

**Hazard Community & Technical College**  
**Board of Directors**  
**May 22, 2008**  
**Commodore Room – Hazard Campus**

Present: Vice Chairman Greg Wells, Martha Birdwhistell, Joseph Evans, Ricky L. Baker, Homer Terry, Shirley Engle, and Jamie Martin

Guest: Dr. Allen Goben, Fred Landrum, Kathy Smoot, Doug Fraley, Donna Roark, Ron Daley, Evelyn Wood, Connie Watts and Delcie Combs

The meeting began at 5:30 p.m. at the Hazard Community and Technical College in the Commodore Room at the Hazard Campus with a light dinner being served. Vice Chairman Wells called the meeting to order.

Vice Chairman Wells asked for a review of the minutes from the February 12<sup>th</sup>, 2008 Board meeting. Delcie noted changes in Guest: Mr. Baker moved and Mr. Evans seconded the motion to approve the minutes with changes. The motion was passed unanimously.

Mr. Wells next presented to Mr. Martin, former student representative, a plaque for his dedication and fellowship to the Board.

**President's Report**

Dr. Goben next gave the President's Report on the following areas:

***Highlights***

***Dr. Goben ask each senior leadership member to present highlights from their area***

Fred Landrum reported the utilization of remaining funds in the Knott County project to add some finishing touches to that project and also gave updates on progress on the renovation of the Telford Center and some site preparation for the Intergenerational Building on the Lees College Campus.

Dr. Kathy Smoot reported that the first year of QEP implementation has led to a number of conversations regarding the creation of a full-service Advising Center at the Lees College Campus. The writing of a new Title III proposal will help financially support and expand these centers to create additional student access and success. Meetings have been conducted with the architects and Telford Design Team regarding the planning design to better serves students. Many faculty continued to participate in professional development opportunities for the spring.

Doug Fraley stated that the collaboration with Academic Affairs the HCTC Roadshows at Lee County and Buckhorn showcased career opportunities available in Eastern Kentucky.

Donna Roark reported that in the design phase there would be a total renovation of Lees Telford Computer Labs. KCTCS has created policies and procedures for implementation of the KCTCS Emergency Broadcasting System. KCTCS has also implemented the MS Live Meeting – the ability to videoconference from employee desktop computers.

Ron Daley reported that UCM has added two new partners: University of the Cumberlands and Kentucky State University. He is in the process of distributing a survey to every major business requesting what are their employee educational needs.

Dr. Goben noted that the college has adopted a new slogan “Design your Future”, and the college is in the process of ordering mugs displaying the new slogan.

Evelyn Wood reported that we have purchased a spot on WKYT-TV weather. Students will be able to register for a \$1000.00 scholarship. Jim Caldwell will be drawing a winner and announcing the winner on live TV.

Dr. Goben also reported that some board members terms would end in May but they were to remain as board members until a member has been appointed to replace them.

**Dr. Goben gave a brief update on the following:**

***Work From a Distance***

1st Trust Bank and other local shareholders have donated \$50,000 to create opportunities for our region, by creating an Endowment Fund for a career incubator to fuel development of work-from-a-distance/work-from-home office jobs. The 1st Trust Bank Career Incubator Endowment has been created. The 1st Trust Bank Career Incubator Endowment will support ongoing workforce development for current, emerging, and future jobs that exist or will exist in the HCTC region by allowing the College to develop a workforce training pipeline. This pipeline will target high growth, high wage occupations that can originate anywhere and yet be filled by workers from the HCTC area.

***Reorganization, Service Centers Structure***

When faced with such a tremendous budget challenge along with a re-creation point in HCTC’s organizational life cycle, we chose to spend a tremendous amount of time gathering input, analyzing everything end to end, and creating a team-oriented structure and approach... one that would maximize our human and fiscal resources and right fit people into roles that will move us forward collectively. Service Centers were established. Service Centers are a Learning College approach... a means of organizing and defining the roles of learning facilitators & supporters around the needs of learners. Several reappointments occurred as we realigned to better streamline our organization and provide stronger support for students. The Service Centers include: Learner Outreach Service Center, Learner Success Center, Student Life, Wellness & Engagement Service Center, Graduate Placement and Transfer Center, Advancement/Government Relations Center and Learning Services Center.

### ***PPE Evaluation/Merit Review***

A Task Force was created to look at the Merit Bonus Process. The primary focus of the group was to gather input from faculty and staff, review their comments and suggestions and develop a more user friendly process. Four mini task force groups were developed: Definition – assigned with developing a definition of significant accomplishment; Earmarking - assigned with developing a plan for distribution of the bonus dollars; Rubric Development – assigned with creating a rubric (or rubrics) to assess the significant accomplishment projects; PPE Process – assigned with beginning preliminary review of the PPE process and its link to the significant accomplishment bonus Definition, Earmarking and Rubric mini task forces have completed their work and forwarded recommendations to the larger task force. Next steps will to develop a draft, and share with all employees. Plans are to implement the new process August, 2008.

### ***Budget and Reduction Overview***

The college has been forced to implement an unprecedented budget cut with no way to avoid the loss of personnel, since 75% of our budget is salary & benefits while the other 25% is basically fixed cost with little wiggle room. The harsh reality of this cut is that we will be unable to employ as many people. Dr. Goben stated that the college has taken many steps to handle the budget reduction. Some of those reductions include:

- Planned a total of 20 ½ positions reduced, including current vacancies, out of 260 non-grant funded positions (faculty = 9; staff/administration= 11 ½). Three reductions were appointed into grant-funded positions.
- 16 employees reassigned via reorganization to strengthen student recruitment, retention, and overall college revenue generation capabilities...with a few additional reassignments likely.
- Low enrollment programs FT faculty positions eliminated with ongoing program curriculum and marketing redevelopment planned, along with adjunct instruction. Result will include potential short term enrollment decline in already low programs.
- Reduced food service at one campus to a vending operation.
- Reduced institutional research office from 2.0 FTE to 1.0 FTE with corresponding reduction from IR Director to IR Coordinator through reappointment.
- Reductions have likely inhibited College's ability to comply with the Kentucky Plan.
- Community impact through reduction of weekend staff availability that would normally support community activities on campuses.
- Reduction of support services for both faculty and staff.
- More limited course offerings and increased class sizes. Significantly reduced temporary personnel funding.
- Reduced institutional scholarships by \$75,000 which could negatively impact dual enrollment.

- Further slowed development of new programs in School of Craft, School of Bluegrass and Traditional Music, Surgical Technician, Media/Visual/Graphic Arts, and Ultrasound Technician.
- Further limits our ability to replace outdated instructional equipment, computers/technology, and severely impairs our ability to address already-deferred maintenance.

These developments within our organization at this crucial time will position us for great future success.

Fred Landrum, Vice President of Business Services, gave an extensive review of the very difficult budget process for the year, indicating that the college had experienced \$558,900 state funds reduction and that KCTCS had only received permission for a 5.2% tuition increase. Coupled together these circumstances created a major challenge to the college. It was pointed out the college did not provide any annual increases in salaries. A summary of budget reductions, along with a list of fixed cost increases was presented to the board to help provide an understanding of what was required to balance the budget.

After much discussion and several questions being asked by Board members, Mr. Baker moved and Mrs. Birdwhistell seconded the motion to approve ***2007-08 Annual Budget Priorities, Resolution 2-08***. The motion was passed unanimously.

Vice Chairman Greg Wells made note that the board would like to thank Fred Brashear for his dedication and fellowship to the board.

There being no further discussion or business, Mr. Wells adjourned the meeting at 8:15 p.m.

Respectively Submitted:

Joseph G. Evans  
Joseph Evans, Board Secretary

8-14-08  
Date

Forwarded by Delcie Combs, Executive Administrative Assistant to the President