

**Name: Luzerne County Community College Board of Trustees Board Meeting**

**Date: Tuesday, December 22, 2020**

**Time: 6:00 PM**

**Location: Luzerne County Community College, Educational Conference Center, Nanticoke PA and Zoom Link**

AGENDA ITEM	NOTES	ACTION TAKEN/FOLLOW UP ACTION NEEDED
	<i>Lynn Distasio, Board Chair, reminded the Board that if a member of the Board is unable to participate in any part of the virtual Board meeting after the initial roll call is taken, it is the responsibility of the Board member to notify the Board Chair immediately before leaving the meeting.</i>	
<b>Pledge of Allegiance</b>	Meeting opened with the Pledge of Allegiance.	
<b>1. Roll Call</b>	<u>Present:</u> Joan M. Blewitt, Ph.D.; George Brown, James Dennis; Lynn M. Distasio, Board Chair; Holly A. Evanoski; Bernard W. Graham, Ph.D., Secretary; Paul Halesy; Erin K. Keating, ED.D.; Catherine R. O'Donnell, Esq.; August Piazza; Daniel C. Rodgers; Anthony Seiwel; Susan E. Unvarsky, Vice Chair; Brian Stahl Esq., College Solicitor. <u>Excused:</u> Joseph Lettiere; David James Usavage	
	<i>Lynn Distasio, Board Chair, reported an Executive Session was held prior to the start of the Board meeting to discuss personnel and litigation issues.</i>	
<b>2. Approval of October 27, 2020, Board Minutes</b>	2. Lynn Distasio, Board Chair, recommended approval of the minutes of the October 27, 2020, Board meeting.	2. Approved. Motion made by Catherine O'Donnell, Esq.; seconded by August Piazza. Vote was all "yes". Motion carried.
<b>3. Approval of December 22, 2020 Board Agenda</b>	3. Lynn Distasio, Board Chair, recommended approval of the December 22, 2020 Board agenda as presented.	3. Approved. Motion made by Joan M. Blewitt, Ph.D.; seconded by Holly Evanoski. Vote was all "yes". Motion carried.



	<p>Mr. Strauss stated Accounting Estimates should be based on the best available information and should be a faithful representation of allowance for doubtful accounts, self-funded health insurance liability, net pension liability, and post-employment benefits. A review of the actuary information for those estimates and then reviewed the population and trends as well. It was noted there were no difficulties encountered when performing the audit and no disagreements with the management.</p> <p>Mr. Strauss stated the results of the Independent Auditors was an Unmodified Opinion which means it is the best opinion you can receive. Agreed-Upon Procedures Report: This form is sent to the Department of Education and there were no exceptions during testing.</p> <p>Statement of Net Positions: Non-Current assets increased due to the sale of radio frequencies was \$3 million. \$1.5 million cash received during the year 2020 and another \$1.5 in receivable in 2021 as well as the \$2.6 million in HEER funds.</p> <p>Non-Current are fixed assets increased in the current year. The Deferred Outflow deals with the pension plans and fluctuate greatly year over year and taken directly from the actuary evaluations.</p> <p>The Non-Current Liabilities increased by \$2.6 million – the majority of this is from the HEERF funding. College received \$3.2 million from the CARES Act funding. The College recognized \$500,000 and the remaining funds is in unearned revenue which is a current liability and will be recognized in 2021.</p> <p>Non-Current liabilities deals with the SERS Liability Pension Plan Deferred Inflow of Resources deals with the Pension Plan which increased based on the actuarial evaluation. Statement of Revenue and Expenses and Change in Net Position –all income and expenses. Total revenue of the College decreased \$1.2 million. Tuition and fees</p>	
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	<p>have been relatively stable year over year. The Bookstore was outsourced to a third party and therefore, the auxiliary revenue decreased by \$1.3 million.</p> <p>Non-Operating Revenue had an increase due to the sale of the radio frequencies. All of the other revenues were stable. This year the College had a net position of \$170,000. This is a result of the sale of the sale of the radio frequencies and in future years that will not happen again.</p> <p>Accounts Receivable – Total student receivables in 2020 were \$9.7 million as compared to 2019 of \$8.8 million. Allowance for doubtful accounts increased. As the amounts owed to the College age, allowance is greater. Allowance percentage between 7% and 100% based on type receivable as well as age of receivable. College policy is to keep all bad debt on the books since 2011. It is all based on policy.</p> <p>Mr. Strauss stated last year there was management letter comment regarding monitoring outstanding student receivables is no management letter comment – and individual was hired to review outstanding student accounts in addition there is a new \$500 limit to outstanding balances. Mr. Strauss presented A/R comparisons in the state of Pennsylvania. Luzerne is not out of the norm. Bad debt as a percentage of revenue – on par with other community colleges with similar student population and demographics.</p> <p>Health Insurance -LCCC is self-insured up to \$150,000 per individual, current expense is \$6.8 million vs. prior year \$6.7 million; Incurred but not yet received (IBNR) \$480,000 vs prior year \$633,000; major health events in the current year offset lower utilization during the pandemic.</p> <p>Information Technology Review – Review of employee’s access to the network, Ellucian (accounting system), and ADP. Additional</p>	
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	<p>questionnaire used in the current year due to remote working environment. One best practice suggestion in the management letter was to ensure that there is a segregation of duties between IT processes. Mr. Strauss noted one individual was approving access to the data, provisioning that access as well as reviewing the access. The suggestion was to approve two of the three and recommended the provisioning be left to a separate entity.</p> <p>GASB No. 89 - Accounting for interest costs incurred before the end of a construction period effective for College's June 30, 2021 financial statements. If the College were to have any construction in the current year, they have simplified accounting for interest cost incurred before the end of a construction period.</p> <p>GASB No. 87 Leases – Effective for College's June 30, 2022 financial statements – improving accounting and financial reporting for leases by governments.</p> <p>GASB No.96 Subscription based information technology arrangements effective June 30, 2023 financial statement providing guidance on subscription-based information technology arrangements.</p> <p>Lisa Ritter, Partner, MaherDuessel, stated it was an unmodified opinion with positive financial results, completion was on time, staff was ready, records were in good shape when received. It was a very positive year to recognize your staff did well and financial results were better this year.</p> <p>Susan E. Unvarsky, Vice Chair and Chair of the LCCC Board of Trustees Finance Committee, thanked Lisa Ritter and Shawn Strauss for their help and echoed congratulations to Vice President Cheryl Baur, Bob Linskey, Director of Accounting and the rest of the Finance team, for the phenomenal work they have done, noting this is a great outcome at the end of the year.</p>	
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Foundation Report

Rebecca Brominski, Executive Director, Institutional Advancement, provided an update on the Fundraising accomplishments as we end 2020.

In a year like no other with the generosity of our donors and community friends, the Foundation was able to establish 4 new endowed scholarships totaling \$40,000, 3 new donors pledged to endow \$40,000, 6 new annual scholarships were established totaling \$16,500. The first ever Virtual Scholarship celebration raised \$61,500.

The Foundation received EITC funds in the amount of \$27,000 which will support our Early College program and STEM Summer Camps. . In addition, a small fundraising campaign for the Shulman Gallery raised about \$5000 for renovations.

In total, \$190,000 was raised in a year that looked very different for fundraising and we look forward to supporting our students with additional scholarships to support student initiatives.

In addition, the foundation will begin to distribute the second installment scholarships to over 300 students pending grades and donor criteria confirmation.

Lastly, the Schulman Gallery renovations are complete thanks to the generosity of the Friends of the Schulman Gallery. The first exhibit of the year will be a virtual faculty and alumni show which will go live on January 29 with 123 submissions.

The Foundation looks forward to 2021 and kick off our new campaign in January.

At this time, Mrs. Brominski extended her thanks and appreciation to Trustees for their continued support and best wishes for a happy and health holiday and a great 2021.

<b>5. Report of the Executive Committee</b>	Lynn Distasio, Board Chair, presented the following Executive Committee report.	
5A. Modified Spring 2021 Academic Calendar  5B. LCCC Association of Higher Education- PSEA/NEA Contract Extension	5A. Recommend the Luzerne County Community College Board of Trustees approve the revised Spring 2021 Academic Calendar.  5B. Recommend the Luzerne County Community College Board of Trustees ratify a two-year extension of the LCCC Association of Higher Education-PSEA/NEA contract and a new memorandum of agreement concerning health care. The two-year contract begins retroactively from September 1, 2020 through August 31, 2022.	5A. Approved. Motion made to ratify and reaffirm Board poll vote by Susan E. Unvarsky, Vice Chair; seconded by James Dennis.  Vote was all “yes”. Motion carried.  5B. Approved. Motion made by Anthony Seiwell; seconded by Bernard Graham, Ph.D., Secretary.  Vote was all “yes”. Motion carried.
<b>6. Report of the Academic Committee</b>	6. Bernard W. Graham, Ph.D., Chair, LCCC Academic Committee, presented the Academic Committee report.	
6A. Approval, Fitness Center Usage Policy	6A. Recommend the Luzerne County Community College Board of Trustees approve the revised Fitness Center Usage Policy. There was only one minor adjustment and that was to allow third party contractors working 15 hours or more to use the facility.	6A. Approved. Motion made by Joan M. Blewitt, Ph.D.; seconded by Catherine O’Donnell, Esq.  Vote was all “yes”. Motion carried.
<b>7. Report of the Finance Committee</b>	7. Susan E. Unvarsky, Chair, LCCC Finance Committee, presented the following Finance Committee report.	
7A Recommendation to approve Bid # 493 for GEER Funding Classroom Equipment	7A. Recommend Luzerne County Community College Board of Trustees approve the award of Bid # 493 in the amount of \$161,845.81 to the following vendors:  Section A – CDW-G for Smartboards & Classroom Support Equipment in the amount of \$129,982.32; Section B – CDW-G for Video Conferencing Equipment in the amount of \$24,109.40; and, Section C - IntegraONE for Miscellaneous in the amount of \$7,754.09.  The total amount for sections A through C is \$161,845.81.	7A. Approved. Motion made Joan M. Blewitt, Ph.D; seconded by James Dennis.  Vote was all “yes”. Motion carried.

7. Finance Action Items (continued)		
7B. Recommendation to Approve the revised Tuition and Fees Refund Policy	7B. Recommend the Luzerne County Community College Board of Trustees approve the revised Tuition and Fees Refund Policy	7B. Approved. Motion made by George Brown; seconded by Holly Evanski.  Vote was all "yes". Motion carried.
8. Report of the Human Resources Committee	8. Paul Halesey, Chair, LCCC Human Resources Committee stated there were no action items to report at this time.	
9. Report of the Legislative Committee	9. Lynn Distasio, Board Chair, stated there were no action items to report.	
	<b><u>Informational Items</u></b>	
1. Public Comments	1. No comments.	1.N/A
2.Unfinished Business-Previous Meeting	2.N/A	2. No action required.
3.Informational-Executive Committee	3. N/A	3. No action required.
4.Informational- Human Resources Committee	4. Board Chair Distasio noted the Information on appointments and leave reports are included with the Board agenda.	4. No action required.
5. Communications	5. All communications were included in the Board packets.	5. No action required.
6.Adjournment	6. Board Chair Lynn Distasio expressed her holiday wishes to the Board of Trustees, President Leary, administration, faculty and staff and students, wish everyone a happy and blessed holiday season  Board Chair Distasio stated, as we look forward to the new year, we have survived a very tough year and our lives have changed a lot but we have accomplished so much. Board Chair stated, most importantly, she wanted to express gratitude to the President's	6. Motion made Catherine O'Donnell, Esq.; seconded by August J. Piazza.  Vote was all "yes". Motion carried

	<p>Leadership team - they have done an outstanding job keeping everything moving for us, to the faculty and support staff for your persistence in keeping our students as your priority. Your continuous effort that you have given to safety, student outcomes, policy development, updates with progress on Middle States has been really positive to keep us in touch with. To be able to keep in touch with our students is commendable, to keep communication open to our students through these times.</p> <p>Our teamwork has been difficult the last few months, but that continued focus has always remained - what is best for our students and our community. Board Chair Distasio stated never once this past year has she seen frustration or concern about how things aren't working but more about how things are working and how they can make it better. Board Chair Distasio commended President Leary and the President's Leadership Team, noting at every meeting she has had - their focus has been how we can make it better. This is an extremely positive attitude that has been portrayed to our community and students.</p> <p>As we enter 2021 I see a light of hope that our community will begin heal from medical complexity of COVID from the racial inequality of society and with time all wounds heal and a stronger and better community will come.</p> <p>To each Board member, Board Chair Distasio stated she is honored to have the ability to work with you, thankful for your support and all the volunteer time you have contributed and for everything you have done to support the College and students of Luzerne County Community College.</p> <p>Board Chair Distasio asked for a motion to adjourn.</p>	
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