

MINUTES

BOARD OF TRUSTEES

THOMAS EDISON STATE COLLEGE

September 15, 2006

MEMBERS PRESENT Ida Hammond (Chair); Marilyn Pearson (Vice-Chair); George Fricke; Richard Arndt; Nicholas Carnevale; Fred Abbate; J. Stanley Justice; Jack Lampman; Ann Pott; and George Pruitt

MEMBERS ABSENT: E. Harvey Myers and Rosita Saez

ALSO PRESENT: Esther H. Paist, Michael J. Scheiring, Penelope Brouwer, John Thurber, William Seaton, Norma Blake, Ann Marie Senior, Robin Smith, Peggy Allan (AFT), and Jane Letts-Parvese (Auditor)

Ms. Hammond officially called the public meeting to order at 10:00 a.m.

SWEARING IN OF STUDENT TRUSTEE

Ms. Hammond 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 Ann M. Pott meets the criteria; and

WHEREAS: The President of the College does hereby nominate Ann M. Pott 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 Ann M. Pott as student trustee alternate effective September 15, 2006, 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 2008.

MINUTES

The minutes of the June 9, 2006, meeting were presented by Mrs. Hammond for approval and adoption. Mr. Abbate made, and Mr. Fricke seconded, a motion to adopt the minutes. The motion carried unanimously.

The minutes of the July 17, 2006, meeting were presented by Ms. Hammond for approval and adoption. Mr. Carnevale made, and Ms. Pearson seconded a motion to adopt the minutes. The motion carried unanimously.

FY2006 EXTERNAL AUDIT REPORT

Ms. Letts-Parvese of KPMG made a brief presentation on the annual external audit of the College and the New Jersey State Library. Dr. Pruitt explained the audit process and the changes in that process recently brought about by changes in New Jersey State procedures. Because of these changes, the Board needed to provisionally accept the audit at the September meeting. The Administration and Finance committee will review the details of audit at its next meeting. We have had a good year and a "clean" audit for both the College and the Library. The audit was conducted during July, and Ms. Letts-Parvese complimented College staff on their preparation for the audit. Ms. Letts-Parvese called the Board's attention to the handouts providing information on the audit and pointed out that Thomas Edison State College's audit process and interaction with the Board's Administration and Finance Committee is exemplary and places the College as a model for accountability and management. Dr. Pruitt commented that we take the audit and its findings seriously and that the relationship we have with KPMG is extremely productive and positive.

After discussion, 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 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, 2006, as presented and incorporated herein by reference, and to have said audit reviewed by the Administration and Finance Committee of the Board, acting as an audit committee, reporting its findings and conclusions to the Board.

Mr. Fricke made, and Mr. Arndt seconded, a motion to accept the provisional audit. The motion carried unanimously.

PRESIDENT'S REPORT

Dr Pruitt pointed out that the September Board of Trustees meeting is important because it is the one at which we present the metrics that underlie our work and the outcomes of that work. He described the difficulties we have had with state budget issues during the past year and with the state's new conflicts-of-interest statute's inappropriate application to the higher-education community. The latter is especially problematic due to its chilling effect on research and scholarly discourse among faculty and other academic employees in the state. Although the College has lost significant state funding, we are doing well due to our 17% increase in enrollment. On the other hand, this increase has come largely from our contracts with the military and specific corporations and organizations. Our "traditional" student population has, in fact, declined. We are going to focus our activities in future to increase our traditional student population and meet the

challenge posed by increased competition. And, of course, we will also continue our work with corporations. We have already signed major agreements with Virtua, UPS, PSE and G, and McDonald's. In short, we are in a very healthy position, despite the drop in state appropriation. Our relationship with Unisa, our new Energy Utility Technology degree, our occupancy of our new building, and our restoration of the Kuser mansion are all accomplishments of which we can be proud this year.

In introducing a presentation on FY 2006 statistics, Dr. Pruitt reviewed the recently adopted methodology for determining enrollment numbers more accurately. He reiterated his confidence in the College's ability to maintain growth, and he mentioned the fact that increases in enrollment do not necessarily equate directly to increases in revenues, given the variety of ways in which students interact with the College. We also wish to grow the Graduate School enrollments, since revenues generated from those enrollments are higher.

Ann Marie Senior, Director of Institutional Research and Outcomes Assessment, made a presentation on FY 2006 statistics concerning numbers of enrollments, graduates, applicants, etc., for FY 2006. Dr. Pruitt commented on the relationship between numbers of applications and numbers of enrollments and the effect of military enrollments on that ratio. We will work on bifurcating statistics from military and nonmilitary enrollments in future.

Mr. Scheiring commented that the financial situation remains good, and that the asset base both for the College and Library remains very strong. We have a good surplus that will allow us to continue to operate with excellence at the College. The Library does not have an operating surplus, but it is managing its assets carefully. The College's surplus will be spent as "venture capital" to grow enrollments, update technology, and continue with course development for new programs, which, in turn, will increase our revenues.

Norma Blake presented information on the New Jersey State Library. Her presentation was accompanied by a handout that summarized information on partnerships and on activities and services undertaken by the library in the State of New Jersey. Dr. Pruitt mentioned that the Library is a very complex operation that is doing a wonderful job under Norma's excellent leadership.

A draft video describing the College's Corporate Choice Program was played for the group, and Dr. Pruitt invited the Board to contact him with questions on this or on any part of the Annual Report, which was distributed to the Trustees.

REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE

CONSIDERATION OF BID WAIVERS

Mr. Fricke presented the resolution on the bid waivers and discussed each one and called attention to the bid waiver tracking system.

After the bid waivers were reviewed, Mr. Fricke presented the following resolution:

WHEREAS: The "State College Contracts Law," Chapter 64 of Title 18A of the New Jersey Statutes requires that any purchase exceeding \$26,200 must be publicly advertised for sealed bids in the local newspapers; and

WHEREAS: Section 5a of the additional article to Chapter 64 Title 18A of the New Jersey Statutes states that the College may waive the bidding procedures by resolution of the Board of Trustees of the College; and

WHEREAS: The purchasing policies of Thomas Edison State College approved by the Board of Trustees on October 10, 1986, provide for the granting of categorical prior approval and post reporting to the Board of such purchases; and

WHEREAS: Background information on each bid waiver will always be provided in one attached document entitled "Bid Waiver Request"; and

WHEREAS: The College is requesting bid waivers to do the following:

- use the services of mentors and course-construction consultants for the College's Directed Independent Adult Learning and academic programs at a cost that may exceed the bid threshold of \$26,200;
- use the sole-source consulting services of Keeling and Associates, LLC, to assist in management enhancement initiatives at a cost of approximately \$100,000;

- use the services of an interior design consultant for remodeling the interior of the Kelsey Building and to create a Donor Hall in the Kelsey Lobby at an approximate cost of \$120,000;
- provide for the continued use of Advanced Programming Group, Inc., to assist the Department of Health and Senior Services in federal HIPAA privacy and security implementation at an approximate cost of \$163,200;
- contract with the New Jersey Department of Banking and Insurance for project assistance on HIPAA legal privacy/security preemption analysis at an approximate cost of \$250,000;
- purchase a digital television connection to interconnect the Library for the Blind's Audiovision program with the New Jersey Network studio at an approximate cost of \$40,000;
- purchase shelving for the fifth floor of the State Library to house special collections at an approximate cost of \$68,000; and
- purchase maintenance, hardware and software support services for the statewide Internet/hub network system provided by Verizon at an estimated cost of \$460,000

in accordance with the explanation and description of each project as set out in the attached "Bid Waiver Request"; now, therefore be it

RESOLVED: That the Board of Trustees does hereby authorize bid Waivers for the College and its affiliate, the New Jersey State Library, to do the following: use the service of mentors and course-construction consultants for the College's Directed Independent Adult Learning and academic programs at a cost that may exceed the bid threshold of \$26,200; use the sole-source consulting services of Keeling and Associates, LLC, to assist in management enhancement initiatives at a cost of approximately \$100,000; use the services of an interior design consultant for remodeling the interior of the Kelsey Building and to create a Donor Hall in the Kelsey Lobby at an approximate cost of \$120,000;

eling the interior of the Kelsey Building and to create a Donor Hall in the Kelsey Lobby at an approximate cost of \$120,000; provide for the continued use of Advanced Programming Group, Inc., to assist the Department of Health and Senior Services in federal HIPAA privacy and security implementation at an approximate cost of \$163,200; contract with the New Jersey Department of Banking and Insurance for project assistance on HIPAA legal privacy/security preemption analysis at an approximate cost of \$250,000; purchase a digital television connection to interconnect the Library for the Blind's Audiovision program with the New Jersey Network studio at an approximate cost of \$40,000; purchase shelving for the fifth floor of the State Library to house special collections at an approximate cost of \$68,000; and purchase maintenance, hardware and software support services for the statewide Internet/hub network system provided by Verizon at an estimated cost of \$460,000.

Mr. Fricke made, and Mr. Abbate seconded, a motion to adopt the resolution. The motion carried unanimously.

CONSIDERATION OF ACADEMIC COUNCIL APPOINTMENTS

Mr. Seaton provided, a brief background on the candidates for the Thomas Edison State College Academic Council and presented the following resolution:

- WHEREAS:** Dr. Elizabeth C. Wilson, Educational Consultant, and Dr. Charline S. Russo, President, CampoMarzio Group, have been recommended for appointment to the Academic Council; and
- WHEREAS:** These appointments have been reviewed and approved by the Academic Council; now, therefore, be it
- RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby appoint Dr. Elizabeth C. Wilson, Educational Consultant, and Dr. Charline S. Russo, President, CampoMarzio Group, Middletown, New Jersey, to three year terms on the Academic Council of Thomas Edison State College.

Mr. Carnevale made, and Mr. Abbate seconded, a motion to adopt the resolution. The motion carried unanimously.

CONSIDERATION OF CANDIDATES FOR DEGREE

Mr. Seaton presented the following resolution:

The Board of Trustees of Thomas Edison State College does hereby approve the awarding of the appropriate degrees to those September 15, 2006, candidates indicated 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 relevant degree requirements as recommended by the Academic Council and as established by the Board of Trustees.

Mr. Carnevale made, and Mr. Abbate seconded, a motion to adopt the resolution. The motion carried unanimously.

CONSIDERATION OF HONORARY DEGREE: RALPH IZZO

Dr. Pruitt presented the following resolution:

- | | |
|-----------------|---|
| WHEREAS: | Ralph Izzo has distinguished himself in executive positions in corporate, public-policy, and energy-utility organizations; and |
| WHEREAS: | He effectively leads the Public Service Electric and Gas Company as it carries out its mission to deliver utility services to the citizens of New Jersey; and |
| WHEREAS: | He has served with distinction in the energy-utility, public policy, and scientific communities and given of his time and talent to many community and non-profit organizations that are involved in science, public policy, the arts, and education; and |
| WHEREAS: | He was instrumental in establishing access to a baccalaureate degree in Energy Utility Technology for employees working in the energy-utility industry, in |

general, and for employees of Public Service Electric and Gas Company, in particular, now be it

RESOLVED: That the Board of Trustees of Thomas Edison State College, upon the recommendation of the President, does hereby award Dr. Ralph Izzo the degree of Doctor of Humane Letters, *honoris causa*; and be it further

RESOLVED: That said degree be conferred upon him at the College's Commencement Ceremony, to be held on October 7, 2006.

Mr. Carnevale made, and Mr. Arndt seconded, a motion to adopt the resolution. The motion carried unanimously.

CONSIDERATION OF HONORARY DEGREE: MAJOR GENERAL DAVID "SCOTT" GRAY

Dr. Pruitt presented the following resolution:

WHEREAS: Major General David "Scott" Gray of the United States Air Force has distinguished himself in leading the provision of higher-education opportunities to Military Service Members as Commander of Air Mobility Warfare Center of McGuire Air Base/Fort Dix Army Base/Lakehurst Naval Base, in New Jersey; and

WHEREAS: He has led the Air Mobility Warfare Center in the use of technology to provide access to education that improves Service Members' ability to provide humanitarian aid, undertake special military missions, and provide rapid response in emergency conditions; and

WHEREAS: He has loyally and honorably served his country as an Air Force officer since 1976; now be it

RESOLVED: That the Board of Trustees of Thomas Edison State College, upon the recommendation of the President does hereby award Major General David "Scott"

Gray the degree of Doctor of Humane Letters, *honoris causa*; and be it further

RESOLVED: That said degree be conferred upon him at the College's Commencement Ceremony, to be held on October 7, 2006.

Mr. Arndt made, and Mr. Fricke seconded, a motion to adopt the resolution. The motion carried unanimously.

CONSIDERATION OF HONORARY DEGREE: ASSEMBLY MAJORITY LEADER BONNIE WATSON COLEMAN

Dr. Pruitt presented the following resolution:

WHEREAS: Assemblywoman Bonnie Watson Coleman has distinguished herself in her outstanding service to the citizens of New Jersey over the course of five terms as a member, most recently as Majority Leader, of the New Jersey State General Assembly; and

WHEREAS: She has been a tireless advocate for civil rights, access to education, fair employment and housing for all, and the provision of human services to disadvantaged Americans; and

WHEREAS: She is a loyal alumna of and advocate for Thomas Edison State College; now be it

RESOLVED: That the Board of Trustees of Thomas Edison State College, upon the recommendation of the President does hereby award Assemblywoman Bonnie Watson Coleman the degree of Doctor of Humane Letters, *honoris causa*; and be it further

RESOLVED: That said degree be conferred upon her at the College's Commencement Ceremony, to be held on October 7, 2006.

Mr. Arndt made, and Mr. Fricke 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.

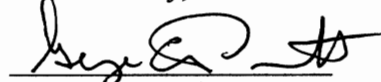
The action herein taken is pursuant to a recommendation by the President of the College.

Mr. Abbate made, and Mr. Carnevale seconded, a motion to adopt the resolution. The motion carried unanimously.

ADJOURNMENT

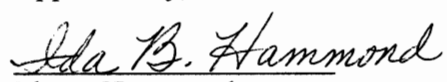
There being no further business, Mr. Carnevale made, and Mr. Fricke seconded, a motion to adjourn. The motion carried unanimously, and the meeting was adjourned at noon.

Submitted by,



George A. Pruitt
Secretary of the Board

Approved by,



Ida B. Hammond
Chairperson