

Cisco College Board of Regents
Special Budget Workshop Meeting
Regents' House, Board Room, Cisco Campus
June 29, 2017, 6:00 p.m.

The Cisco College Board of Regents met Thursday, June 30, 2017, in the Board Room of the Regents' House on the college main campus in Cisco, Texas for a Special Budget Workshop Meeting. Officers in attendance were President Brad Kimbrough (due to visitation at funeral home, arrived around 7:00 p.m.) and Vice President Ronnie Ledbetter. Secretary Ricky Whatley was absent. Regents present were Sarah Adams, Jerry Conring, Sharon Wilcoxon, Joe Jarvis, Staci Wilks and Greg Cary. College administrators present were Dr. Thad J. Anglin, President; Dr. Jerry Dodson, Vice President for Student Services; Audra Taylor, Chief Financial Officer and Dean of Business Services; and Dr. Carol Dupree, Provost – Cisco College, AEC and Vice President of Instruction. Sydni Rabb, recording secretary, was present.

There were no guests present.

Regent Greg Cary offered an invocation.

Vice President Ronnie Ledbetter called the meeting to order at 6:00 p.m.

President Dr. Thad Anglin began the meeting with a budget overview. The three sources of Revenue include State Appropriations, Local Ad Valorem Property Taxes and Student Tuition and Fees. Under State Appropriations, we are in the current Biennial Funding Period for academic years 2017-2018 and 2018-2019; 85th Legislative Session – Funding Bill – significant time and energy was dedicated to lobbying for an increase in state appropriations for Cisco College; received increase in Core Operations and Success Points; Contact hour funding formula remains unchanged – continues to be a problem at the state level; Cisco College State Appropriations is (-3.7%) compared to last biennial funding cycle; Funding for 16-17 Biennium is \$10,359,056 and Funding for 17- is \$9,977,017, having a difference of (\$382,039).

Dr. Anglin discussed the FY 17-18 Budget Planning and Strategies to the board. The planning process included the following: develop budget timeline and communicate process to the board; Executive Council Budget planning sessions – completed review of ALL Fund (1,2,3, and 5) accounts, compared current funds and utilized funds; identify performance gaps (adj./overload accounts), this is one area that is really being concentrated on; consolidate Marketing/Promotions accounts under Marketing and Public Relations – mitigate resource overlap (put all under Marketing); prioritize the "Wish-List" items; and develop IT long-term budget priorities. Some budget strategies discussed include maximizing lower-cost labor, such as part-time and adjunct faculty; mitigating the problem of low enrolled sections; improved academic course scheduling (outcome – increase semester credit hours (SCH) and reduce low enrolled course sections); increase the number of online courses by 25% by fall 2017, Regent Cary asked about the challenges in increasing online courses; keep administrative overhead and maintenance and operational costs down; and leveraging scholarship funds to increase SCH production. Regent Adams asked about Misc. accounts, last year there were many in the budget, wanted them cleaned up for this year. Dr. Anglin informed the Regent's that there are only two misc. lines for the current budget.

Moving on, Dr. Anglin describes the steps for maximizing existing resources and cost reduction to the Regents. Complete a thorough evaluation of current programs (headcount, contact hours and semester credit hour production); identify under enrolled programs (consider sun setting programs that have annually underperformed); identify new programs that will produce an immediate ROI (work within the existing budget); carefully evaluate opportunities to reorganize areas as an effort to improve efficiency (increase enrollment/improve retention rates); conduct a mission-activity-end product analysis to closely examine how each staff person's work contributes to the college's mission; implement a hiring freeze; and reduce the administrative overhead.

A few cost reduction strategies include, carefully evaluating staffing vacancies (mission critical positions – position must serve a vital role in enrollment/retention, faculty will be a priority, limit administrative overhead); focus on online education (distance education); capitalize on the use of adjunct faculty; monitor and reduce low enrollment course sections; employ mid-year budget reductions; move to LED lighting on campus (Cisco and Abilene); address deferred maintenance issues; increase summer enrollment (Athletic Summer Bridge Program); and renegotiate contracts.

Dr. Anglin proceeds to inform the Regents of the Financial Planning and Increasing Revenue for Cisco College. Increase out of district tuition rates (\$5.00) FY 17-18 – has been made public, have not received any feedback as of today; budget based on a 3.0% enrollment growth – last year it was based on an 8% decline; increase enrollment and semester credit hour production – having an impact, seeing changes from back in the spring semester; increase tax rate to roll back rate (begin process in August); Complete process and conduct successful election for .05 Abilene Branch Maintenance Tax – will go to THECB meeting on July 27th; Title III and V grant opportunities – has been completed with McMurry University and will have an answer in September; develop business plans for new programs – enhancing our current programs as well; develop business plan to consider Bachelor of Arts in Applied Technology (BAT); and identify and resolve performance gaps. Regent Adams asked about the BAT degree and what it is. The BAT degree has a number of different concentrations to choose from. As of right now, the three universities in Abilene do not offer this degree.

A few current funding priorities of Cisco College include the website transition to a new vendor – the *iModules* contract will expire in February 2018, the taskforce will most likely select the new vendor in August with a cost projection of \$50,000; Abilene Branch Maintenance Tax Election and Marketing cost (use PAC); Campus Logic Program – improve the Financial Aid awarding process; Wrangler Band and Belles trip to Branson, Missouri (\$20,000 off set by trip fees participants and fundraising); Director of Marketing and Public Relations (use VP IE/Marketing salary); Zoom Technology Room – Cisco Campus (carpeting and paint); Workforce/Technology and Allied Health growth opportunities; planned improvements in Cosmetology; and building maintenance. President Dr. Anglin gave the floor to Audra Taylor, the College's Chief Financial Officer and Dean of Business Services, to present the budget materials.

Dean Taylor began addressing the board with her budget information. She informed the board that she will start first with the Revenue. Under Local Revenue (Fund 1) – page 3. Cisco Tuition and Fees at \$2,615,800 and page 5. Abilene Tuition and Fees at \$6,599,550, overall with the tuition and fees we decreased around \$109,000 including the lab fees; page 6. Ad Valorem Taxes \$832,000 – increasing this year to the rollback rate of 8% (which will give us \$60,000 more); page 8. Misc. Income at \$166,370 – this includes interest and gifts; page 9. Bookstore at

\$1,532,800; page 10. Cafeteria at \$640,000; page 11. Other Auxiliary at \$51,000. The total for Fund 1, Local Revenue, is \$12,437,520. Under Appropriation Revenue (Fund 2) – page 15. State Appropriations at \$4,988,509, Perkins Grant has not been made available yet; page 16. Misc. Income at \$1,000 for interest. The total for Fund 2, Appropriation Revenue, is \$4,989,509. Bond Revenue (Housing) Income (Fund 3) – page 17. Misc. Income at \$1,000 for interest; and page 18. Dorm Revenue at \$418,000 (the amount is based on the occupancy rate, budget is based on 83% filled). Regent Adams wants the College to work more towards having a realistic budget, not a conservative one. Grants and Aid Revenue (Fund 5) – page 20. Misc. Income at \$40,300; page 21. Other Auxiliary Income at \$2,500 (donations at football games); and page 22. Other Income at \$44,000. Total for Fund 5, Grants and Aid Revenue is \$86,800. Grand total of all Revenue is \$17,932,829.

Local Expenses (Fund 1) – page 25. Added \$20,000 for Band and Belles trip to Branson, trip will help with enrollment; page 29. Increased band uniforms by \$4,692 from wish-list, this will provide new uniform tops with the “CC” logo; page 32. Decreased Theatre budget by \$12,500, don’t have the number of students coming in; page 33. Increased Meat Judging by \$2,900, wish-list item; page 36. Benefits stayed the same; page 37-40. Cisco Maintenance increased by \$3,862; page 41. Abilene Maintenance reduced by \$16,040; page 42-43. Custodial reduced by \$7,301; page 44. Cisco Grounds reduced by \$8,000; page 45-47. Utilities stayed the same; Regents Adams and Cary had questions regarding page 44, why are repairs budgeted for \$5,000 and is it worth paying for the equipment repair? All questions were answered and the board will be informed when this year is over with how much was spent overall on Repairs; page 48. Texas work-study removed \$19,000 (revenue was also removed from page 12) Cisco College is not participating this year; page 49. Removed Overtime Contingency and reduced EPA compliance; page 51. Increased Athletic Insurance by \$37,841; page 52-58. Evaluated Athletic wish-list items and increased where necessary; page 60. Bookstore at \$1,333,399; page 61. Reduced Snack Bar purchases by \$7,000, looking at the menu items and Great Western is considering purchasing the snack bar; page 62. Cafeteria at \$635,000 (keeping an eye on quality and making sure the students are satisfied); page 63. Reduced transportation insurance by \$4,000; and page 64. Reduced telephone service by \$5,000. The total of Fund 1, Local Expenses, is \$7,104,583. Regent Cary asked about the maintenance budgets. Right now the main concern and priority is the roofing plans. At the August meeting the board will be provided with a Maintenance Project Plan. The priority of the money in the maintenance budgets are being changed. The board was informed that we outsource most of our maintenance projects, consider hiring a full-time plumber/electrician in the future.

Appropriation Expenses (Fund 2) – page 90. Begins the office budgets; page 95. Removed Dean of Admissions position \$55,000; page 97. Reduced Intramurals by \$8,849; page 105. Increased Cisco Security, wish-list item; page 107. Removed VP salary and increased Director salary (saved \$62,375); page 109. Added \$4,500 to Director salary; page 111. IT budget increased by \$40,000 for website software; page 118. Begins the faculty budgets, total adjunct/overload budgets decreased by a total of \$49,811 (many changes are taking place); page 124. Removed Cisco Art budget (saving \$9,151); page 136. Reduced fulltime faculty member to 3/5 contract (saving \$14,964); page 142. Removed one full-time Athletic Trainer (saving \$31,359); page 165. Added full-time Welding Professor; page 182. Reduced Biotech budget by \$28,627 (working on a plan for the future of Biotech); and page 194. Removed one full-time employee (saving \$26,715) will not be refilling position. The total of Fund 2, Appropriation Expenses is \$9,439,212.

Housing Expenses (Fund 3) – page 196-202, very few changes were made, the total of Fund 3 Expenses is \$151,350.

Grants and Aid Expenses (Fund 5) – pages 204-205, Athletic Scholarships and Activity Scholarships increased by \$37,900 because of the Tuition and Fee increases; Theatre Scholarships decreased due to the decrease in students; and Rodeo Scholarships increased due to the increase of students. The total of Fund 5 Expenses is \$1,125,550. Regent Adams asked questions regarding TPEG, if it can be used. Dean Taylor answered that TPEG is only used for Tuition and Fees.

Dean Taylor mentioned that there are currently two open positions that are on hold. They are Dean of Academic Support and Director of Workforce and Economic Development. These positions are in the budget but are not currently filled.

All of the above changes result in the proposed Surplus of \$107,634 for the 17-18 budget.

President Dr. Anglin moved to the last item on the agenda, Consider Recommendation of New Director of Marketing and Public Relations. Dr. Anglin recommended that the Board approve the appointment of Ms. Kaitlin Berry to serve in this role. Regent Adams moved and Regent Jarvis seconded, to approve the appointment of Ms. Kaitlin Berry to serve as the Director of Marketing and Public Relations. Motion passed 7 – 0, with Regent Whatley absent.

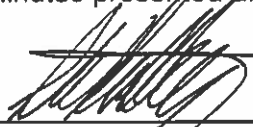
President Kimbrough announced that there was no need to convene into Closed Session.

The next meeting of the Board of Regents is the regular monthly meeting on Monday, July 10, 2017, at 7:00 p.m., same location.

President Kimbrough awaited a motion to adjourn. Regent Jarvis moved and Regent Wilcoxon seconded. Motion carried.

Meeting adjourned at 9:10 p.m.

Minutes presented and approved on the 10 day of July, 2017.



Ricky Whatley, Secretary
Board of Regents
Cisco College



Brad Kimbrough, President
Board of Regents
Cisco College