

**TACOMA COMMUNITY COLLEGE
BOARD OF TRUSTEES
6501 South 19th Street
Tacoma, WA 98466**

SPECIAL MEETING

**July 13, 2016, 4:00 p.m.
Building #12, College Room #120**

MINUTES

Board Members

Bob Ryan
Liz Dunbar
James Curtis

Administrators/Staff/Guests

Sheila Ruhland	Jill Merritt
Carroll Ferguson	Clay Krauss
Rachel Payne	Janice Stroh
Rick Brady, AAG	Dolores Haugen
Tim Gould	Greg Randall
Marty Brown	Will Howard
Mike Scroggins	Ohad Lowy
Mary Chikwinya	Debbi Olson
Beth Brooks	Patti Hermoso
Bill Ryberg	Kelley Sadler
Tod Treat	Shawn McRavin
Mike Goncharuk	Kim Smith
Kim Matison	Marybeth McCarthy

I. Call to Order

Chair **Ryan** called the meeting to order at 4:04 p.m.

II. Reports

A. Audited Financial Statements 2013-2014 and B. Audited Financial Statements 2014-2015

Vice President for Administrative Services, Tim Gould and **Director of Financial Services, Janice Stroh**, reported on the two sets of audited financial statements providing the following highlights:

- Both sets of financial statements received unqualified reports, (no major findings).
- One minor finding addressed how assets are qualified and this has been corrected.
- Minor finding of internal controls not being in place, but this has been improved.
- The complexity of statements making the job difficult is due to GASB (Government Accounting Standards Board) No. 68 which has to do with contributions and liabilities of the pension liability.
- Comment in report indicated we are understaffed for the complexities.

Chair **Ryan** asked what changes brought on the asset finding and Janice reported it was related to how improvements in Building #16 were classified.

Board member **Curtis** asked what procedures have been improved and Janice responded we are structuring assets differently and that all processes for reporting assets will be automated.

Chair **Ryan** inquired about the impact ctcLink will have on the 2015-2016 fiscal year. Janice reported a statement is included in the report as a footnote regarding the transition and potential impact to the college.

Chair **Ryan** inquired whether the Foundation financials were reviewed during the audit and Janice replied they were and there were no issues.

Board member **Dunbar** commended the college on positive findings, and President **Ruhland** commented that this was the first audit for many new staff and added to an already full plate, she was grateful for the hard work and commitment of the staff.

MOTION: Upon motion by board member **Curtis**, the Board unanimously approved the 2013-14 and 2014-15 audited financial statements as presented.

B. ctcLink Project

Vice President for Administrative Services, Tim Gould provided an update on the status of the ctcLink Project at TCC:

- The number one critical issue now is time – we are running out of time and are short of staff.
- The general ledger is not complete, there is no report for student financials, and both are consuming a great amount of man-hour time.
- Getting issues resolved with the help of the Ciber and SBCTC is also time consuming. It normally takes 3-5 days to do a monthly close. We are nowhere near that timeline.
- Payroll for both TCC and Spokane continue to have issues.
- OFM issued a closing date of July 22 for the general ledger which may require staff overtime in order to achieve.
- Board members asked questions concerning the closing date of which Tim was entirely certain of the state's process for allowing adjustments to be made after the closing date.

SBCTC Executive Director, Marty Brown and SBCTC IT Director, Mike Scroggins reported on the status of the ctcLink Project. Highlights from the report:

- Director **Brown** began by thanking Chair **Ryan** and President **Ruhland** for attending the recent SBCTC Board meeting. He apologized for the hardship the ctcLink Project has caused; no one anticipated the amount of problems. He does believe communication is getting better.
- Regarding the OFM closing date, Director **Brown** has requested a delay until July 30th to allow extra time to complete but has not received an answer yet. SBCTC has already submitted payroll on behalf of TCC and Spokane but that does not solve the current issue with the general ledger.
- The Go-Live date for the Wave One colleges has been delayed. Until the system is functioning properly there is no sense going forward. The earliest date would be the end of January 2017.
- The focus right now is on the general ledger and student financials.
- Chair **Ryan** asked if the fund accounting issue is a work-around and Director **Brown** replied the issue is that the software won't support fund accounting and they are developing a patch.
- IT Director **Scroggins** noted to be clear, regarding fund accounting, the system treats financials and student financials as two separate systems. They have written a work-around and it is currently being tested.
- Board member **Dunbar** asked for clarification about the system not supporting fund accounting and Chair **Ryan** commented when he and President **Ruhland** attended the SBCTC meeting in Wenatchee, it was mentioned over 4,000 colleges and universities nationwide are using PeopleSoft. He asked if this is done on a system-wide level such as Washington or is it at the local level. Director **Brown** responded that most are at the local level and also most are using work-arounds on the fund accounting. IT Director **Scroggins** commented that we are implementing three systems at one time and this is fairly unique.

- Board member **Curtis** asked about the ctcLink project budget. Director **Brown** reported the project is approximately \$7M over budget at this time and the legislature has authorized funds to cover. He has attended several hearings and meetings with the legislature regarding costs.
- Board member **Curtis** asked if work was being done with the Wave One schools and Director **Brown** responded they are receiving some training but the focus is on first-link colleges.
- Board member **Dunbar** noted that TCC has identified additional costs associated with Go-Live and asked if those costs are included in the cost overrun. Director **Brown** responded the costs are being reviewed to determine if reimbursements will be made.
- Nine additional financial analysts are being hired to focus on helping only TCC and Spokane. A challenge has been getting knowledge transferred to the production team. They have made some personnel structure changes based on what they have learned from this process.
- Director **Brown** acknowledged the work Director of Financial Services, **Janice Stroh** and her team have done and are appreciative of their hard work and dedication to the project.
- President **Ruhland** noted it is not looking promising we will have a budget to present to the board in August and we are starting our second year unable to purchase what is required to meet the needs of students and staff. It is difficult looking at starting another year without a budget and the uncertainty is causing low morale on campus. She acknowledged that the SBCTC recognizes the problem.
- Chair **Ryan** asked if the First Link standard of accounting has been accepted by everyone and Director **Brown** reported yes, the basic format for the general ledger has been agreed upon.
- Board member **Curtis** asked, "Looking back, what have you learned and what changes have you made to improve the process?" Director **Brown** responded communications between stakeholders was poor and has been improved; the realization to add functional analysts; and the effect of problems and not being able to move forward were huge lessons learned. IT Director **Scroggins** noted there has been a 40-45% turnover in staff so many who made decisions to convert have gone. Most of the project staff were steeped in Legacy and it has been difficult for them to transition. The hardest area hit was staffing in financials at both SBCTC and Ciber. He also noted the system really owes TCC and Spokane a gratitude of thanks and they are using what we have learned to train the other colleges.
- Board member **Dunbar** stated she appreciates the recognition TCC staff is getting for what they have done. Director **Brown** noted the two college presidents did a good job presenting the conversion information. Board member **Dunbar** commented that we have done all the painful work.
- Chair **Ryan** thanked Director **Brown** and IT Director **Scroggins** for meeting with the board and acknowledging all the work the college has done.

III. Action Items

- A. Approve: New Degree: Associate in Music

MOTION: Upon motion by Board member **Curtis** the Board unanimously approved the New Degree: Associate in Music.

- B. Approve: Change in Degree Title – Associate in Arts & Sciences to Associate in Arts

MOTION: Upon motion by Board member **Dunbar** the Board unanimously approved the Change in Degree Title – Associate in Arts & Sciences to Associate in Arts.

- C. Approve: Revisions to Policy IV.ADSV-500-Acceptable Use

MOTION: Upon motion by Board member **Dunbar** the Board unanimously approved the Revisions to Policy IV. ADSV-500 – Acceptable Use.

D. Approve: Adoption of Policy – Weapons Free Campus

MOTION: Upon motion by Board member **Curtis** the Board unanimously approved the Adoption of Policy – Weapons Free Campus

E. Approve: Compensation Changes 2016-2017

Vice President for Administrative Services, Tim Gould provided information about the proposed 1.8% general salary increase for all employees, effective July 1, 2016 as provided in the 2015-2017 Omnibus Appropriations Action.

For Classified Staff, the WFSE and WPEA unions bargained with the Governor's office and their 1.8% general salary increase is part of their Negotiated Agreement. No Board action is needed to implement the salary increase for July 1, 2016. The same is true for the Exempt (represented) group.

For Faculty, per their faculty negotiated agreement, salary increases must be bargained between the faculty union and the college's chief negotiator.

For Exempt (non-represented) board action is needed to authorize the president to provide the 1.8% general salary increase.

MOTION: Upon motion by Board member **Dunbar** the Board unanimously authorizes the college's chief negotiator to bargain up to 1.8% general salary increase for full and part-time faculty.

MOTION: Upon motion by Board member **Dunbar** the Board unanimously authorizes the President to provide a 1.8% general salary increase for non-represented exempt employees.

F. Approve: 2015-2016 Faculty Increments

Vice President for Administrative Services, Tim Gould provided information about the proposed faculty increments earned in 2015-2016. Provisions of the 2015-2017 Omnibus Appropriations Act authorizes colleges to fund faculty increments using turnover saving and "local resources" for the 2015-2017 biennium.

The 2015-2016 earned faculty increments is estimated to be \$110,000. Per the faculty negotiated agreement, increments must be bargained with the faculty union.

MOTION: Upon motion by Board member **Curtis** the Board unanimously authorizes the college's chief negotiator to bargain up to value of the earned 2015-2016 faculty increments to be paid in 2016-2017.

G. Approve: Moore vs. HCA Settlement

Vice President for Administrative Services, Tim Gould provided background information on the Moore vs. HCA Settlement with the state of Washington. \$13 million of the \$32 million total settlement is being paid by the Washington State community and technical colleges. A schedule showing each schools share of the liability was provided to the board for review. TCC's portion is \$696,340. Any request to use funds from the Operating Reserves in excess of \$50,000 must be submitted to the board for approval. The \$696,340 must be submitted to the SBCTC by July 15, 2016.

MOTION: Upon motion by Board member **Dunbar** the Board unanimously approved the payment from Operating Reserves in the amount of \$696,340 to cover TCC's portion of the Moore v. HCA Settlement.

IV. President's Report (page 16)

President **Ruhland** provided the following report:

- All events will be moved into an Outlook calendar and Board member iPads will be available in September.
- President **Ruhland** reported on a very good meeting with Goodwill Industries and stated we are fortunate to have such a good partnership. TCC Dean for Health, Business and Professional Services, **Krista Fox** will take the lead on this partnership.
- There is a new CEO at Pierce Transit and there is a project to work on student bus passes. They also own land in Gig Harbor that they wanted to know if we were interested in purchasing but because it is not located conveniently to the Gig Harbor Campus, TCC has no interest.
- President **Ruhland** inquired about changing the dates for the January 2017 Board retreat from the 20th to the 13th to accommodate Board member travel plans. Chair **Ryan**, board members **Curtis** and **Dunbar** were agreeable. Board members **Dennis** and **Adams** will be queried.

V. Public Comment/Remarks

None

VI. Executive Session

At 5:21 p.m. Chair **Ryan** announced that the Board would adjourn into Executive Session for approximately 15 minutes for consultation with legal counsel on potential agency litigation. The meeting reconvened into open session at 5:36. Chair **Ryan** announced the board would reconvene into Executive Session for approximately 20 minutes to continue discussion.

At 5:57 p.m. Chair **Ryan** adjourned the executive session and reconvened the Board meeting.

VII. Board Action as a Result of Executive Session

None

VIII. Adjournment

There being no further business, the meeting was adjourned at 5:58 p.m.



Robert Ryan, Chair