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**MINUTES
BOARD OF TRUSTEES MEETING
THOMAS EDISON STATE COLLEGE
September 7, 2012**

MEMBERS PRESENT: George Pruitt; Eric R. Lear, Chair; Gualberto Medina, Vice Chair; Brian Maloney; E. Harvey Myers; Marilyn Pearson (via teleconference); and Cynthia Diogo, Student

MEMBERS ABSENT: Fred Abbate; Richard Arndt; Ida Hammond; J. Stanley Justice

ALSO PRESENT: Valerie Sampson, Student Trustee Nominee; William Seaton, Vice President and Provost; Christopher Stringer, Vice President and Treasurer; John Thurber, Vice President for Public Affairs; Mary Ellen Caro, Vice President of Enrollment Management and Learner Services; Dennis Devery, Vice President for Planning and Research; Mary Chute, State Librarian; Robin Walton, Director of Community and Government Affairs; Barbara Kleva, General Counsel; Linda Vasbinder, Chief of Staff; Esther Paist, Secretary to the Board of Trustees; and Ann Marie Senior, Director, Institutional Research and Quality Assurance.

Mr. Lear officially called the public meeting to order at 10:00 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.

In opening remarks, Dr. Pruitt introduced the newly nominated student trustee, Valerie Sampson, and explained that we must revise our bylaws to reflect current statute that says that student trustees must simply be U.S. residents, rather than New Jersey residents. We will recommend bylaws revisions and present those for adoption by the Board at its December meeting. Thus, Ms. Sampson will be sworn in at the December meeting. He also explained that the presentation on the long-range plan is deferred until that meeting.

CONSIDERATION OF MINUTES

The Minutes of the June 8, 2012, meeting were presented by Mr. Lear for approval and adoption. Mr. Maloney made, and Mr. Myers seconded, a motion to accept the minutes. The motion carried unanimously.

CONSIDERATION OF RESOLUTION FOR ACCEPTANCE OF THE FY 2012 EXTERNAL AUDIT REPORT

Dr. Pruitt explained that our outside auditors (KPMG) have completed their work. He asked that the Board adopt the audit provisionally; the Administration, Audit, and Finance committee will review the audit in depth at its November committee meeting. Dr. Pruitt mentioned that our financial results are outstanding and that we are ending the year with a substantial increase in revenues. Likewise, KPMG has conducted an extensive audit of such internal activities as travel, and the audit report is excellent in this regard, as well. Auditor Brian Lyman, of KPMG, then made a brief presentation on the audit report. He stated that he will issue a clean audit report and that there were no material errors, need for adjustments, or difficulties in performing the audit. Mr. Maloney commended the good work of Chris Stringer, Vice President and Treasurer, and his staff on the audit.

Dr. Pruitt 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, 2012, 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. Medina made, and Mr. Maloney seconded, a motion to adopt the FY 2012 External Audit Report. The motion carried unanimously.

PRESIDENT'S REPORT

Dr. Pruitt described the College's major accomplishments during the past fiscal year and commended the group's attention to The President's Annual Report to the Board of Trustees, FY 2012. Outstanding results during the year include the 10-year reaccreditation of the College by the Middle States Commission on Higher Education: this reaccreditation was awarded with no recommendations from the Site Visit Team, indicating that the College has unequivocally met or surpassed all of the Commission's Standards of Excellence. The College has also achieved

ABET accreditation for its Bachelor of Science in Nuclear Engineering degree program, which is significant, since ABET rarely accredits institutions like ours.

The College's fiscal results for FY 2012 were outstanding: as a result we will be able to make a \$5m investment in the College. In making that investment, we will undertake capital improvements and other activities associated with our long-range plan, which is an ambitious one. Also during the past fiscal year, we have managed important leadership transitions as various staff members have moved on. These transitions involved the appointment of two new vice presidents, a new state librarian, and a new dean of nursing. We also had a victory in the regulatory area: there now will be no federal regulation requiring that distance education programs be individually approved by every state in which they are offered. Thomas Edison State College was in a leadership role in marshaling other institutions to fight this potentially damaging regulation. Other successful efforts during the year included the launch of new degree programs: an MBA; a new Accelerated Second Degree BSN; and a new Master's degree in Public service. And, once again, our graduates have the highest pass rate of the CPA exam in the State of New Jersey. Mr. Medina remarked that this is an exceptional achievement. In other remarks, Dr. Pruitt pointed out that the AFT is in the process of ratifying a new contract agreement. He also said that the College is, and will be, active in advocating for the passage of a higher education bond act.

Ann Marie Senior, Director, Institutional Research and Quality Assurance, then presented information on the Key Numbers for FY 2012. She pointed out that we now have 20,642 students, and that the College has been cited as one of the fastest-growing "small master's degree" institutions in the country. Dr. Pruitt explained that growth in the contract-student populations (e.g., military, corporate) and the traditional-student population has been consciously managed to produce improved margins vis-à-vis tuition revenue. In response to a comment from Mr. Maloney, Dr. Pruitt and Mary Ellen Caro, Vice President for Enrollment Management, explained the College's philosophy in maintaining relationships only with those corporate clients (e.g., UPS) that are truly committed to a culture of increasing the education of their workforces. In response to another comment from Mr. Maloney, Dr. Pruitt responded that the College will seek to enroll new graduate students. Likewise, the College will offer recent graduates of its Nuclear Engineering Technology bachelor's degree program an opportunity to re-enroll and take additional courses, thus allowing for a re-issue of the degree under the ABET accreditation. If we find that we must create a special fee structure for this population, we will return to the Board for approval of the resulting structure. In response to another question, Ms. Caro explained that we measure our progress against our enrollment goals school-by-school and even program-by-program. At the moment, we are well on track to achieve our goals. Moreover, our focus on the veterans' community has resulted in positive growth, as has our increasingly good reputation (as demonstrated by surveys) for student services.

Chris Stringer, Vice President and Treasurer, presented information on the College's fiscal situation as of the end of FY 2012. Our FY 2012 surplus of ca. \$5m is a very positive change when compared to FY 2011. We have also managed to decrease some of our expenses. However, fringe-benefit expenses have gone up as a result of lack of state support. Moreover, now that a new AFT contract is about to be renewed, our expenses for salaries will rise in the

future. We can manage those escalators, however. In other comments, Mr. Stringer pointed out that the State Library has received and spent about half of what it did last year. This is due to the wind-down of a grant. The Library remains in very good shape.

REPORT OF THE COMPENSATION COMMITTEE

Dr. Pruitt explained that minimum and maximum managerial salary ranges are occasionally adjusted and that such adjustment requires Board approval. Typically, when the state arrives at a new collective bargaining agreement, as has recently happened with the AFT, we also adjust the salary ranges for managers. Adjustments of ranges will not result in an actual salary increases.

Mr. Lear presented the following resolution:

WHEREAS: Title 18A:64-6, as revised through the "Higher Education Restructuring Act of 1994," sets forth the powers and duties of the State College Boards of Trustees; and

WHEREAS: Title 18A:64-6(h) provides that, excluding staff covered by the provision of Title 11 of revised Statutes (Civil Service), the State College Boards of Trustees shall, "upon nomination by the president appoint a treasurer and such deans and other professional members of the academic, administrative, and teaching staffs as defined in section 13 of P.L. 1986, c. 42 (C. 18A:64-21.2) as shall be required and fix their compensation and terms of employment in accordance with salary ranges and policies which shall prescribe qualifications for various classifications and shall limit the percentages of the education staff that may be in any given classification"; and

WHEREAS: The Board of Trustees previously adopted a compensation plan for the College that provided for salaries of managerial staff; and

WHEREAS: The College has adjusted the Thomas Edison State College Managerial Compensation Plan by setting new minimums and maximums for salary ranges; and

WHEREAS: The Compensation Committee has reviewed the Thomas Edison State College Managerial Compensation Plan and has affirmed the President's recommendation for certification; now, therefore, be it

RESOLVED: That the Board of Trustees of Thomas Edison State College does hereby approve the revised Thomas Edison State College Managerial Compensation Plan as incorporated herein by reference.

Mr. Maloney made, and Mr. Medina seconded, a motion to adopt the Adjustments to Minimum and Maximum Salary Ranges. The motion carried unanimously.

CONSIDERATION OF BID WAIVER

Dr. Pruitt stated that consideration of this bid waiver, which involves engaging the services of a Sim Lab technician, is of some urgency since the patient simulation SIM Lab must be used by students beginning in October. William Seaton, Vice President and Provost, then described how the Sim Lab will be used by students in the Accelerated Second Degree BSN program. Lockheed Martin is the only organization that can provide the technical service, since it is the original designer of Sim Lab.

Dr. Pruitt presented the following resolution:

WHEREAS: The Board of Trustees of Thomas Edison State College approved the creation of the Accelerated Second Degree Bachelor of Science in Nursing program by resolution on September 10, 2010; and

WHEREAS: The Accelerated Second Degree Program has been operating in cooperation with Capital Health since July 2011; and

WHEREAS: The College plans to build a Simulation Laboratory and desires to contract with Lockheed Martin Corporation, to provide a simulation technician to assist the nurse instructors in running the human simulators; and

WHEREAS: The College plans to negotiate a one-year contact with Lockheed Martin for the services of a simulation technician; and

WHEREAS: N.J.S.A. 18A:64-56 (25) permits the Board of Trustees to authorize the College to make, negotiate, or award a contract by Board Resolution for consulting services involving the curriculum; now, therefore, be it

RESOLVED: That the Board of Trustees does hereby authorize the College to negotiate and enter into a one-year contract with Lockheed Martin for the services of a simulation technician, in an amount not to exceed \$125,000.

Mr. Maloney made, and Mr. Myers seconded, a motion to adopt the Bid Waiver. The motion carried unanimously.

CONSIDERATION OF CANDIDATES FOR DEGREE

Mr. Seaton pointed out that there are 958 students to be certified for graduation at this meeting. Professional degree candidates are increasing by about 11%, while the number of candidates for degree in other programs is declining somewhat. The first group of candidates for degree in the Accelerated Second Degree BSN program will be presented in December. Dr. Pruitt commented that we have more than 400 graduates coming to commencement.

Mr. Seaton presented the following resolution for Candidates for Degree:

The Board of Trustees of Thomas Edison State College does hereby approve the awarding of the appropriate degrees to those September 7, 2012, candidates cited on the lists provided and incorporated herein by reference.

The action herein taken is pursuant to a certification by the President that the aforementioned candidates have satisfied all the relevant degree requirements as recommended by the Academic Council and as established by the Board of Trustees.

Mr. Medina moved, and Ms. Pearson seconded, a motion to adopt the resolution. The motion carried unanimously.

CONSIDERATION OF PERSONNEL ACTIONS

Dr. Pruitt presented the following resolution:

The Board of Trustees of Thomas Edison State College does hereby approve all appointments as indicated on the lists provided and incorporated herein by reference.

The action herein taken is pursuant to a recommendation by the President of the College.

Mr. Maloney made, and Mr. Medina seconded, a motion to adopt the resolution. The motion carried unanimously.

NEW BUSINESS

REPORT OF THE NOMINATING COMMITTEE, ELECTION OF OFFICERS

Ms. Pearson reported on behalf of the Nominating Committee that the committee recommends that Mr. Lear and Mr. Medina be elected to succeed themselves as Chairman and Vice Chairman, respectively.

Mr. Maloney made, and Mr. Myers seconded, a motion to elect Mr. Lear and Medina to succeed themselves as Chairman and Vice Chairman, respectively. The motion carried unanimously.

ADJOURNMENT

Mr. Lear asked for a motion to both go into Executive Session and then adjourn at the end of that session.

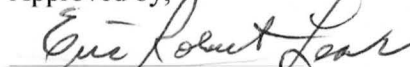
Mr. Medina made, and Mr. Myers seconded a motion to adopt the resolution. The motion carried unanimously.

Submitted by,



George A. Pruitt
Secretary of the Board

Approved by,



Eric R. Lear
Chairman