

Regular Meeting
of the
Blackhawk Technical College District Board

October 19, 2016

Minutes

The regular meeting of the Blackhawk Technical College Board was held on Wednesday, October 19, 2016, at the BTC Advanced Manufacturing Training Center, 15 Plumb Street, Milton, in Room 118. The following members were present: Eric Thornton, Chairperson; Barbara Tillman, Vice Chairperson; Laverne Hays, Secretary; Rick Richard, Treasurer; Traci Davis (arrived at 5:24 p.m.); Tom Heeg; and Malik Surani. Board members absent: Mark Mayer and Dr. Karen Schulte. Staff present: Dr. Tracy Pierner; Brian Gohlke; Renea Ranguette; Dr. Diane Nyhammer; Jackie Pins; Megan Ostrowsky; Gary Kohn; Alicia Acker; and Tom Pleuger.

Chairperson Thornton called the meeting to order at 5:03 p.m.

Chairperson Thornton called for public comment. There was none.

Chairperson Thornton called for Special Reports.

Student Representative to the Board Joel Haeberlin provided a report on past and future student activities and events.

BTC retiree Irene Blazer was recognized as she retires from the College after 31½ years of service.

Chairperson Thornton called for Information/Discussion items.

The September financial statement and quarterly update were reviewed.

The Summary of Revenue and Expenditures for September was reviewed. The report will be the new reporting format for the monthly financial statement. Areas of key change can be seen within the Percent Incurred columns. The Finance Committee will continue to review the original financial statement format and the new financial report format on a quarterly basis. Board members requested last year's Actual-To-Date information be added to the new format in addition to reflecting last year's Percent Incurred. The modified format will be adopted for future reporting.

Dr. Pierner presented the President's monthly report. He attended the Alliant Energy groundbreaking ceremony in Beloit Township and met with area Alliant leadership to discuss needs. He had meetings with the Green County Superintendents to discuss opportunities with ITV/dual credit; the charter school principals in Janesville Public Schools to discuss dual credit

opportunities; with Blain Supply to discuss skill sets needed within the automotive area; and with the South-central Wisconsin Joint Apprenticeship Committee regarding BTC's support for increased apprenticeship efforts. Dr. Pierner met with faculty leadership several times; several faculty have stepped forward to begin work to provide on-demand education. Other items of note included attendance at: the Greater Beloit Economic Development Corporation meeting; the RECAP graduation at the Rock County Jail; BTC's Medical Lab Technician site accreditation visit in Monroe; the Culinary Harvest Dinner at the Buckhorn Supper Club; the Janesville Innovation Center Board meeting; the Monroe Chamber Business after Five which was co-hosted by BTC and Highland Community College; and the Presidents' Association meeting. He thanked Green County Development Corporation for hosting a Welcome Breakfast to meet Green County businesses; concerns were raised about a continued divestment out of Green County by the College. Dr. Pierner was invited to United Alloy to meet Rep. Paul Ryan. BTC's restructuring was featured in the local news. Additional conversation has been held with State Office staff regarding the sale of the CTS site and relocation of those programs to Central Campus and the AMTC. Funds from the sale of CTS could be used for renovation at Central Campus but not at the AMTC. A remodel at AMTC to accommodate the Diesel program must be paid for by the Foundation or by the AMTC owner and added to lease cost. Discussions on this issue will continue. On November 10 Forward Janesville's Business after Five event will be held at BTC and will highlight the new Health Sciences area.

Chairperson Thornton called for the Consent Agenda.

It was moved by Mr. Hays and seconded by Mr. Richard to approve the consent agenda, which included the minutes of the Regular Meeting held on September 21, 2016; the minutes of the Special Meeting held on September 30, 2016; the minutes of the Special Meeting held on October 12, 2016; current bills from the month of September – Voucher #00237485 to and including #00238469 and direct deposit expense reimbursements in the total amount of \$3,924,702.04 (includes student related payments), a payroll total for the month of September of \$821,652.26, payroll tax wire transfers for the month of September of \$368,239.91, other wire transfers for the month of September of \$48,165.16, WRS wire transfers for the month of September of \$225,867.45, P-card disbursements for the month of September of \$127,375.11, a bond payment for the month of September of \$596,718.55, and a health insurance wire transfer for the month of September of \$317,226.20, for a grand total of \$6,429,946.68; seven training contracts negotiated since the last meeting totaling \$210,046; adoption of a resolution to designate district positions subject to Wisconsin's Code of Ethics; and acceptance of two resignations – Kerry Froehlich-Mueller, Registrar, effective November 10, 2016, and David Peterson, Fire Science Instructor, effective January 13, 2017.

Motion carried.

Chairperson Thornton called for Action Items.

Administration requested approval to release a Request for Proposal for commercial realty brokerage services for the sale of the Center for Transportation Studies (CTS) site. Sale of the site would be contingent upon approval of the sale by the Wisconsin Technical College

System (WTCS) President and WTCS Board approval of the request to remodel existing spaces to accommodate CTS program relocations. Award of contract for brokerage services is anticipated to be brought before the Board at the November Board meeting.

It was moved by Ms. Davis and seconded by Mr. Hays to approve the solicitation of proposals for commercial realty brokerage services for the sale of the Center for Transportation Studies site.

Motion carried unanimously.

Chairperson Thornton called for Committee Reports.

The minutes from the September 21, 2016, Finance Committee meeting were reviewed.

The Finance Committee met prior to the start of the regular Board meeting. Committee Chairperson Tillman provided a recap of meeting discussion. The September Financial Statement and quarterly update were reviewed. Also reviewed was the Summary of Revenue and Expenditures Report, which will be the revised financial reporting format for the District Board. The 2017-18 Budget Calendar and a summary of budget assumptions were presented. The Finance Committee will review the proposed 2017-18 Budget in early April, prior to presentation at the April District Board meeting. The Committee recommended approval of the following action items.

District Board action was requested to establish the mill rate and tax levy for fiscal year 2016-17. The College's operational levy is capped at the 2010 levy amount plus an annual valuation factor for net new construction within the District. The 2016 valuation factor (1.26646%) for the District is applied to total revenue which is defined in statute as the total tax levy (net of debt service) from the previous year plus the property tax relief aid received in the previous year. The valuation factor of 1.26646% reflects a 2.78% increase, the largest the District has had in recent years. The operational levy increase for net new construction will be \$206,167, which is approximately \$80,000 greater than budgeted. The increase for net new construction brings the operational levy to \$6,687,768 and will generate a mill rate of 0.57077. Premiums on bond sales and interest received on bond sales allowed the College to levy a lower debt service rate than originally anticipated. The debt service levy is \$7,522,075 and generates a debt service mill rate of .64198. The total levy proposed is \$14,209,843 with a total mill rate of 1.21275 per \$1,000 equalized valuation. The total levy reflects an increase of 3.9%; the mill rate reflects an increase of 1.1%.

It was moved by Mr. Hays and seconded by Mr. Surani to authorize a \$14,209,843 tax levy of 1.21275 mills (including debt service) on \$11,717,072,877 of equalized value, and that the clerks of the various taxing entities be properly informed of their appropriate share of the District's levy.

Motion carried unanimously.

It was moved by Mr. Heeg and seconded by Mr. Hays to approve the attached modifications to the Fiscal Year 2015-16 Budget, as recommended.

Motion carried unanimously.

Board approval was requested for the 2016 Procurement Annual Report. Future reports will include a list of the vendors who have received \$50,000 or more in payments during the year.

It was moved by Mr. Surani and seconded by Mr. Richard to accept the Procurement Annual Report as recommended.

Motion carried unanimously.

Chairperson Thornton called for New Business.

Enrollment information was reviewed for programming held at the Rock County Jail. Classes offered include Intermediate Adult Basic Education, Adult Secondary & Youth High School Diploma or HSED/GED, and Developmental. A total of 110 students were served in 2016 and resulted in 23.9 FTEs. A handout illustrated the measurable outcomes in the correctional education program and reflected BTC in comparison to the WTCS overall. BTC has the only comprehensive correctional education program in the WTCS.

Dr. Pierner led discussion on the 2015-16 Report on Wisconsin Technical College System Outcomes-Based Funding. The 2015-16 funding formula represents 20% of the College's operational funding. For 2016-17, the formula represents 30% of the College's operational funding. There are nine criteria by which a college can be evaluated; each college must select seven criteria on which to be evaluated. Information was reviewed on BTC's ranking compared to others within each of the criteria.

A review of Operational Policy D-560 – Lease and Rental of Facilities resulted in Administration being directed to modify wording within the policy to require long-term property rental and lease agreements be signed by the President/District Director and the District Board Chairperson once approvals have been received.

A review of Operational Policy K-875 – Bequests of Money, Scholarships, and Property resulted in Administration being directed to modify the policy to reflect anonymous donations would no longer be accepted and to require a bi-annual report, on a fiscal year basis, be provided to the District Board on BTC Foundation donations exceeding \$5,000 (cash or in-kind). The report is to provide the donor names and donation amounts. A report for year ending June 30, 2016, will be provided at the November 2016 District Board meeting.

Chairperson Thornton called for Other Business. Dr. Pierner thanked Brian Gohlke for his work in the workforce reduction process.

A reminder was provided on the District Boards Association Fall Meeting being held in Milwaukee on October 28-29.

Chairperson Thornton called for Future Agenda Items. A review of District Board policies was requested to be done at future meetings.

Chairperson Thornton indicated the District Board would entertain a motion to move into closed session pursuant to Wisconsin Statutes 19.85 (1)(c) and (f) for the purpose of discussion of a personnel-related matter. No action would be taken in closed session.

It was moved by Ms. Tillman and seconded by Mr. Heeg to adjourn to a closed session at 6:39 p.m. pursuant to Wisconsin Statutes 19.85 (1)(c) and (f) for the purpose of discussion on a personnel-related matter.

The roll was called and the following voted affirmatively: Ms. Tillman, Mr. Hays, Mr. Thornton, Mr. Heeg, Ms. Davis, Mr. Richard, and Mr. Surani.

Motion carried.

Dr. Pierner and Ms. Pins were present in closed session.

It was moved by Ms. Davis and seconded by Mr. Surani to adjourn the closed session at 7:59 p.m.


The roll was called and the following voted affirmatively: Ms. Tillman, Mr. Hays, Mr. Thornton, Mr. Heeg, Ms. Davis, Mr. Richard, and Mr. Surani.

Motion carried.

Chairperson Thornton called the meeting to order in open session.

It was moved by Mr. Richard and seconded by Ms. Tillman to adjourn the meeting at 8:00 p.m.

Motion carried.


Laverne E. Hays
Secretary

ENCLOSURE #9

5. Consent Agenda

f. Adoption of Resolution to Designate District Positions Subject to Wisconsin's Code of Ethics (Action – Dr. Tracy Pierner)

Annually, the Wisconsin Ethics Commission requests the District Board to reaffirm its prior designations of positions in the District, appropriately identified as deputy, associate, or assistant district directors. These positions are subject to the Code of Ethics, a requirement of which is that these individuals must file "statements of economic interest." The Board previously identified the following positions:

President/District Director
Vice President, Learning
Vice President, Administrative Services
Executive Director, Human Resources
Executive Dean, Student Services

We are requesting that the Board confirm the above positions as subject to Wisconsin's Code of Ethics by adoption of the following resolution which will be communicated to the Ethics Board:

RESOLVED that for purposes of Wisconsin's Code of Ethics for Public Officials and Employees, sec. 19.41 through 19.59, Stats., the Blackhawk Technical College District Board designated the above named positions deputy, associate, or assistant district directors and indicated its understanding that the current occupants of those positions and their successors to those positions are state public officials to whom Wisconsin's Ethics Code applies.

Proposed Modifications to the FY 2016-17 Budget

		<u>Expenditures</u>	<u>Revenues</u>
General Fund			
	To adjust for revised revenue forecast and AMTC Lease (12 month), record furloughs invoked and personnel reduction/reorganization.		
	Decrease Program Revenue	-	(444,388)
	Decrease Material Fee Revenue		(43,737)
	Decrease Other Student Fee Revenue		(35,000)
	Decrease State Aid Revenue		(163,583)
	Increase Local Government Revenue		81,167
	Decrease Function 1 Instructional Expenditures	(455,828)	
	Decrease Function 2 Instructional Support Expenditures	(57,299)	
	Decrease Function 3 Student Services Expenditures	(105,441)	
	Decrease Function 6 General Institutional Expenditures	(70,752)	
	Increase Function 7 Physical Plant Expenditures	337,850	
	Increase Transfers from Reserves and Designated Fund Balance	-	254,071
	Total - Amendment 1	(351,470)	(351,470)
Capital Projects Fund			
2	To reduce FY16 capital project fund balance carryforward		
	Decrease Function 7 Physical Plant Expenditures	(78,392)	-
	Decrease Transfers from Reserves and Designated Fund Balance	-	(78,392)
	Total - Amendment 2	(78,392)	(78,392)
3	To reduce FY16 capital project fund balance carryforward and adjust expenditures by function		
	Decrease Function 1 Instructional Expenditures	(67,859)	-
	Increase Function 2 Instructional Support Expenditures	78,208	
	Decrease Function 6 General Institutional Expenditures	(98,208)	
	Increase Function 7 Physical Plant Expenditures	78,759	
	Decrease Transfers from Reserves and Designated Fund Balance	-	(9,100)
	Total - Amendment 3	(9,100)	(9,100)
4	To increase FY16 capital project fund balance carryforward and adjust expenditures by function		
	Increase Function 6 General Institutional Expenditures	10,276	-
	Decrease Function 7 Physical Plant Expenditures	(2,405)	
	Increase Transfers from Reserves and Designated Fund Balance	-	7,871
	Total - Amendment 4	7,871	7,871
5	To eliminate FY17 capital purchase of facility		
	Decrease Function 7 Physical Plant Expenditures	(2,000,000)	
	Decrease Institutional Revenue	-	(500,000)
	Decrease Revenue from Other Sources	-	(1,500,000)
	Total - Amendment 5	(2,000,000)	(2,000,000)
6	To eliminate FY17 capital remodel and outfitting of campus facilities		
	Decrease Function 7 Physical Plant Expenditures	(1,500,000)	-
	Decrease Function 2 Instructional Support Expenditures	(270,000)	-
	Decrease Function 6 General Institutional Expenditures	(200,000)	-
	Decrease Interfund Transfers Out	(30,000)	-
	Decrease Revenue from Other Sources	-	(2,000,000)
	Total - Amendment 6	(2,000,000)	(2,000,000)

Proposed Modifications to the FY 2016-17 Budget

Debt Service Fund

7	To reduce interfund transfer and reserve for debt service		
	Decrease Interfund Transfers In	-	(30,000)
	Increase Transfers from Reserves and Designated Fund Balance	-	30,000
	Total - Amendment 7	-	-
8	To reduce property tax revenue, interest expense, and reserve balance		
	Decrease Function 7 Physical Plant Expenditures	(306,700)	-
	Decrease Local Government Revenues		(732,275)
	Increase Transfers from Reserves and Designated Fund Balance	-	425,575
	Total - Amendment 8	(306,700)	(306,700)