways.
- NC Campus Compact 7th Annual President's Forum – Dr. Skinner attended the Campus Compact President's Forum where Mr. Jamie Merisotis, President and CEO of Lumina Foundation, discussed his 2015 book, *America Needs Talent: Attracting, Educating, and Deploying the 21st Century Workforce*.
- NC Student Success Advisory Board Meeting - At the February 9, 2017, Advisory Board meeting, Dr. Roxanne Newton relayed that the top priority for the Center was to hold a free, two-day 2017 NC Guided Pathways to Success Symposium which was an idea that came about based on feedback from nearly 400 stakeholders in four surveys conducted in October 2016.
- North Carolina Association of Community College Presidents (NCACCP) February Meeting - At the February 15, 2017, NCACCP meeting, Ms. Mary Shuping discussed the NCCCS 2017-19 budget priorities. Also discussed was the Residency Determination Service (RDS), which has had its rollout date delayed from February 20 to later in the spring.
- Welcome for Gaston County Commissioners - An orientation of the College and tour of the Center for Advanced Manufacturing (CAM) was provided on February 13 for Commissioner Ronnie Worley and on February 16 for Commissioners Chad Brown and Don Grant. County Manager, Mr. Earl Mathers, also attended the February 13 meeting.
- Annual Legislators Coffee and Conversation - On February 20, 2017, the Annual Legislators Coffee and Conversation was held at the College. Representatives Bumgardner, Hastings, Saine and Torbett were in attendance.
- Achieving the DREAM (ATD) Conference – San Francisco, CA - For the DREAM conference this year, over 2,000 influential policy-makers, thought-leaders, and practitioners from over 200 community colleges joined to reflect on and share lessons from their experiences implementing student success-related strategies at their respective campuses.
- Achieving the Dream (ATD) Coaches Visit - On March 9-10, 2017, Gaston College's Achieving the Dream coaches, Drs. David Hartleb Trudy Bers, visited to meet with our ATD Student Success Core and Data Teams for an update on the College's student success initiatives.

- Faculty/Staff Meeting - At the Faculty/Staff meeting on March 9, 2017, Dr. Skinner welcomed several new faculty and staff to the College, relayed the upcoming personnel retirements, congratulated Ms. Ashley Hagler as winner of the NC Excellence in Teaching Award, provided information on the recent Achieving the Dream conference and a budget update.
- Manufacturing and Career Expo - Gaston College, in partnership with Gaston County Schools and local business and industry, presented the annual Manufacturing and Career Expo on Thursday, March 23, 2017.

- Gaston College President's Cabinet Meeting Items of Note

--In December 2016, the College was notified that it had earned accreditation from the National Association of Developmental Educators (NADE). Gaston College is only the second community college in North Carolina to receive NADE accreditation.

--Biology faculty member, Ms. Ashley Hagler, has been named the winner for the North Carolina Community College System's Teaching Excellence Award. She will be honored at the Employee Appreciation Event on April 7, 2017, and at a North Carolina State Board event on April 21, 2017.

--Ms. Ashley Hagler, Dr. Melissa Armstrong, and Ms. Heather Woodson facilitated a webinar hosted by the Community College Futures Assembly regarding the College's Bellwether Award-winning SPARC3 program.

--The fall BLET day class took the state exam on December 1, 2016. All 17 students passed on their first attempt for a 100% pass rate. The state average is 82%.

1. President's Proposed Priorities

At the Board of Trustees Retreat on February 3, 2017, Dr. Skinner outlined the process for developing/recommending the Presidents' Priorities which generally follows expectations of the SACSCOC who require a college Facilities Master Plan and a Strategic Plan. The entire campus is involved in reporting Strategic Plan goal accomplishments on an annual basis and submitting new unit goals annually. The President's Priorities are developed primarily by the Executive Council and other key staff at an annual Executive Council Leadership Retreat. The Board of Trustees reviewed the priorities proposed for 2017-2018 at the Board Retreat, and now they were presented to the Board for adoption. The President's Priorities for 2017-2018 are attached; each Priority is linked back to the 2014-2019 Strategic Plan.

I. Manage and execute the construction and equipping of the new Veterinary Technology Facility.

Strategic Plan, Initiative V, Goals 15 and 16

II. Complete and submit the SACSCOC Fifth-Year Interim Report.

Strategic Plan, Initiative IV, Goal 10

III. Update the Strategic Enrollment Management Plan in efforts to increase FTEs and improve student retention, success, and completion.

Strategic Plan, Initiative I, Goals 1, 2 and 3
Strategic Plan, Initiative II, Goals 4, 5 and 6
Strategic Plan, Initiative III, Goals 7 and 8
Strategic Plan, Initiative IV, Goals 12 and 14
Strategic Plan, Initiative VI, Goals 21 and 22

IV. Continue responding to the workforce development needs of regional employers through the expansion of existing programs such as Apprenticeship 321 and the development of new programs including pre-apprenticeships and additional workforce certifications.

Strategic Plan, Initiative I, Goal 2
Strategic Plan, Initiative III, Goals 7 and 8

V. Continue to focus on accessibility of learning environments.

Strategic Plan, Initiative I, Goals 1 and 3
Strategic Plan, Initiative II, Goal 4
Strategic Plan, Initiative IV, Goal 10

VI. Expand and strengthen partnerships in the community, region, and state with strategic emphasis on K-12 initiatives, focusing particularly on Gaston and Lincoln county schools.

Strategic Plan, Initiative III, Goals 7 and 8
Strategic Plan, Initiative VI, Goal 22

Chair Watson entertained a motion by Sheriff Cloninger, seconded by Mr. Campbell that the Gaston College Board of Trustees approve the President's Priorities as submitted for 2017-2018. The motion carried.

2. Gaston College's Plan for Assuring Accountability and Credibility in Continuing Education.

As required by the North Carolina State Board of Community Colleges, the Gaston College Continuing Education Internal Audit was completed in accordance with the College's Internal Audit Plan for the period of January 1, 2016, to December 31, 2016. The Continuing Education Internal Audit was completed in accordance with Gaston College's Internal Audit Plan for Spring, Summer, and Fall Semesters 2016. This item is presented for information only.

E. SGA PRESIDENT'S REPORT

Ms. Knowles gave the following update on SGA activities since November 14, 2016. The report in its entirety is filed with the minutes.

- Healthy Wealthy Wise - The Student Government Association held a Healthy Wealthy Wise Day on November 15, 2016.
- Exam Survival Kit - During the end of the Fall Semester, SGA distributed an exam survival kit with A-Z resource cards, green tea bags, chewing gum, and post-it notes.
- Toys for Tots - SGA held a Toys for Tots drive from November 2, 2016, through December 5, 2016. Students, faculty, and staff assisted SGA in collecting 200 items to be used for children's Christmas gifts.
- Welcome Back - Welcome Back for the Spring Semester was celebrated on each of the three campuses during the day and evening; the theme was "Play Smart: Don't Jeopardize Your Future."
- Go Red Day/Super Bowl Kickoff - The Student Government Association sponsored a Super Bowl 51 Kick-off Celebration on Friday, February 3, 2017.
- Club Awareness Day - SGA hosted Club Awareness Day on February 7, 2017, in the Myers Center Café. This year's theme was "Decades."
- Valentines for Vets - Valentines for Vets is an exchange campaign to send greetings to local Veterans Affairs hospitals and military retirement facilities. On January 17 through February 7, SGA collected over 1,200 signed hearts from students, faculty, and staff.
- American Red Cross Blood Drive - SGA hosted a campus blood drive with American Red Cross on February 14, 2017. There were 24 units collected.
- N4CSGA Western Division Meeting - Eight SGA delegates attended the N4CSGA Western Division Meeting held on February 25, 2017, at Forsyth Technical Community College's Transportation Technology Center.
- Student Appreciation Week - SGA sponsored Student Appreciation Week on the Dallas Campus from March 6, 2017, through March 9, 2017; the Lincoln Campus on March 20, 2017, through March 23, 2017; and will host Student Appreciation Week at Kimbrell Campus March 27, 2017, through March 30, 2017.

F. FACILITIES

1. Capital Reports

Capital reports on the Center for Advanced Manufacturing and the Veterinary Technology Facility were submitted for the Board's information and review. No action was required.

Center for Advanced Manufacturing (CAM)

The project is 98% complete. Contractor is working on final closeout documentation, county inspection and final state inspection for occupancy permit, which is scheduled for March 24, 2017. Final items to be installed mid-March include:

Interior: modular wall unit in the main hallway to the Integrated Lab, building signage, and some interior glass.

Exterior: window canopies and bio-pond landscaping.

Veterinary Technology Facility

The design contract with State Construction, Stewart, Cooper, Newell (SCN) and the Gaston College Board of Trustees was executed in January 2017. SCN and Rick Bacon, specialty veterinary architect, was on site February 15 and 16 and met with faculty, the Director of Facilities, and the Vice President for Finance, Operations and Facilities to complete conceptual schematic design (scale and relationships between building components) of the facility. The next step is that SCN will prepare preliminary drawings of the layout for college critique and review. Bids for a building site survey are also being received.

G. FINANCE

1. FY 2017-2018 Gaston County Operating Budget

The proposed FY 2017-18 Gaston County Operating Budget is attached. This year's budget request is an increase of \$226,318 over the FY 2016-17 approved budget.

• Salary and Benefits - 3% increase	\$ 85,770
• State increases in retirement, health, and longevity	\$ 51,601
• CAM operating expenses (6 months)	\$ 19,956
• CAM housekeeping staff (6 months)	\$ 19,808
• CAM utilities (6 months)	\$ 15,000
• Senior Administrator (10%)	\$ 13,266
• Property insurance increase (two years)	\$ 17,681
• Antenna lease escalation	\$ 3,236
Total estimated increase	\$226,318

Changes in staffing, salaries, and benefits include a 3% pay increase (\$85,770), an increase in benefit costs from the State (\$51,601), and allocation of a portion of a senior administrator (\$13,266).

Additional funding for CAM operating expenses (\$19,956), CAM housekeeping staff (\$19,808), and CAM utilities (\$15,000) will support plant operating and maintenance costs for the new Center for Advanced Manufacturing building.

Aside from increases in insurance premiums (\$17,681) and an annual lease escalation increase (\$3,236), no additional operating funds for supplies, maintenance, equipment repairs, or utilities are being requested for the existing plant. The FY 2017-18 operating budget request for Gaston County totals \$5,141,398.

Upon a recommendation from the Finance Committee, Mr. Campbell moved that the Gaston College Board of Trustees approve the proposed FY 2017-2018 Gaston County operating budget request of \$5,141,398. The motion carried.

2. FY 2017-2018 Gaston County Capital Project Budget

The Board reviewed the proposed FY 2017-2018 County Capital Project Budget. The capital budget for FY 2017-2018 reflected a budget of \$1,047,000 for planned projects. The budget is subject to change due to any unforeseen maintenance expenses.

In June 2015, Gaston County Commissioners restored our on-going capital budget for FY 2015-2016 to the historical level of \$697,259. The College maintains 34 buildings totaling 610,000 square feet and \$114.4 million of insurance value in Gaston County. The Center for Advanced Manufacturing will be added in March of 2017. The new building size is 21,200 square feet.

County Capital Five Year Budget Projections through FY 2021-2022 were provided for the Board's information. The FY 2017-2018 County Capital Project Budget totals \$1,047,000.

Upon a recommendation from the Finance Committee, Mr. Campbell moved that the Gaston College Board of Trustees approve the proposed FY 2017-2018 Gaston County Capital Project Budget. The motion carried.

3. Change in Mileage Reimbursement Policy

The System Office issued a memo on January 4, 2017, providing details of a policy change by the Office of State Budget and Management (OSBM) related to mileage reimbursement that applies to all state agencies including the community college system. Pertinent sections of the revised Accounting Procedures Manual for the North Carolina Community College System follow:

"An authorized traveler who has been approved for reimbursement for the use of a personal vehicle shall be reimbursed the standard business mileage rate set by the Internal Revenue Service (see Table 2, below) or a lower rate approved by the college's board of trustees when using their personal vehicle for official college business and the round trip does not exceed 100 miles per day that the traveler is in travel status. However, if an authorized traveler chooses to use a personal vehicle and the round trip exceeds 100 miles per day of travel status, colleges will reimburse the authorized traveler at the standard IRS business mileage rate up to 100 miles per day of travel status with the excess miles reimbursed at the medical or moving purposes mileage rate (see Table 2, below). Parking fees, tolls, and storage fees are reimbursable when the required receipts are obtained. Fines for traffic and parking violations are the responsibility of the state employee.

For the purposes of reimbursing authorized travelers for the use of their personal vehicle for official college business, colleges may use either the standard business mileage rate

set by the Internal Revenue Service for the year in which the travel occurs (see Table 2, below) or establish a rate lower than the IRS rate as a result of the limited budget availability for travel (State Board of Community College Action Item Attachment FC-5, 07/16/04). Reimbursement rates must be approved and adopted by the college's board of trustees.

<i>Table 2 - Current mileage rate schedule.</i>	<i>Per mile</i>
IRS standard business mileage rate	53.5¢
IRS medical or moving purposes mileage rate	17¢

The pertinent section of the Office of State Budget and Management memorandum regarding revised mileage reimbursement rates follows:

"Effective January 1, 2017, the Internal Revenue Service (IRS) has established new mileage rates based on an annual study of the fixed and variable costs of operating an automobile. The business standard rate decreased from 54 cents per mile to 53.5 cents, and the medical or moving purposes rate decreased from 19 cents per mile to 17 cents. Accordingly, and pursuant to G.S. 138-6(a)(1), the Office of State Budget and Management will adjust the allowable rate of reimbursement for travel by officers and employees on official state business that operate from funds deposited with the State Treasurer."

To comply with the new policy, the following options and mileage reimbursement rates are available to colleges:

Vehicle usage 100 miles round trip or less per day in travel status:

- Use a college owned vehicle to maximize the usage.
- Use a rental car - utilizing State term contract through Enterprise Rent-A-Car, National Car Rental or Hertz.
- If employee elects to use a personal vehicle and the actual round trip mileage is 100 miles or less per day in travel status, actual mileage can be reimbursed using the IRS rate (53.5 cents) – or a rate adopted by the college's board of trustees that is more restrictive.

Vehicle usage over 100 miles round trip per day in travel status:

If the college is located in an area in which the State term contract with Enterprise Rent-A-Car, National Car Rental, or Hertz IS available (that would include Gaston College):

- Use a college owned vehicle to maximize the usage.
- Use a rental car – utilizing State term contract through Enterprise Rent-A-Car, National Car Rental or Hertz.
- If employee elects to use a personal vehicle and the actual round trip mileage is over 100 miles per day in travel status, mileage will be reimbursed at the standard IRS business mileage rate (53.5 cents) up to 100 miles per day of travel with the excess miles reimbursed at the medical or moving purposes mileage rate (17 cents) – or a rate adopted by the college's board of trustees that is more restrictive.

No significant impact on the budget is anticipated. Overall, travel has been reduced due to budget reductions. The effective date for this policy would be April 1, 2017.

Upon a recommendation from the Finance Committee, Mr. Campbell moved that the Gaston College Board of Trustees accept the mileage reimbursement guidelines as outlined by the Office of State Budget and Management, and adopt the annual IRS standard business mileage rate (currently 53.5 cents per mile) as the maximum mileage rate for round trips less than 100 miles per day in travel status and the standard IRS business mileage rate up to 100 miles per day in travel status, with the excess miles reimbursed at the medical or moving purposes mileage rate (currently 17 cents per mile). The motion carried.

4. Supplemental State Budget Allocations

Supplemental State Budget Allocations received after the FY 2016-17 State Budget was finalized. This item was presented for the Board's information and review.

#3	Customized Training	\$ 9,592
#4	Customized Training	\$ 86,708
	Longevity Allotment	345,062
	Supplemental State Aid Allocation	121,390
	Bionetwork	<u>430,164</u>
	Total #4	\$983,322

5. Audit Results – Financial and Federal Single Audit

Cherry Bekaert completed the financial audit for fiscal year ended June 30, 2016, in the latter part of November and met with Mr. Steve Campbell to review the audit results in January 2017. Cherry Bekaert issued an unmodified (or "clean") audit report for the year ended June 30, 2016, citing "during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses."

The Office of the State Auditor conducts a state-wide annual audit of federal funds received by state agencies (the Single Audit). They select a sample of community colleges to include in this review each year. Gaston College was selected to be part of this review for the year ended June 30, 2016. The auditors were on site for three weeks, and reviewed all aspects of student financial aid eligibility related to the administration of federal Title IV financial aid funds, including verification, timely drawdown of funds and return of funds, reconciliation, student disbursements, enrollment reporting and satisfactory academic progress monitoring. The auditors did not "identify any deficiencies in internal control considered to be material weaknesses or any instances of non-compliance."

6. State Budget Update

Governor Cooper released his 2017-19 Recommended Budget on March 1. The attached Budget Tracking spreadsheet summarizes the Governor's Recommended budget in comparison to the NCCCS 2017-19 Budget Priorities. Overall, the Governor's budget proposes an 8.9% increase in NCCCS appropriation above the 2017-18 Base Budget. This compares favorably to the Governor's recommended 6% increase in the K-12 budget and 4.8% increase in the UNC System budget.

The Governor is proposing a salary increase (recurring) and a bonus. The salary increase is 2% OR \$800, whichever is higher. The bonus is \$500.

The Governor's 2017-19 Recommended Budget can be found on the OSBM website: <https://www.osbm.nc.gov/2017-19-governors-recommended-budget>. We are awaiting the release of the Senate's budget next.

7. Financial Reports

A summary of expenditures through February 2017 for State, Gaston, and Lincoln operating budgets and proprietary accounts in comparison to the previous year was presented for the Board's review and information.

H. REPORT FROM NCACCT

Mr. Vinson thanked the trustees for the letter they sent to the State Board of Community Colleges and Gaston College's legislative delegation concerning the recent governance issues related to trustees. He provided an update on a called meeting he had attended on March 22, 2017, with the president of the State Board of Community Colleges, the president of the NCACCT, and the president of the NCCCS. At that meeting, the State Board questioned if the proposed changes to the general statute regarding limits to trustees' terms of office were taken off the table, would the NCACCT support the changes to the other two general statutes. One statute involved the number of times Boards of Trustees would meet each year (6 times), and the other statute concerned the State Board's authority to take over the responsibilities of any community college Board when a serious problem arose. (Copies of the three proposed General Statutes as of 3/17/17 will be included with the minutes.) The NCACCT's tentative response was yes; however, they would oppose anything that changed the local authority/local autonomy of a board at a community college.

Additionally, the State Board is proposing several other items to extend its authority related to community college presidents. The NCACCT opposes several of those. They include:

1. Requiring contracts of local presidents to be on file with System Office
2. Establishing parameters for length and renewal of contracts of local presidents
3. Local boards of trustees having oversight of vacancy/turnover rates
4. Requiring college president evaluations to be approved and signed by full local board
5. Codifying the SBCC vetting process for hiring community college presidents
6. SBCC adopting rule requiring that leave payouts be consistent with the State

Human Resources Act

Mr. Vinson felt that Gaston College has had a process in place regarding evaluation of the president that works well, the president's contract is already public knowledge, and the length and renewal of a president's contract should be the concern of the local Board. More discussion on these issues will take place at a session on governance at the NCACCT Seminar on March 30, 2017.

In regards to the SBCC setting term limits to ensure a mix of new and seasoned trustees, Mr. Vinson felt that is not necessary according to data he collected from the 15 community colleges who have a member serving on Mr. Vinson's Executive Board of the NCACCT. With the results of 13 of those colleges: the average trustee tenure is 6.8 years; 70% have served less than 8 years; 30% have served more than 9 years; and 8% have served more than 12 years. The NCACCT will oppose the SBCC setting term limits.

Regarding the hiring of a lobbyist by the NCACCT and the NCCCS to represent community college budget priorities, that may still happen. State universities do not have paid political lobbyists; however, among the NC K-12 schools, the NC Association of Educators, the NC Association of School Administrators, the NC Independent Colleges and Universities Association, the NC Parents and Teachers Association, the NC School Board Association, and the NC School Counselors Association, they have 19 lobbyists. As for universities, the NCCCS has one lobbyist, the NC Department of Instruction has two lobbyists, the NC Board of Education has one lobbyist, and the universities have 18 lobbyists. Mr. Vinson felt to be effective and compete for community college funding, a paid lobbyist on behalf of community colleges is a must.

I. CHAIRMAN'S REPORT

1. NCACCT Law/Legislative Seminar

Seven trustees will be attending the March 29-31, 2017, NCACCT Law/Legislative Seminar. The next NCACCT Leadership Seminar will be in August 2017, in Wilmington.

2. Statement of Economic Interest

Trustees were reminded to complete their yearly Statement of Economic Interest by April 15, 2017.

3. Trustee Liaison Survey

Chair Watson asked Mr. Keeter to provide an update of the Trustee Liaison Survey. Mr. Keeter stated that distribution of the survey had been delayed slightly as he wanted to make the Foundation Board of Directors aware of it before it was sent. This survey is sponsored by the Board of Trustees Ad Hoc Committee on Advocacy.

4. Graduation

Gaston College's graduation ceremony will take place on May 12, 2017, at 4 p.m., at the Bojangles Coliseum. An email will be sent in April inviting trustees to attend and asking them to notify Ms. Dillon if they plan to attend. She will ensure they receive a graduation packet that includes parking information, where to gather, and other pertinent details.

J. ANNOUNCEMENTS

Chair Watson invited the Board to review the list of upcoming meetings and events.

Sheriff Cloninger asked Administration for an update at the next meeting on how the Articulation Agreements are working for Gaston College's transfer students. Chair Watson concurred with the request and asked for data on completers to be brought forward at the next meeting.

Mr. Dancoff informed the Board he had accepted a new position with the Lincoln Economic Development Association as Existing Business Manager.

K. AJOURNMENT

There being no further business to come before the Board, Chair Watson entertained a motion by Sheriff Cloninger, seconded by Mr. Philbeck, to adjourn the meeting. The motion carried.

Chair Watson declared the meeting adjourned at 5:29 p.m.

Respectfully submitted,

Stephen D. Campbell, Secretary

Dr. Jim R. Watson, Chair

Mary Ellen Dillon, Recording Secretary

(College Seal)