

MINUTES OF THE BOARD OF TRUSTEES OF LARAMIE COUNTY COMMUNITY COLLEGE DISTRICT BOARD RETREAT, STATE OF WYOMING, HELD JANUARY 26, 2018, PETERSEN BOARD ROOM, ADMINISTRATION BUILDING, LARAMIE COUNTY COMMUNITY COLLEGE

Board Present: Board Chairman Bradley S. Barker, III, Vice Chairman Carol Merrell, Treasurer Don Erickson, Secretary, Wendy J. Soto, Trustees Jess E. Ketcham, Brenda Lyttle, and Bob Salazar, and ACC Ex Officio Trustee Butch Keadle

Board Excused: Student Ex Officio Trustee Derek Goldfuss

Staff Present: President Joe Schaffer, Vice Presidents Clark Harris, Judy Hay, and Rick Johnson, Associate Vice Presidents Brady Hammond and Lisa Trimble; Staff Member Brynn Elliott, and Legal Counsel Tara Nethercott

Visitors: None

1. CALL TO ORDER – Board Chairman Bradley Barker

Board Chairman Bradley Barker called to order the January 26, 2018, Board Retreat of the Laramie County Community College District Board of Trustees at 12:16 p.m.

2. DISCUSSION ITEMS – Board Chairman Bradley Barker

A. [Board Self-Evaluation](#) – Board Chairman Bradley Barker, President Joe Schaffer

President Schaffer stated Vice Chairman Merrell asked either he or Tammy Maas to speak to the Board's evaluation. With respect to this request, he offered the following observations, which were accompanied in some cases by trustee and staff comments also noted in sub-bullets.

- The Board is getting a sense that they function as a community college board.
- The Board is engaged and share a level of respect. Boards often fall apart when different views are expressed.
- The trustees come from different political spectrums and life perspectives.
 - o Trustees should represent different political spectrums.
 - o The Board needs time for exclusively sharing their thoughts with each other.
 - o The trustees are respectful of one another even when they disagree.
- The Board believes they should be more engaged.
 - o The Board might consider being more engaged in community and college activities. They might also consider guest spots on radio shows and submitting opinion pieces to the paper.
 - o Board Chairman Barker's suggestion of holding a meeting in the Clay Pathfinder Building during the day would provide an opportunity for the Board to be more readily available to those who wish to attend a board meeting.
 - o The more involved the trustees are in auxiliary events and activities, the more knowledge they will gain about the College and people's opinions of the College.
 - o Trustees might consider attending a Chamber or LEADS meeting. Tara Nethercott is the Chamber's new president. President Schaffer is an ex officio on the Chamber Board and is the president of the LEADS Board. The College has seats on the Cheyenne Chamber Board and the Laramie Chamber Alliance Board.
 - o External involvement is necessary for sharing the College's mission, for trustee stewardship, and for community outreach.
- President Schaffer offered to contact the Wyoming Tribune-Eagle and the Laramie Boomerang about the possibility of submitting a monthly trustee opinion piece or guest editorial. He emphasized the

effort should be meaningful based on the audience targeted and the time involved to prepare the submissions to the papers.

- A blog would be an avenue for real time communication.
- Facebook is another venue for communication that is already being used and is geared to a specific audience. Using Facebook would require some logistics that could be worked out. For example, posting a whole story on Facebook would not be the accepted use of that venue.
- Communications would need to represent the Board's thoughts as a group.
- Internal engagement is just as important as external engagement.
 - In lieu of holding two meetings a month, what are other ways in which the Board can become involved with the campus.

Enrollment

President Schaffer noted references to enrollment numbers and enrollment management were included in the trustees' comments submitted under Question No. 3 and asked for some guidance on how the trustees want to approach the conversation. He also noted that the number of new students increased this semester. President Schaffer stated he could share the following with the trustees regarding enrollment:

- Changes made by the Admissions' staff
- Changes to the scholarship structure
- Target populations
- Strategies, recruitment, marketing and programs
- Faculty engagement
- Hot topics for increasing education course work

Trustee input is bulleted below. Follow-up comments by President Schaffer and his staff are sub-bulleted.

- Create an FY 2020 enrollment management budget item for the resources that would need to be expended.
- Monitor the enrollment and the expenditures dedicated to enrollment management to gauge a return on investment.
 - How the Pathways Initiative and student retention affects the College' return on investment is important.
- Provide a strategic direction for coursework relative to workforce demands—nursing, computer science, homeland/cybersecurity; i.e., the areas in which job demands exist, so that LCCC becomes the College of choice for those program areas.
 - Strategic direction is part of the Pathways Initiative. The College is offering programs where clear market needs have been demonstrated. Funding and capacity are determining factors for the introduction of any new program. However, if the College increases enrollment and still has the fewest completions, the result is a negative one. The Pathways Initiative needs to be completed, so that the College's target populations are defined.
- The best recruitment tools are programs with proven outcomes.
 - The College's recruiters need to sell enrollment based on programs that have value; i.e., students want to graduate with skills that will be marketable and bring job offers with attractive salaries.
 - Programs that are not demonstrating value need to be closed, so the monies supporting those programs can be re-allocated to support programs with proven value.
- The Board should be looking at a quantitative analysis, rather than a judgement analysis. For example, if the College is spending \$20,000 and only recruiting 20 students, then the expenditures need to be analyzed.

Having heard the Board's diversified views, President Schaffer asked Board Chairman Barker to visit further with the Board to get a sense of where to start the conversation. A report based on that input will be given during a Board dinner work session. (POSTSCRIPT TO MINUTES: the report was given during

the Board's February 28, 2018, dinner meeting.) Vice President Rick Johnson added a reminder that the community college funding model is structured around enrollment and completion numbers. The addition of placement numbers will likely be factored into the funding model along with enrollment and completion numbers in the near future. LCCC's completion and placement numbers will be measured against those of the other community colleges. This function of the model will determine 56% to 57% of the College's funding. He emphasized the College should not lose sight of that impact. President Schaffer stated in response to Board Chairman Barker's request that a presentation on the variables can be given during the first reading of the budget May 9th. Trustee Salazar noted President Schaffer's presentation given during the spring semester kickoff had an excellent visual example showing how the funding coffers are filled. A Funding Model Overview that Vice President Johnson shared with the Foundation's Development Committee is attached to these minutes.

B. [LCCC Facilities Projects – Future Direction](#) – President Joe Schaffer, Vice President Rick Johnson

1) New Residence Hall Options

President Schaffer opened the discussion stating three factors (listed below) are needed in order to pursue a new residence hall. He emphasized charging students more to live in the residence hall to alleviate some of the construction expense should not be an option.

Factor 1 – Find cheaper money (\$8 million), so the cost of building the residence hall is not further subsidized by what is charged students to live in the residence hall.

Factor 2 – Extend the debt period so that the payments become less.

Factor 3 – Find alternatives for building the residence hall at a lesser cost.

Referring to the three factors shared by President Schaffer, Vice President Johnson explained how the following four funding options might apply.

Option 1 – State of Wyoming Public Purpose Investment (PPI) – The College would jointly pursue this option with the University of Wyoming. A Public Purpose Investment loan is funded from the Permanent Mineral Trust Fund and requires legislative action.

Option 2 – Request for Proposal (RFP) to Bank Industry for Straight-up Loan

Option 3 – Extension of Debt Cycle to 30 Years

Option 4 – Public-Private Partnership (P3)

Vice President Johnson stated scenarios were run to test each of the above funding option's viability. Triggers for determining a funding option's viability included construction cost, money cost (interest rates), and occupancy numbers. He reminded the Board that de-scoping the project did not reduce the size and overall scope of the residence hall enough to offset the construction cost for a 20-year debt cycle.

Referring to the State of Wyoming Public Purpose Investment Fund Option 1, he stated if a simple interest, low interest rate (1.0% to 1.5% for a debt service of 20, 25, of 30 years for \$30 million) could be locked in, then this option would be a viable one and probably the best option. If the interest rate approaches 2.0% to 2.5%, then the viability becomes more challenging. The University of Wyoming is also pursuing this option to fund their ten-year plan. Rep. Nicholas stated in a Joint Appropriations Committee meeting that whatever interest rate was assigned to the University's loan would also be assigned to LCCC's loan and could be anywhere from .5% to 2.5%.

The RFP to Bank Industry Option 2 had not been previously considered. However, a local bank has said they would be interested in a straight-up loan, where the College would pledge the residence hall's occupancy as collateral. This could be a Plan B provided the interest rate, which was not discussed by the local bank, was minimal. If an RFP were "put on the street," banks would compete for the loan and decide the interest rate.

Referring to the third option of extending the debt cycle to 30 years for lease revenue bonds in the amount of \$29 million, Vice President Johnson stated a viable model currently exists. (The 2017 bond issue amount of \$28 million was increased to \$29 million because of anticipated increased construction costs due to a one-year project delay.) However, the length of the debt service may be uncomfortable. In addition, the average coupon rate would likely rise as high as 4.5% during the last ten years of the debt cycle.

RFI (Request for Information) submissions for the fourth option of a Public-Private Partnership (P3) are being evaluated at this time. Trustees Erickson and Ketcham participated in the examination of the responses yesterday, January 25th. Of the 11 responses received, two were chosen to be brought to campus by their proprietors. One is a nonprofit out of Denver that specializes in advising governmental entities on P3 structures, their pros and cons, and would like to conduct a workshop. Some of the architects working with the College are expressing an interest in attending the workshops, as well. (POSTSCRIPT TO MINUTES: A workshop is scheduled for March 8th.) The second RFI was submitted by another group of advisors out of Denver. Their RFI was very persuasive and thought to be particularly knowledgeable about educational purposes. Vice President Johnson noted the creative information presented in each of the proposals suggested other projects, such as the Fine Arts Expansion/Remodel, might also be a candidate for a P3.

After considering all of the options, a decision was made to wait on making a recommendation until the College knows if the Legislature acted on Option 1, the State of Wyoming Public Purpose Investment Fund. A developer may also be brought to campus to get that perspective.

President Schaffer concluded that the College's interest rate threshold is 1.5% but possibly could go as high as 2%, and that the College has a viable model with a longer debt service of 30 years. (Option 3)

2) [Ludden Library Renovation Update](#)

President Schaffer shared the history of the Ludden Library and Learning Commons from the completion of the prospectus in September 2013 to the State's authorization in December 2017. The renovation will transform the library from a traditional library setting into a learning commons for student interaction and will expand the library to the north and west. The expansion along with a new façade will identify the library's location from the parking lot. The library's façade, as with the other project designs, will help to create building identity.

In 2016, the Legislature appropriated \$2.5 million from the State's Strategic Investments and Projects Account (SIPA) contingent upon the College's funding a match of \$2.5 million. The Foundation raised a little over \$2 million, and the College allocated \$500,000 in major maintenance funds to cover the cost of infrastructure additions, such as sprinkler systems. Another \$500,000 come from the College's One Mill Fund balance. And another \$500,000 was secured from a donor (if matched). By statute the State Treasurer should have announced the release of the \$2.5 million 90 days post July 1. The College finally received notice the funds would be appropriated toward the end of December 2017, which significantly delayed construction plans for the renovation.

The original project cost of \$7.8 million has been reduced to \$6.2 million. A CMAR (Construction Manager At Risk) will be hired and will have the responsibility of assuring the construction cost does not exceed \$6.2 million; i.e., a guaranteed maximum price of \$6.2 million. Of the bids submitted, four of the companies submitting those bids were selected for interviews. Those four are G. H. Phipps Construction Companies (Delta Construction in Laramie), Groathouse Construction, Inc. (Laramie), FCI Constructors, Inc. (Cheyenne), and Sampson Construction (Cheyenne). A CMAR should be selected by the end of next week. Vice President Johnson spoke to the project's funding sources that will comprise the total project cost not to exceed \$6.2 million. A final schematic design and budget amendment for \$500,000 from the One Mill Fund and \$500,000 from

major maintenance funds will be brought to the Board during their February 28th meeting. Ground breaking is scheduled for June 4, 2018, with move-in on December 21, 2018. Vice President Johnson stated a climate-controlled storage space of about 3,000 to 5,000 sq. ft. is needed from May through December for books and asked anyone who knows of such a space to please share that information with him.

3) RAC Remodel Options (using student fees and private gifts)

President Schaffer stated utilization of student fee revenues to fund the majority of the project (between \$10 and \$14.2 million) is a viable option and asked for the Board's guidance. Originally, the students were going to be asked to fund \$3 million of the project's cost. President Schaffer visited with student government earlier this week about whether the RAC would continue to be one of their priorities. Students understand they would be making an investment in the future, because the project would probably not be finished for their use while they are enrolled at LCCC. However, some freshmen might, and if the College finds the fees in the existing framework, students won't see any difference in their fee assessments. In order to keep fees at the current level, funding this project would have to come from an internal reallocation of student fees. In addition, if student fees were used to fund the project, the College could not ask students to pay for community use of the RAC. Students will drive this conversation. President Schaffer pointed out that LCCC has the highest mandatory fees at \$48.75 per credit hour of the state's community colleges and re-stated he has no interest in raising those fees. He noted further the elimination of the graduation fee is a step toward adjusting fees downward or at least assuring the fees remain flat. The Board concurred student fees should not be raised.

Vice President Johnson covered the impact of enrollment increases and decreases and the tuition cap removal on anticipated student fee revenue. He also shared the revenue stream using the Student Facilities Fee of \$10.25/credit hour (\$8.91 in Cheyenne and \$1.34 in Laramie) for the Dining Hall and West Hall Remodel would become available after FY 2024. In FY 2017 that revenue stream generated \$592,324 from the fees collected at the Cheyenne campus.

Vice President Johnson presented three options for the RAC renovation, noting his preference for Option 3. He added President Schaffer believes that option is doable.

- Option 1 – Students cover entire cost \$14.5 million (20-year debt service) – Not viable
- Option 2 – Students cover \$12.5 million; funds would be raised to cover \$2.0 million (20-year debt service)
- Option 3 – Students cover \$10.5 million; funds would be raised to cover \$4.0 million (20 year debt service)

The Board was agreeable with President Schaffer holding conversations applicable for pursuing Option 3, with the understanding the Foundation would raise as much money as possible, which is a given.

a. [Pool Use, Revenue and Expense Data](#) – President Joe Schaffer

President Schaffer noted the operating deficit explained in the report. He also pointed out the pool's utilization is dropping and is primarily being used by community members under the Golden Age Privilege of \$20/credit class. He asked that any questions about the data be forwarded to him, adding that for now the pool will remain open.

4) Fine Arts Project Update

President Schaffer stated the Fine Arts Expansion/Remodel project's \$7 million will show up in the capital construction bill and that he believes the project will move through the Legislature. The

Governor, JAC, and the College's legislative delegation all support it. The Governor and the College's legislative delegation toured the Fine Arts Building, and they want to see the project funded and are trying to find a way to make it politically worthwhile. If the bill passes, the monies would be available to the College as early as July 1 from the General Fund, provided the College can match those monies. If the Foundation is approached about raising additional monies to support the College's RAC and Fine Arts' projects, a decision needs to be made about how much money the Foundation is asked to raise and for which project(s). Lisa said the RAC is a much easier sell, adding that fundraising for both the RAC and the Fine Arts Expansion/Remodel would be difficult. President Schaffer continued that the College's best option for the Fine Arts Expansion/Remodel would probably be to place a ballot question on the November 6, 2018, general election ballot. The promotional points would be that the State is guaranteeing \$7 million; more people would be voting; funding is being asked for only one project not three; the project would be defined as educational expansion; and the added monthly taxation would be minimal. The Board and President Schaffer agreed any decision about what funding option to pursue needs to come on the heels of the State match.

5) Administration Building/Board Room Updates

Vice President Johnson stated the Level I Study is complete and suggested, in the interest of time, that the full report be provided to the Facility and Finance Committee at their next meeting. He noted, as a matter of specific interest to the Board, that the addition of a Board Room in the "secret garden" would be \$950,000 and that the project's total cost for the Administration Building renovations and board room relocation are currently out of reach.

6) Odds and Ends

Vice President Johnson explained placeholders have been established in the One Mill Fund and Coal Lease Bonus Fund for the projects listed below. The One Mill Fund has a balance of \$2.1 million and the Coal Lease Bonus Fund has a balance of \$976,000.

- Library renovation match and storage swing space – One Mill Fund \$550,000 (estimated)
- Crossroads Building top-off – One Mill Fund \$163,000
- ACC classrooms top-off – Coal Lease Bonus Fund \$350,000 – This project is now on hold because of the WyoTech dialogue.
- Emporium pre-work and expansion – Coal Lease Bonus Fund \$111,000 (estimated) – Sodexo is partnering with the College to put in a retail food operation to benefit commuter students.

The Clay Pathfinder Building and Flex-Tech Building contingency fund (\$333,000) plus the Health Sciences Contingency Fund (\$422,000) total \$755,000 and have not been earmarked for any projects. President Schaffer stated the previously mentioned revenue streams do not fund operating expenditures with the exception of the One Mill Fund balance, some of which will be used to fund one-time expenditures and Phase II of compensation adjustments. Some uses of these fund balances may require budget amendments, which would be brought to the Board.

Board Chairman Bradley Barker recessed the retreat at 3:10 p.m. and reconvened the retreat at 3:19 p.m.

C. Pathways Initiative – President Joe Schaffer, Trustee Bob Salazar

1) [Guided Pathways Policy Self-Assessment for Governing Boards](#) – Trustee Bob Salazar

As part of the Pathways Initiative, the trustees, as the College's governing board, are to complete the "Guided Pathways Policy Self-Assessment for Governing Boards." The assessment includes five policy statements (initiatives) under which questions are listed to assist the Board in assessing the

College's progress toward accomplishing each of the policies. The Pathways' four pillars are the first four of the five policy statements (initiatives) listed below.

One – Clarify the Pathways

Two – Help Students Choose and Enter Pathways

Three – Help Students Stay of Their Path

Four – Ensure Students are Learning

Five – Essential Conditions

To help clarify the prioritization process requested of the trustees, Trustee Salazar labeled the prioritization process as “Discovery, Discourse, and Discussion. To further facilitate the Board's assessment, Trustee Salazar led the trustees through an exercise to identify 12 of the 23 Pathways' “line item(s)” listed under each policy/initiative that they believed were the most important based on their individual criteria using green and blue dots. The trustees then transferred their prioritizations using red and yellow dots with their initials to the same line items that were placed on poster sheets.

Once they had done this, Trustee Salazar led a conversation, asking each trustee to complete a sentence beginning with “I noticed” and then state what stood out to them from the line items dotted by the trustees on the poster sheets. More than one trustee may have noted the following.

I noticed...

- that “help students stay on their path” and “ensure students are learning” received the most dots.
- the headings that received the most dots were about students succeeding and Board's responsibility to students.
- very few dots were placed by the actions that have been in place for a while.
- the trustees have common priorities.
- the new trustees were at a slight disadvantage completing this exercise, because they may not be aware of what has already been accomplished.
- good information has been provided by the Cabinet that updates the trustees on what has taken place to date.

Trustee Salazar then pointed out some of the items that had three or less dots or no dots, noting again the criteria for placing the dots will be discussed at a later date.

The prioritization process then moved on to what Trustee Salazar termed a “3-2-1” and asked each trustee to note 3 things learned; 2 questions still needing answered; and 1 action a trustees personally would initiate. The trustees and some Cabinet members shared the following in response to things learned:

3 Things Learned

- Data is important.
- The trustees' responses had more consensus than thought would occur.
- Has a lot more to learn.
- The trustees care a lot about student outcomes.
- Need trustee consensus.
- Surprised professional development and competency were not perceived as critical.
- Part of a longer initiative and good to see much is in motion.
- Need better knowledge of Pathways' components.
- Need to do a better job of monitoring and helping struggling students.
- My perspective was based on what is important rather than what has already been done.

Because discussion of this agenda item was taking longer than expected, Trustee Salazar moved the discussion to “1” of the “3-2-1” and asked each trustee to state one action they personally would initiate for discussion purposes only at this time; i.e., the trustees will not be held accountable for their statements. The exercise is intended to hear the thinking of the trustees. Those are listed below and include some responses from Cabinet members. Trustee Salazar also noted that criteria would have been discussed under “2” of the “3-2-1” had time allowed.

1 Action – I will...

- identify the most important thing.
- work on outcome education.
- do all the things already assigned to me.
- work on fundraising.
- bring a professional researcher to campus to provide a big picture view and invite the Board.
- initiate a discussion on inclusion and cultural diversity during a future meeting of the Academic Affairs and Student Services Ad Hoc Committee.
- do something about student accountability.
- re-evaluate my priorities and learn more about what those priorities.
- work with the Board to get them to set direction in the areas determined to be priorities.
- learn more about what is important to students.

At the completion of the exercise, Trustee Salazar stated he will keep the trustees’ responses recorded on the poster sheets for a Round 2 of discussion, following which the trustees will have the opportunity to revise their priorities.

D. Board of Trustees Orientation and FY19 Budget Planning – Trustee Don Erickson

- 1) [FY19 Budget Trend Data for Board of Trustee Lines](#)
- 2) [FY18 Budget Detail to Date](#)

Trustee Erickson stated the budget process is highly systematic, well thought out, and involves the entire campus. He then reviewed the Board’s budget line items and asked the trustees to provide input on the amounts budgeted for FY19.

- Foundation Contract \$329,500 (approximate) – The contract increases each year.
- Legal Counsel Contract – The contract was initiated in 2012 and was amended in 2013. The contract amount includes all time spent representing the College’s legal matters and not just attendance at Board meetings.
- Out-of-State Travel – Trustee Erickson asked who was interested in attending the fall ACCT Leadership Congress in New York City. Trustees Ketcham and Soto expressed interest, pending the agenda’s content. Board Chairman Barker stated that given the response of those who attended the last ACCT conference, he would anticipate at least three trustees attending the Fall 2018 Leadership Conference.
- In-State Travel – A number of opportunities exist to attend the WCCC and WACCT meetings and conferences throughout the year. Trustees Erickson and Salazar are the College’s representatives for the WCCC and WACCT meetings, but all trustees are welcome to attend.
- Election Expense – The November 2018 elections will include three trustee positions and a possible bond statement for which an expense will be assessed.
- Professional Development – This line item was decreased as part of the College’s CORE Initiative reductions for FY 2017 and 2018. As an example of a professional development expense, the 2016 GISS (Governance Institute for Student Success) expense was charged to the Board’s Professional Development budget. Some consideration could be given to bringing a Pathways’ consultant to campus. Board Chairman Barker stated he would like to see a bump in this line item for new trustee professional development.

- Enrollment Management – Trustee Erickson voiced interest in adding an Enrollment Management line item. President Schaffer stated Casper College recently contracted with Noel-Levitz to have a consultant provide insight on enrollment management.
- Registrations – The registrations are primarily for ACCT conferences and the WACCT annual fall and spring conferences.
- Memberships – The ACCT membership dues \$4,311/year, and the WACCT membership dues for LCCC are \$14,500/year (each community college pays the same dues).

Trustee Erickson stated the trustees' budget will be taken to the Facility and Finance Committee and is due to Jayne Myrick March 1st.

3. PUBLIC COMMENT – Board Chairman Bradley Barker

No public comment was offered.

4. ADJOURNMENT – Board Chairman Bradley Barker

Trustee Merrell moved and another trustee seconded (inaudible),

MOTION: That the Board of Trustees adjourns the January 26, 2018, Board Retreat of the Laramie County Community College District Board of Trustees.

DISCUSSION: None

MOTION CARRIED unanimously.

Board Chairman Bradley Barker adjourned the January 26, 2018, Board Retreat of the Laramie County Community College District Board of Trustees at 4:16 p.m., as so moved.

Respectfully submitted,

Vicki Boreing
Board Recording Secretary