

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: COMMUNITY COLLEGE

DATE: APRIL 4, 2011

COMMITTEE MEMBERS PRESENT:

SUPERVISORS CHAMPAGNE

MCDEVITT

WOOD

COMMITTEE MEMBERS ABSENT:

SUPERVISORS MONROE

SOKOL

OTHERS PRESENT:

REPRESENTING ADIRONDACK COMMUNITY COLLEGE:

WILLIAM LONG, VICE PRESIDENT FOR ADMINISTRATIVE SERVICES

JOSEPH CUTSHALL-KING, VICE PRESIDENT, ACC FOUNDATION

KEVIN RIELLY, CHIEF FINANCIAL OFFICER

BRIAN DURANT, INTERIM VICE PRESIDENT FOR ACADEMIC AND STUDENT AFFAIRS

ANN MARIE SOMMA, DIRECTOR OF BUSINESS AFFAIRS

KAREN MOSHER, ADMINISTRATIVE ASSISTANT

DANIEL G. STEC, CHAIRMAN

PAUL DUSEK, COUNTY ATTORNEY/ADMINISTRATOR

JOAN SADY, CLERK OF THE BOARD

REPRESENTING WASHINGTON COUNTY:

KEVIN HAYES, ADMINISTRATOR

DEBRA PREHODA, CLERK OF THE BOARD

MEMBERS OF THE BOARD OF SUPERVISORS

JOANNE COLLINS, LEGISLATIVE OFFICE SPECIALIST

The joint meeting of Warren and Washington Counties Community College Committees was called to order at 1:10 p.m. in the Bishop Community Conference Center.

In the absence of Dr. Ronald Heacock, State University of New York (SUNY) Adirondack President, William Long, SUNY Adirondack Vice President for Administrative Services commenced the agenda review; a copy of the agenda is on file with the minutes. He summarized the list of capital projects currently underway, all funded by chargeback funds and related to health and safety, with the exception of the master plan. The list included the following:

- ▶ Fire Alarm Upgrade
- ▶ Elevator Upgrade
- ▶ Gymnasium Elevator
- ▶ Roof-Warren Hall
- ▶ Lighting-South Parking Lot
- ▶ Master Plan

Following an inquiry from Mr. Hayes regarding litigation pertaining to the Regional Higher Education Center (RHEC), Mr. Long stated that a surveying error for which the surveyor declined fiscal responsibility, had necessitated litigation, and a settlement with the surveyor had recently been reached. He explained that during the building preparation phase, a surveyor error had occurred for which the construction crew had not been made aware until the filling of the foundation. As a result, he said, the sewage system required work to correct gravity flow issues which included a special procedure thereby incurring additional costs. Mr. Long informed that the college would receive \$60,000 for which \$30,000 has been paid in cash with the balance due to be paid in May 2011. He said the settlement amount of \$60,000 was slightly under the actual cost; however, he said, it was a satisfactory figure. He noted that the RHEC was a source of revenue for the College.

Mr. Long noted he had been unable to reach Phyllis Cooper, Treasurer, to discuss chargebacks and Mr. Hayes stated he would assist to expedite the necessary follow through.

Mr. Long referenced the SUNY Adirondack Capital Expenditures Summary, which included two Construction Fund Projects: Technology Updates, Master Plan and Improvements; Dormitory Authority Projects which included the RHEC Construction; and Other: Banner Upgrade (10 year bonds), with a balance was \$1,097,293. He noted a reduction in State Aid of 6.1% or approximately \$400,000. The total reduction over two years including the aforementioned 6.1%, Mr. Long stated, totaled \$1.6 million.

Mr. Long pointed out that the amount of State Aid for full time enrollments (FTE) had decreased from \$2,675 to \$2,102, the rate dating to 2002. With State funding determined, Mr. Long stated that the internal budget process would commence and figures and “wish lists” were due from Management staff this month. After careful review, he explained, reductions would be implemented with a goal of approximately a 2.5% increase for expenses. Regarding contracts, Mr. Long informed that the support staff and faculty union contracts would expire in August 2011 and August 2012, respectively.

Brian Durant, Interim Vice President of Academic & Student Affairs reported that enrollment was down 3.5% for the Spring 2011 semester as compared to 2010, and had increased by 5% for the Fall 2010-2011 semester. He stated that he hoped for an overall increase of a couple of percent or level to the prior year. Moving forward, he said, projected enrollment was level at the present time.

Mr. Long advised of the goal to expand opportunities at the Wilton campus to increase enrollment from the Saratoga region. With reference to a study completed by a consultant, he noted the Wilton site was no longer visible from Interstate 87 due to the continued development of the area and he cited competition with Hudson Valley Community College (HVCC) whose Malta site was struggling for enrollment and had not offered liberal arts courses. He said the impact on the fund balance of lost chargebacks from Saratoga County had been computed over several years.

Regarding the budget, Mr. Long stated that tuition would be raised by 5% which increased the students portion to 50%. He said that layoffs for non-tenured faculty must be considered and he noted that reducing course offerings would also reduce revenue. Chargebacks were expected to decrease and reported a decrease from 1,990 for the prior academic year (2009-2010) to the current year's figure of 1,760, Mr. Long explained.

Mr. Champagne asked what impact that online courses had on the budget and Mr. Durant stated the development of online courses had evolved over several years and marketing was now necessary in order to attract distance learners via the increased accessibility and convenience that online courses offered. Another advantage, he stated, was the absence of the classroom space issue and noted that although there may not be a significant budget impact, the courses were student focused.

According to Mr. Long, preparation of the facilities Master Plan was well underway with the priority being the RHEC as it related to shifting nursing and other technical programs out of their current classrooms. He apprised that the college's science labs were inferior to those of the high schools and the expenditure of between \$20 and \$30 million would bring opportunities for the optimum use of space. He explained that the cost to upgrade the current labs would exceed the cost to adapt underutilized classroom space for long term benefits.

Addressing student housing, Mr. Long articulated that such expenses would not be derived from the operating budget and if the Board decided to move forward, a separate Limited Liability Corporation (LLC) or not-for-

profit would be set up for that purpose. He stated that ten proposals were received in response to the Request for Proposal (RFP) to build a 400 bed dormitory with a fitness center and satellite dining hall, estimated at \$20 million. He said that the review process had resulted in the selection of the two most viable proposals. Mr. Long informed that peer colleges with new student housing had reported an initial enrollment increase of 100 to 200 for the first several years with an increasing trend to attract out-of-county students by year two and beyond, and he underscored the positive impact on chargebacks. He said the proposal would be presented at the ACC Board of Trustee's April meeting and would include factors such as the return on investments, revenues, expenditures, and debt coverage. He informed of a Housing Committee meeting to be held on April 5, 2011 to select a vendor and seek specifications on the two selected proposals.

He reported that most problems related to housing applied to off-campus housing and he expressed how the addition of on-campus housing would change the face of SUNY Adirondack as it has done for other like colleges. He said all issues would be addressed such as, parking, campus roads, and noted that United States Department of Education Law stated that Community Colleges, SUNY, nor the State could fund housing. He expounded that over twenty college's had partnered with the Foundation or Faculty Student Association (FSA) to secure a loan to build housing. He said the Foundation and FSA had not yet been approached and explained there would be two separate loans for financing and construction, with the college to request the contractor to self-insure the construction contract. In order to best avoid problems or negative factors, Mr. Long stated that visits had been made to sister schools and noted that Herkimer Community College (HCC) had 600 beds and were adding an additional 150. He asserted that the Adirondack region offered far more attributes and had the strong potential to draw students from far reaching counties in addition to Saratoga County. Mr. Long stated that a third party consultant confirmed that an unusually high number of students living in the county preferred a residential college, and noted the cost of community college enrollment was still an average of \$2,000 per year less than that of college and university campuses. The competitive level, he said, has shifted from within the counties to the community colleges, especially those with residential facilities and noted that ACC was one of only a few sister colleges without housing. Mr. Long asserted that the issues that arise as a result of growth would be addressed in a manner consistent with success. One such problem, he said, was crime on campuses, which would be addressed with areas such as Security, Maintenance, Building & Grounds and Counseling and he informed of his analysis of the Clery (Campus Security Act) Reports which provides crime statistics on campus. Regarding additional staff, he said, the majority of new employees resulting from the expansion would be funded by housing revenue. Lastly, he added, banks were eager for this type of business and packaged loans in a manner consistent with attracting investors.

Mr. Champagne asked if chargebacks were received for construction on leased property and Mr. Long stated that a summary to include the data could be drafted for the Committee's perusal. He stated that other community colleges had signed a 99-year ground lease over to the new corporation (the college, contractor or developer were prohibited from holding the lease). Mr. McDevitt asked if the County would become legally responsible for the total indebtedness and Mr. Long stated the college would not hold such responsibility.

A discussion ensued.

Mr. Long recommended the review of the Economic Contribution of ACC's Executive Summary which was distributed to all Committee members, a copy of which is on file with the minutes. He noted the summary denoted the depth of outcomes resulting from the educational experience offered by SUNY Adirondack as it impacted both the local region and the State.

Regarding housing, Mr. McDevitt opined that the inclusion of enhanced amenities to attract students would have a positive result in terms of long term revenue. Mr. Long further noted the benefit of the SUNY Peer

Group to study financial and other outcomes. He noted that monies from the Industrial Development Agency (IDA) which offered a lower interest rate for bonds, may be available as was the case for almost all other community colleges.

Responding to an inquiry from Mr. McDevitt, Mr. Long apprised that Global Foundries had determined that liberal arts and technical degrees were of equal value to the goals of operation. Mr. Long apprised that without the addition of housing, the increasing tuition rate would cause a loss of enrollment to other states.

A short discussion ensued and Mr. Long stated that he anticipated that he would have additional information to present in June.

Privilege of the floor was extended to Joe Cutshall-King, President of the ACC Foundation, who announced the colleges 50th Anniversary Community Event scheduled to kick-off in the Fall of 2011, and to run until May 2013. The Kick-off event, he explained, would include a homecoming event on campus, the first in its history, scheduled for Saturday, September 17, 2011, from 8:00 a.m. to 2:00 p.m. The days' events would include a bike rally with three loops as follows: a 10 mile loop to Lake George with a stop at the Warren County Municipal Center; a 25 mile loop to the original site of the college's first classroom in Washington County; and a 50 mile loop to the Wilton Extension Center. He noted that each stop would include a water station and he would like to offer tours of the original classroom building in Washington County. He noted that booths at ACC would feature food at 1960's prices, music, various campus clubs and an alumni booth. He said the event's planning committee would hold a tent event on Friday, June 17th at 5:00 p.m. at the college and he urged Committee members from both counties to attend. He noted that Dr. Heacock would speak at the events and he asked for ideas and suggestions in advance from both counties. Additionally, he noted, there would be a vintage plane flyover, fireworks, and more events to be detailed as planning continued.

Mr. Cutshall-King informed of the Foundation's Gala event to be held on Saturday, October 8, 2011, with cocktail hour commencing at 5:30 p.m. at the Sagamore Resort. He noted the success of the three-year campaign for the RHEC and declared the Foundation must now direct its focus to the scholarship fund which elevated the Foundation in the public eye thereby bringing new donors. He said the evening would include dinner, a live orchestra, and live and silent auctions. Tickets for the black-tie optional event, he said, were \$150 each and noted that SUNY Chancellor Dr. Nancy Zimpher planned to attend and he hoped for the attendance of Governor Cuomo. He noted that Mark Mulholland, an ACC Alumni, would serve as the Master of Ceremonies, and he recognized Jill Vogel, Associate Administrator, for her work and dedication toward the fundraising effort. In concluding, Mr. Cutshall-King noted subsequent events such as a website to debut this summer, an historical exhibit made possible by donations from John Eisenhart, a traveling exhibit, lecture series, theater events and a book. He requested that a resolution be prepared from both counties in recognition and observation of the event. Mr. Long noted the resolution or proclamation would be needed prior to September 17, 2011 and he thanked the Committee for their interest.

As there was no further business to come before the Community College Committee, on motion by Mr. McDevitt and seconded by Ms. Wood, Mr. Champagne adjourned the meeting at 2:15 p.m.

Respectfully submitted,
Joanne Collins, Legislative Office Specialist