

**MINUTES**  
**BOARD OF TRUSTEES MEETING**  
**THOMAS EDISON STATE COLLEGE**  
**September 12, 2014**

**MEMBERS PRESENT:** Gualberto Medina, Chairman; Brian Maloney, Vice Chairman; George A. Pruitt; Fred Abbate; Richard Arndt; J. Stanley Justice; Eric R. Lear; E. Harvey Myers; Marilyn Pearson; Frances Parrales (student trustee); and Anthony Buffardi (student trustee).

**MEMBERS ABSENT:** Ida Hammond

**ALSO PRESENT:** William Seaton, Vice President and Provost; John Thurber, Vice President for Public Affairs; Dennis Devery, Vice President for Planning and Research; Mary Ellen Caro, Vice President for Enrollment Management and Learner Services; Christopher Stringer, Vice President for Administration and Finance; Robin Walton, Vice President for Community and Government Affairs; Barbara Kleva, General Counsel; Mary Chute, New Jersey State Librarian; and Linda Meehan, Chief of Staff and Secretary to the Board.

Mr. Medina officially called the public meeting to order at 9:15 a.m., followed by a statement of public notice pursuant to the Open Public Meetings Act, N.J.S.A. 10:4-6 to 10:4-21.

**EXECUTIVE SESSION**

Mr. Medina asked for a motion to enter Executive Session for the purpose of discussing Dr. Pruitt's evaluation. Mr. Abbate made, and Mr. Lear seconded, a motion to adopt the resolution. The motion carried unanimously.

The public meeting was reconvened at 10:00 a.m.

**SWEARING IN OF STUDENT TRUSTEE**

Mr. Medina presented the following resolution:

**WHEREAS:** New Jersey state law and the Bylaws of Thomas Edison State College provide for student representation on the Board of Trustees; and

**WHEREAS:** Said Bylaws specify criteria for the selection of student trustees; and

**WHEREAS:** The President of the College has certified that Anthony Buffardi meets the criteria; and

**WHEREAS:** The President of the College does hereby nominate Anthony Buffardi as a student trustee alternate in accordance with the procedures of the Board; now, therefore, be it

**RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby elect Anthony Buffardi as student trustee alternate effective September 12, 2014, for a term of one year, followed thereby as student trustee for a period of one year, which shall conclude at the annual meeting of the Board to be held in June 2016.

Rev. Justice made, and Mr. Myers seconded, a motion to adopt the resolution. The motion carried unanimously.

#### **CONSIDERATION OF MINUTES**

The minutes of the September 12, 2014 meeting were presented by Mr. Medina for approval and adoption. Mr. Lear made, and Mr. Maloney seconded a motion to approve. The motion carried unanimously.

#### **CONSIDERATION OF FY 2014 EXTERNAL AUDIT REPORT**

Mr. Medina introduced Ms. Jane Letts-Parvese, to discuss the findings of the preliminary auditor's report. Ms. Letts-Parvese added that the audit conducted was a clean audit with no significant deficiencies and no internal inefficiencies. The final audit will be submitted to the State of New Jersey by November 1, 2014, their deadline, and the final audit presented to the board for their consideration at the December 12, 2014 board meeting.

There being no further questions, Mr. Medina presented the following resolution:

**WHEREAS:** It is the policy of the Board of Trustees to subject the College's finances and relevant administrative practices, and the finances and relevant administrative practices of its affiliate, the New Jersey State Library, to an independent audit; and

**WHEREAS:** It is the practice of the Board of Trustees to have said audit reviewed by the Administration, Audit, and Finance Committee of the Board, acting as an audit committee and reporting its findings and conclusions to the Board; and

**WHEREAS:** In the presence of representatives of the external accounting firm that conducted the audit, the President has certified to the Board of Trustees that said audit contains no significant adverse findings; now, therefore be it

**RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby receive and accept the final audit report for the fiscal year ending June 30, 2014, as presented and incorporated herein by reference, and to have said audit reviewed by the Administration, Audit, and Finance Committee of the Board, acting as an audit committee, reporting its findings and conclusions to the Board.

Mr. Arndt moved and Mr. Abbate seconded a motion to adopt the resolution. The motion carried unanimously.

### **PRESIDENT'S REPORT**

Dr. Pruitt discussed the focus on quality of work that continues to be stellar. Our branding and marketing efforts continue to be successful, and overall the College has had a great year. He added that construction continues at 102 West State Street and the Nursing Education Center. We expect to move into the Center for Learning and Technology (102 West State Street) by the end of October, 2014. He added that we will arrange for a tour of that facility in conjunction with the December board meeting.

Dr. Pruitt added that this is our annual accountability meeting which monitors and reports on metrics and progress on the strategic plan and financial health of the institution. He indicated that there were three staff presentations that would provide the board with additional insight and information. In addition, he referenced the new format for the President's Annual Report to the Board, noting that it is a streamlined report focusing on key highlights achieved throughout the year. He introduced Dr. Ann Marie Senior who presented data and statistics on our student demographics, enrollment numbers, and financial aid for FY 2014. Mr. Devery then presented the goals and objectives achieved in the Strategic Vision Plan. The data presented by Dr. Senior and Mr. Devery is included in the supporting materials of the President's Annual Report to the Board of Trustees.

Mr. Stringer reported on the year-end financial results indicating that the College had positive financial results for fiscal year 2014. The total revenue of \$58 million was 94 percent of budget and 9 percent above the prior year. Appropriations were \$1.7 million above the prior year due to the shifting of facility rental cost that was previously paid directly by the New Jersey Department of Treasury to the College. Total tuition revenue was 6 percent above the prior year. The tuition revenue increase of 6 percent was generated by an average 2.5 percent in tuition price increases and 3.5 percent in transactions that were primarily associated with enrollment increases. Significant areas that exceeded the budget include Nursing at 131 percent, Traditional Course Tuition at 109 percent and the Navy Program at 130 percent. The new Per Credit Tuition Plan came in below revenue targets at 31 percent of budget.

Total expenses were 11 percent or \$4.8 million above the prior year. The major increases were salary, fringe benefits, mentor services and rental lease expenses that were transferred to the College in the appropriation. Salary increase was due to contractual obligations along with the hiring of ten new positions outlined in the Strategic Vision Plan (SVP). The College generated a \$7.9 million surplus, which is 14 percent of total revenue. The Strategic Vision Plan goal is to achieve a minimum surplus of 7.5 percent.

The College maintains three key ratios to determine its financial strength. The College's goal is to exceed 2.0 on the unrestricted net assets to debt ratio, the current ratio is 4.64. This ratio indicates the availability of unrestricted net assets to cover debt. The College has met its goal to have debt service payments be less than 3 percent of total expenses. The third ratio compares unrestricted net assets to total expenses. The target is to be within the range of 45 percent to 55 percent. The College is currently above its target at 60 percent. The College is well positioned to be within the target range in fiscal year 2015 due to the pending costs that will be assumed during the construction of the Nursing Education Center.

## REPORT OF THE COMPENSATION COMMITTEE

Mr. Maloney reported that the Compensation Committee met on August 14, 2014 for the purpose of discussing the compensation of the President. He indicated that the Compensation Committee reviewed the compensation of the President in detail and recommends a 3 percent increase in the President's salary. He added that in light of this morning's presentations, it is apparent that the College is strong and that an increase in the president's compensation is warranted.

Mr. Maloney presented the following resolution:

- WHEREAS:** The Board of Trustees of Thomas Edison State College is authorized to determine the compensation of the College President, pursuant to N.J.S.A. 18A: 64-6(g); and
- WHEREAS:** The President enjoys the full confidence and support of the Board of Trustees; now, therefore, be it
- RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby fix the base annual salary of the President at \$330,000, effective July 1, 2014.

Mr. Maloney moved, and Mr. Lear seconded the motion. Mr. Medina commended Dr. Pruitt for his personal performance and leadership and strong executive team adding that we are one of the best run institutions in the state of New Jersey. Motion carried unanimously.

## CONSIDERATION OF CANDIDATES FOR DEGREE

Gil presented the following resolution for the awarding of the September 12, 2014 candidates for degree:

- WHEREAS:** The Board of Trustees of Thomas Edison State College has the authority and the responsibility to determine the educational curricula and academic policies of the College; and
- WHEREAS:** The Board of Trustees of Thomas Edison State College also has the authority and the responsibility to approve the awarding of the appropriate degrees to those September 12, 2014, candidates cited on the lists provided and incorporated herein by reference; and
- WHEREAS:** The action taken herein is pursuant to a certification by the President that the aforementioned candidates have satisfied all relevant degree requirements as recommended by the Academic Council and as established by the Board of Trustees, now, therefore, be it
- RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby approve the awarding of the appropriate degrees to those September 12, 2014, candidates.

Mr. Maloney moved and Mr. Abbate seconded a motion to approve. Motion carried unanimously.

**CONSIDERATION OF PERSONNEL ACTIONS**

Gil presented the following resolution:

- WHEREAS:** The Board of Trustees of Thomas Edison State College is authorized to approve and act on contract renewal recommendations for employees of the College, pursuant to N.J.S.A. 18A: 64-6(h) and (i), as well as for State Library employees, pursuant to N.J.S.A. 18A: 73-34; and
- WHEREAS:** The President has made the contract recommendations as indicated on the lists provided and incorporated herein by reference; and
- WHEREAS:** The action taken herein is pursuant to an evaluation of each employee's work performance; now, therefore, be it
- RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby approve the contract recommendations as indicated on the lists provided and incorporated herein by reference.

Mr. Lear moved and Mr. Arndt seconded the motion to approve the resolution. Motion carried unanimously.

**REPORT OF THE NOMINATIONS AND GOVERNANCE COMMITTEE**

Mr. Lear reported that the Nominations and Governance Committee met via teleconference on August 14, 2014. The committee concurred with that both Gualberto Medina, Chairperson of the Thomas Edison State College Board of Trustees, and Brian Maloney, Vice Chairperson of the Thomas Edison State College Board of Trustees, be re-nominated for the upcoming year. Mr. Lear moved, and Mr. Arndt seconded the motion to approve the recommendation of the committee. Motion carried unanimously.

**ADJOURNMENT**

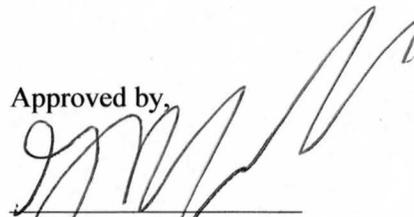
There being no further business, the meeting was adjourned at 11:23 a.m. Mr. Abbate moved and Mr. Lear seconded the motion to adjourn. The motion carried unanimously.

Submitted by,



George A. Pruitt  
Secretary to the Board

Approved by,



Gualberto Medina  
Chairperson