

Minutes
Sinclair Community College
Executive Committee of the Board of Trustees

October 27, 2008
1:00 p.m., Building 12, Room 131

A special meeting of the Executive Committee of the Board of Trustees of Sinclair Community College was called to order on Monday, October 27, 2008, at 1:05 p.m. in Building 12, Room 131 of the college by Chairperson Katherine Hollingsworth.

I. ROLL CALL

Trustees Present: Ms. Mary Boosalis, Ms. Marva Cosby, Ms. Katherine Hollingsworth, Mr. Bernard Wright

Trustees Absent: Mr. Lawrence Porter

Also Present: Ms. Natasha Baker, Director of College Relations; Mr. Jeff Boudouris, Vice President and Chief Financial Officer; Ms. Madeline Iseli, Chief of Staff; Ms. Denise Jepsen, Secretary to the Board; Dr. Steven Johnson, President; Mr. Tom Raga, Vice President of Advancement

II. PREBLE COUNTY DISCUSSION – KATHERINE HOLLINGSWORTH

The Executive Committee of the Sinclair Trustees, acting per the direction of the Full Sinclair Board of Trustees, met to consider the issue of expanding Sinclair operations to the Preble County YMCA.

President Steven Johnson shared the following reasons for recommending approval of a Sinclair Preble County YMCA Learning Center:

Low College-Going Rate in Preble County: The Ohio state average college attainment rate of the 15 to 44 age group is 52% of the population. In Preble County the rate for the same age group is 37%. Given the population of Preble County, there are an estimated 1,400 current citizens who would need to enroll in college somewhere to bring the Preble County college enrollment level to the Ohio average.

No Community College Operating in Preble: At this time there is no known community college offering courses or degree programs within Preble County. Preble County is not in any official state community college service district.

Investment by Preble County Youth Foundation: The Youth Foundation has raised \$1.6 million to build a YMCA learning center, and does not expect a complete construction cost-recapture from Sinclair rent. This equates to an indirect financial contribution to Sinclair that is significant.

Acceptable Financial Worst Case “Downside” Risk: The estimated reasonable “worst case” financial loss to Sinclair of this project is about \$600,000. This estimated worst-case loss is within a scenario of low new student enrollment, and then total cancellation of the project after the third year. Not that Sinclair would want to sustain such a loss, but it is not a level of financial loss that would jeopardize the overall survival of the college.

Protection of Current Sinclair Enrollments: It is likely that the Preble County Youth Foundation will build a center, and will invite some college to operate in Eaton (with or without Sinclair). For planning purposes we have estimated that a YMCA learning center NOT operated by Sinclair would cause Sinclair to lose 300 of its current 600 Preble County students.

Market Research Indicates Favorable Attitude Toward Sinclair: Of the Preble citizens who go to college, Sinclair is the most popular of all in terms of enrollment. Recent market research indicates a very favorable opinion of Sinclair’s quality and services.

Congruence with the Ohio University System Plan: This expansion would bring community college education to a county where none currently exists. It is an expansion that does not increase the state’s investment in buildings, and is understood and blessed by the Chancellor.

The Trustees had a thorough discussion with the following points mentioned:

Q. What would be the break-even enrollment?

A. We currently have a headcount enrollment of 600 and FTE enrollment of 230 students who reside in Preble County attending Sinclair. We need an additional 100 FTE enrollment, which is a 40% increase to break even. Preble County officials believe there will be enrollment from surrounding counties and possibly even from Richmond, Indiana, to the site.

Q. Do we have lease arrangements?

A. The lease would be negotiated. We would be responsible for all services. The lease would be at a nominal rate.

Q. Would child care be an option at the Preble Learning Center?

A. Yes, child care would be a desirable option for students.

Q. Would we build a pipeline with the Preble County School District?

A. Robert Johnson, Rebecca Butler, and Madeline Iseli have started developing relationships with school district officials.

Q. Do we need to do anything at the state level related to service districts?

A. No, Preble County is not in any official state community college service district.

- The expansion will provide an opportunity for workforce development servicing Preble County and Richmond, Indiana.
- We need to ensure there are parameters and conditions associated with this agreement, including the right to stay if things go well.
- The Executive Committee gave authority to the senior management team to negotiate a lease agreement.

A very thoughtful and thorough discussion resulted in the following resolution being passed, formalizing the decision to move forward to accept the invitation and to operate a learning center at the Preble YMCA.

**RESOLUTION TO COMMENCE DEVELOPMENT
OF A PREBLE COUNTY YMCA LEARNING CENTER
(RESOLUTION #2008-24)
OCTOBER 27, 2008**

WHEREAS, the Preble County Youth Foundation will construct, and has formally requested that Sinclair Community College operate, a college learning center at the Greater Dayton YMCA branch facility in Eaton, Ohio; and

WHEREAS, the full Sinclair Board of Trustees has previously resolved to agree in principle with this regional expansion of Sinclair services, and further resolved to delegate the authority to the Executive Committee of the Sinclair Board to make a final decision on this matter (resolution #2008-22); and

WHEREAS, no Montgomery County levy funds would be used in the operation of the Preble County YMCA learning center and Preble County students pay a significantly higher tuition rate than do Montgomery County students; and

WHEREAS, the Sinclair Executive Committee has reviewed a financial and operating analysis of the proposed learning center showing a range of projected enrollment and financial results; and

WHEREAS, the analysis indicates that the overall population of the county and the potential enrollment levels of new Preble County college students is relatively small, adding to the risk of this project; and

WHEREAS, the Sinclair President and his staff recommends moving forward with a formal agreement, but only with strict conditions allowing for complete agreement termination (without any continuing college financial or operating obligation of any kind at the Preble YMCA site after such termination) should enrollment and financial trends prove to be too low; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Committee of the Sinclair Board of Trustees accepts the invitation to develop and operate a college Learning Center in Preble County; and

BE IT FURTHER RESOLVED, that the Sinclair President is authorized to execute formal contracts with the Preble County Youth Foundation and the Greater Dayton YMCA as soon as possible on the condition that the appropriate agreement termination clause and related conditions are within the agreement, and

BE IT FURTHER RESOLVED, that subsequent to coming to final contract terms that the Sinclair President is authorized to expend temporary start-up funding from the college's regional development fund and from capital budget allocations (consistent with the financial analysis and plan of this learning center project).

BOARD ACTION: A motion was made by Trustee Bernard Wright and seconded by Trustee Marva Cosby. The motion carried.

III. ADJOURNMENT – KATHERINE HOLLINGSWORTH

The meeting adjourned at 2:00 p.m. Any materials referenced may be found with the permanent file copy of the Board agenda.

Chairman

ATTEST:

Secretary