

**HARRISBURG AREA COMMUNITY COLLEGE  
BOARD FINANCE COMMITTEE**

Wednesday, October 30, 2002 - 7:30 A.M.  
Boardroom, B-105

**MINUTES**

<b>Present:</b>	Ronald Brown	Larry Adams
	Terry Burrows	Edna Baehre
	Daniel Delaney	Maida Connor
	Ralph Dyer	Patrick Early
	Velma Redmond	John Eberly
	Donald Schell	Tony Filippelli
	Patricia Vance	John Ford
	Mark Whitmoyer	George Franklin
		Stephen Hietsch
		Barbara Hutchinson
		Chip Jackson
		Mike Klunk
		David Morrison
		Nancy Rockey
		Meredith Tulli
		Ronald Young

Guests: Scot Orndorff, Smith, Elliott, Kearns & Co.  
Craig Witmer, Smith, Elliott, Kearns & Co.

**Minutes**

As a result of changes made at the Board Building & Grounds Committee meeting, revised minutes of the September 25<sup>th</sup> joint meeting were distributed, reviewed, and approved.

**Audit Report**

Mr. Scot Orndorff from Smith, Elliott, Kearns & Co. reviewed the 2001-02 audit report and management letter. Mr. Orndorff stated that it was a very healthy year financially for the College, and the only findings were in the financial aid area. Mr. Orndorff then reviewed the findings with the committee. Overall, the audit went very well.

Mr. Burrows thanked Mr. Orndorff for the detailed review SEK provided.

Mr. Franklin spoke to the committee about the contract with SEK, which will be ending this year. The original contract was for three years with two, one-year options. The total cost of the audit this year was \$41,000. Mr. Eberly added that SEK is very professional and has brought forward many recommendations. Dr. Baehre agreed and stated that they found many findings that the previous auditors did not. Ms. Hutchinson noted that with the implementation of GASB 34/35 for next year's audit, the College may want to go with a one-year extension with SEK, since she was not sure how GASB 34/35 would effect costs. Mr. Franklin will negotiate a one-year contract with SEK.

**Resolutions**

Mr. Franklin reviewed the resolution regarding the purchase of CISCO PIX525 network firewall solution. This resolution was approved. The resolution regarding the scale of fees was reviewed. This suggests discontinuing the \$5.00 late registration fee and increasing the replacement diploma fee from \$6.50 to \$15.00. Mr. Young discussed the elimination of the late registration fee with the committee. This fee is not charged uniformly throughout the College. It is a manual charge and not automated. If we don't

change this now, it will hinder the WEB implementation process. He also added that it does not encourage students to register early. The committee agreed to eliminate the late registration fee.

Mr. Jackson discussed the increase of the diploma fee with the committee. The fee hasn't been raised in about 20 years, and we need to cover costs for duplicate diplomas. Only 20-30 duplicates are requested each year. This increase was approved.

The resolutions regarding gifts-in-kind and gifts/scholarships were reviewed and approved.

The resolution regarding the Fifth Amendment to the Gettysburg Campus lease was approved. This was verbally agreed upon at the September 25<sup>th</sup> Board Finance and Building & Grounds Committee meetings, however, a formal resolution is now being presented.

Mr. Ford reviewed the resolution regarding the contract for the Academic Systems Corporation developmental software license agreement. This is a computer assisted software package that would be purchased in the College's Bookstore. This system allows students to move at their own pace and slow down to develop specific skills. Faculty is very excited about this system. The program will be implemented at the branch campuses in January. This resolution was approved.

Dr. Baehre reviewed the resolution regarding the tuition support for displaced workers. The Board approved this program last year for one year. Now, many of the participants are asking if they can continue and/or new displaced workers are asking to enroll. Dr. Baehre asked that the committee consider continuing this program, but only on the credit side. It is too expensive to run this program in Noncredit. Mr. Burrows agreed that the College should renew this program though December 2004 and then again review the extension of this program. The Committee agreed.

The resolution regarding the five-year lease-purchase contract for the electronic sign at Wildwood Campus Mary Sachs Entrance #1 was reviewed and approved.

The agenda item "Major HACC Foundation/College Fundraising Efforts" will be discussed at the next Board Finance Committee meeting.

### **Monthly Financial Reports**

The report of revenues and expenditures for September 30, 2002 was reviewed and approved.

### **Other Information**

Mr. Franklin distributed the what-if budget scenarios. Many adjustments still need to be made. Mr. Franklin plans on discussing the audit report, transfer to the plant fund, and the upcoming budget calendar at the delegate meeting next week.

Mr. Franklin informed the committee about the ACA results. He met with Cabinet twice and the final report was included in the finance committee agenda for this month.

Dr. Baehre received the rebudget from the State. There was a \$9.3MM budget shortfall due to the increase in community college enrollments. She didn't know if this would effect the College or not. Mr. Dyer suggested that if this effects the budget process, we may need to inform the delegates.