

**HARRISBURG AREA COMMUNITY COLLEGE
BOARD OF TRUSTEES FINANCE COMMITTEE**

Wednesday, October 1, 2008, 7:30 A.M.
Boardroom, B106

MINUTES

Present:

Mr. Terry Burrows (via telephone)	Dr. Winnie Black
Mr. Daniel Delaney (via telephone)	Ms. Eleanor Bosserman
Mr. Donald Schell	Ms. Pat Conklin
Mr. Mark Whitmoyer	Mr. Patrick Early
	Mr. Thomas Fogarty
	Mr. George Franklin, Jr.
	Ms. Barbara Hutchinson
	Mr. David Morrison
	Ms. Nancy Rockey
	Ms. Meredith Tulli
	Ms. Patricia Verdon
	Mr. Ronald Young

Guests: Ms. Jamie Doyle, PFM (via telephone)

Minutes

The minutes of the July 30, 2008 Board of Trustees Finance Committee meeting were reviewed and approved.

Resolutions

The following resolutions were approved by the committee and will be forwarded to the full Board for review/approval: 1) Purchase of FY09 Printed Envelopes for All Campuses; 2) Purchase of Printing and Processing of FY09 Mailers and Postcards for the Lancaster and Lebanon Campuses; and 3) Purchase of Printing and Processing of FY09 Annual Credit Tabloids for the Gettysburg, Harrisburg, Lebanon, and York Campuses. The resolution regarding the Contract to Perform a Network Security Audit with a Qualified Security Assessor and an Approved Scanning Vendor was approved and will be forwarded to the full Board for review/approval. The payment credit card industry now requires organizations that have over 10,000 annual transactions to have their network scanned to make sure no one can break into the system, Mr. Franklin explained. We anticipated getting three responses, but only one responded, Mr. Franklin explained.

The 2008 bond issuance resolution was approved and will be forwarded to the full Board for review/approval. This is for York, Midtown I-Phase II, and the Gettysburg Campus. \$18MM is for refinancing. The remaining amount, approximately \$26MM, will be a bond. Mr. Burrows suggested a debt service analysis is done. The College has to make sure we are not heading too far in the wrong direction, he explained further. Mr. Franklin noted that he is already working on it, and it will be addressed at the next Board Finance Committee when the auditors present the annual audit. The resolution regarding the Intent to Reimburse Project Costs was approved and will be forwarded to the full Board for review/approval. This will allow us to get reimbursed for any expenditures we make before the bond is released, Mr. Franklin explained. It will cover costs related to due diligence as well as legal fees.

The resolution regarding the Authorization to Enter into Sales Agreements for Properties Located in York City was approved and will be forwarded to the full Board for review/approval. This was also discussed

at the Board Buildings and Grounds Committee meeting. This allows us to purchase three properties surrounding the existing York Campus. The Gifts-In-Kind and Gifts and Scholarships resolutions were approved and will be forwarded to the full Board for approval. Mr. Schell asked if anyone is tracking the amount of scholarships we receive per year. Ms. Black thought that Financial Aid was tracking it. Mr. Schell would be curious to see the grand total for the year. Mr. Franklin discussed the report of revenues and expenditures for August 31, 2008 including explanations of various variances. The committee decided not to review July, since August is more recent.

WIB/SEC Proposal Update

Ms. Rockey updated the committee on the WIB/SEC Proposal. If we were to take this over, it would bring in \$2.3MM per year in grants, she noted. Currently, they are located in Penn Center's second building. We are looking at how this would fit with HACC, Ms. Rockey explained. If this project would happen, we would move them into our leased building at Penn Center and use the \$2.3MM to pay for the lease, she explained further. We have until October 31, 2008 to complete due diligence and will only consider a five year sole source to HACC, Ms. Rockey explained. They wanted two years, but we told them it would be a deal breaker. Ms. Rockey feels confident that they will agree to five years. Mr. Bill Morgan already did a fit out for them to move on the 4th floor of Penn Center. Mr. Schell would like to see a business plan and what the actual costs of this will be. If due diligence ends on October 31st, we wouldn't be able to review it at the next Finance Committee, so we may have to have a special meeting to ratify this.

Other Information

Mr. Franklin reviewed the unaudited June 30, 2008 Finance Committee financial reports. All of our entities are doing better than projected. The fund balance looks good, but it would be nice if we could come in a little closer to projected amounts, Mr. Burrows noted.

The Reverse Auction data was for informational purposes and was not discussed.