Minutes
Greenville Technical College Area Commission
Barton Campus
Administration Building (123)
Executive Board Room

November 18, 2015

Members Present: David Stafford, Burke Royster, Kenneth Southerlin, Ray Lattimore, Ray Martin, James Blakely, Dean Jones, Paul Batson, Coleman Shouse, Keith Smith, Hunter Howard, Jo Watson Hackl

Members Absent: Burke Royster

Staff Present: Keith Miller, Jacqui DiMaggio, Lenna Young, Cynthia Eason, Matteel Jones, Wendy Walden, Becky Mann, Susan Jones, Lauren Simer, Bob Howard, Susan Hoag, David Clayton, Joshua Friesen, Les Gardner

Guests: Les Gardner
Keith Munson, Board Attorney
Steve Burry, State Tech Board
Hannah Hallock, EMSI (via conference call)
Anna Brown, EMSI (via conference call)

Call to Order and Welcome

Chair Stafford called the meeting to order at 12:14 p.m. and welcomed board members, staff members, and visitors. Chair Stafford announced that in accordance with the Freedom of Information Act, the press had been notified of the meeting, but no press members were in attendance. Chair Stafford acknowledged that the Commission minutes and agenda were posted on the GTC website. Chair Stafford also acknowledged that a quorum of Board members was present.

Chair Stafford welcomed Mr. Burry who represents GTC on the State Tech board.

Chair Stafford also welcomed the two new Area Commissioners, Ms. Jo Watson Hackl and Mr. Hunter Howard.
Ms. Hackl has lived in Greenville County for 26 years where she is a corporate and securities attorney with the Wyche law firm. Ms. Hackl is also a founding mentor for the MIT NEXT Venture startup, and enjoys writing where her first book will be published fall 2017. Ms. Hackl has held a number of distinguished positions on various boards and organizations and has many distinguished awards to her credit. Ms. Hackl has a passion for education and is excited to serve on the GTC Area Commission board.

Mr. Howard was born and raised in Greenville where he is a retired CPA. Mr. Howard also served in the legislature, served as Chairman of the SC Tax Commission, Special Assistant to the Deputy Commissioner of the IRS, President/CEO of the South Carolina Chamber of Commerce where he retired, moved back to the Upstate and opened an assisted living/retirement facility. Mr. Howard has received many distinguished honors and awards during his career. Mr. Howard is honored to serve on the GTC Area Commission board.

Chair Stafford opened with the following information:

- The board will honor Ms. Jennie Johnson at the December board meeting for her years of service on the Area Commission board.

- Referenced the committee membership list that was included in the board packet and asked board members to contact him directly after the meeting if any changes were necessary.

- The December 9, 2015 board meeting will be a joint meeting with County Council and the legislative delegation. The meeting will be at McAlister Square at 11:00 a.m.

Approval of September 16, 2015 Minutes

Mr. Southerlin made a motion to approve the September 16, 2015 minutes. Mr. Blakely seconded the motion. The motion carried.

Approval of the 2016 Board Meeting Calendar

Mr. Batson made a motion to approve the 2016 board meeting calendar. Mr. Shouse seconded the motion. The motion carried.

Financial Report

Year-to-date revenues for the first four months of the fiscal year are slightly below the year-to-date budget and the prior year actual. The most significant variances are:

Student revenues are approximately 5.0% below the prior year and 1% below the budgeted revenues. Registration for spring term began in October. Due to some
changes in the new student orientation process with smaller orientation sessions, the college was able to solve a $1.8 million decrease in October revenues for curriculum and tuition. As of yesterday, the college has $3.5 million for November versus last November of $4.0 million. An increase is being seen as more of those students go through the smaller orientation sessions.

**County revenues** are approximately $5,000 over the budget and $24,000 over the prior year. The majority of the college revenues are received between January and March when people pay their tax bills. The college will start seeing a bigger influx of cash in December but primarily in January and February.

**State appropriations** – The college did receive some additional state appropriations in November, but the college is waiting to see how much money the state will contribute toward the mandatory bonuses. This may result in bringing an adjusted budget back to the board.

**Auxiliary Services revenue** is slightly above the budgeted amount and the prior year actual but as expected.

**Other revenue** is above the budget and the prior year actual. The college has interest revenues in the Child Development Center, in rental income, and in testing fees.

Expenses are slightly above the budget and 1% above the prior year actual. Variances are expected this early in the fiscal year. The most significant variances are:

**Student Support** is below the budget and significantly above the prior year because the college has increased the retention and recruiting efforts, and the college is starting to see the full positive impact of bringing in Greenwood Hall, the call center hired by the college to answer phone calls and field student questions. The services received by Greenwood Hall have been excellent with a lot of positive feedback from students.

**Operation and Plant Maintenance** is above the budget and the prior year actual based primarily on timing of invoices.

**Administrative and General expenses** are below the budget and the prior year actual. There were some marketing expenditures in the prior year and some significant compensated absences paid out earlier in the year.

**Technology expenditures** are above the budget and the prior year because of the recognition of prepaid expenses for licensing fees earlier in the fiscal year.

**Auxiliary Services expenditures** are above the budget and the prior year actual because the college is wrapping up for the spring semester.
**Capital expenditures** are below the budget and the prior year actual. Capital expenditures are only being made from the operating budget for essential purchases. The college is expending all available grant funds first to cover expenditures. The college will start the purchasing process for the significant planned expenditures to equip CMI the first quarter of 2016.

Mr. Batson asked if the college will be able to accrue the current year allocation from the big adjustment on the pension. Ms. DiMaggio responded that the college will not be able to accrue because the college will not know that figure until later on in the year.

Chair Stafford asked if the CMI debt is the debt service line item. Ms. DiMaggio responded that the debt service line item is part CMI debt and part unfunded debt related to McAlister Square. There are also other debt service items not reflected on this line item that are covered in full by county revenues.

Chair Stafford asked if the college is seeing any of the anticipated return on investment from the increased support of the college’s thrust in marketing and better student support. Ms. DiMaggio responded that based on conversations with other technical colleges in the state, GTC’s enrollment decrease is significantly lower than other technical colleges and accredits this to the increased recruiting and retention efforts.

**Building & Grounds Committee**

**Expenditure of Funds for the Bridge on Millennium Drive** – On behalf of the Building & Grounds Committee, Mr. Shouse made a motion that the board authorize a change order to the contract for the Center for Manufacturing Innovation for the purpose of constructing an entrance gateway from Millennium Drive. The change order is not to exceed $1.6 million.

Chairman Shouse presented the overview of the areas and pricing of the Gateway Entrance construction at the CMI building on the Enterprise Campus. A donor has given a gift to contribute to the cost of the construction of Gateway Entrance. The costs of the signage and matching extension of the wall is included in the budget. The largest cost will be a culvert that must be placed under the entrance driveway as required by the Corp of Engineers’ Office in order to allow a “blue line” stream to continue its established flow path once the pond has been removed from the property.

Plans are to build the Gateway Entrance as the construction of the building progresses depending on the timing of an approval from the Corps of Engineers. Prices are from contractors already engaged on the job and appear fair. There is a possibility of a reduction in some of the costs depending on the results from Corp of Engineers to the college’s application. The working budget is currently $1.6 million which includes the monetary gift from a donor, an approved allocation from the State for the CMI project and a small portion from this year’s college plant fund if needed.
Ms. Hackl asked if the contract will be fixed price when renegotiating. Mr. Shouse responded that the same contractor will be used and try to achieve, depending on Corp, to get the entrance done simultaneously with the finish of the building. There are no new mobilization charges, and the college will not be paying for any expedited fees.

There being no other questions, the motion passed unanimously.

**President’s Report**

Dr. Miller asked his executive leadership team to introduce themselves to the new board members.

Ms. Eason introduced Mr. David Clayton, the new Executive Director for the Center for Manufacturing Innovation. Mr. Clayton comes to the college from the SC Department of Commerce where he was Research Director reporting to Secretary of Commerce Bobby Hitt. Mr. Clayton has worked in manufacturing as a combustion engineer at GE Greenville and Westinghouse Columbia. Mr. Clayton has a bachelor’s degree from Clemson University and an IMBA from Darla Moore School of Business in Columbia. Mr. Clayton extended an open invitation to talk with any board member at any time about his vision for CMI. Mr. Clayton looks forward to hosting the September board meeting at the new CMI campus.

**Economic Impact Report** – Dr. Miller addressed the executive summary that was distributed earlier, *The Economic Value of Greenville Technical College*. A study was done as a collaboration of GTC’s research and grants department and Economic Modeling Specialists International (EMSI). EMSI is a leading provider of economic impact studies and labor market data to educational institutions, workforce planners, and regional developers in the U.S. and internationally. The purpose of the study was to investigate the economic impacts created by GTC on the business community and Greenville County and the benefits that the college generates in return for the investments made by its key stakeholder groups – students, taxpayers, and society.

Ms. Simer stated that the full report contains an in-depth analysis, an in-depth explanation of the methodologies and tools used, and four one page detailed fact sheets, i.e. student perspective, taxpayer perspective, social perspective, and summary. The full report also provides a PR packet that provides the college with what to do with the information. There is also a very detailed program for how the information will be rolled out to the college and the service community with the help of GTC’s marketing department that will be a valuable tool for GTC and recruiting efforts.

Ms. Simer introduced Ms. Hannah Hallock, Economist with EMSI, who walked the board through the executive summary via conference call explaining how the information was derived and what the information means. Ms. Hallock introduced Ms. Anna Brown who joined the conference call also.
The two components used for the analysis were the economic impact analysis and the investment analysis. The economic impact analysis results were measured in terms of gross regional product (GRP) and organized according to the impact of college operations; impact of the spending of students who relocated to the county and students who remained in Greenville County to attend GTC; and impact of the increased productivity of alumni that were employed in the county workforce during the analysis year.

Data and assumptions used in the study were based on several sources, including the FY 2012-13 academic and financial reports from the college, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of EMSI’s Social Accounting Matrix (SAM) model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of investment effectiveness and economic impact.

Per the board’s request, Ms. Simer will email the full report to the board.

Mr. Batson asked if the full report provides a comparison how GTC rates among peer groups. Ms. Simer responded that the report does not provide such a comparison because EMSI does not look at entities outside of the one being studied as there would be no value added to comparison outside of the service area, in this case, Greenville County.

Dr. Miller stated this study will be shared with County Council and the legislative delegation at the joint meeting in December.

Audit Committee

Mr. Batson reported there are no action items. The committee met this morning. There is an active internal audit function that is continuing and is good for the institution. Mr. Batson stated that the college is very much on top of its risk management.

The committee is also specifically addressing the safety of employees with active training on how to handle if someone invades the college's classrooms and/or offices.

Old and New Business

- Mr. Batson reminded the board of the SCATCC Commissioners’ Academy on December 19, 2015 in Columbia from 9:00 a.m. to 4:00 p.m. and strongly encouraged all commissioners to attend.

A motion was made by Mr. Blakely to adjourn. The motion was seconded by Mr. Lattimore.
The meeting adjourned at 1:12 p.m.
## 2016 Area Commission Calendar

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<th>Date</th>
<th>Meeting</th>
<th>Location</th>
<th>Time</th>
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<tbody>
<tr>
<td>January 20, 2016</td>
<td>Regular Board Meeting - Strategic Plan Update</td>
<td>Brashier Campus</td>
<td>12:00 Noon</td>
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<tr>
<td>February 17, 2016</td>
<td>Board Retreat</td>
<td>Commerce Club</td>
<td>9:00 – 2:00 p.m.</td>
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<td>March 16, 2016</td>
<td>Optional</td>
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<tr>
<td>April 20, 2016</td>
<td>Regular Board Meeting - Tuition Recommendation - Strategic Plan Update</td>
<td>McKinney Automotive</td>
<td>12:00 Noon</td>
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<td>May 18, 2016</td>
<td>Regular Board Meeting</td>
<td>Barton Campus</td>
<td>12:00 Noon</td>
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<tr>
<td>June 15, 2016</td>
<td>Regular Board Meeting - Adopt Proposed Budget - Final Approval of the New Institutional Objectives</td>
<td>Barton Campus</td>
<td>12:00 Noon</td>
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<td>August 17, 2016</td>
<td>Regular Board Meeting</td>
<td>Benson Campus</td>
<td>12:00 Noon</td>
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<td>September 21, 2016</td>
<td>Regular Board Meeting</td>
<td>Barton Campus</td>
<td>12:00 Noon</td>
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<tr>
<td>October 19, 2016</td>
<td>Regular Board Meeting</td>
<td>Barton Campus</td>
<td>12:00 Noon</td>
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<tr>
<td>November 16, 2016</td>
<td>Regular Board Meeting</td>
<td>Northwest Campus</td>
<td>12:00 Noon</td>
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<tr>
<td>December 14, 2016</td>
<td>Joint County Council / Legislative Delegation</td>
<td>McAlister Square</td>
<td>11:00 a.m.</td>
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# 2016 Enterprise Campus Authority Board Calendar

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