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## MINUTES

### BOARD OF TRUSTEES

#### THOMAS EDISON STATE COLLEGE

**JUNE 8, 2007**

**MEMBERS PRESENT:** George Pruitt, George Fricke, Nicholas Carnevale, Richard Arndt, Marilyn Pearson, Ida Hammond, Ann Pott, and Jack Lampman

**MEMBERS ABSENT:** Fred Abbate, J. Stanley Justice, and E. Harvey Myers

**ALSO PRESENT:** Robin Walton, Esther H. Paist, Penelope Brouwer, Phillip Sanders, Norma Blake, William Seaton, John Thurber, and Joseph Youngblood

Mrs. Hammond, who noted that the date, time, and location for the meeting had been published in accordance with New Jersey law, officially called the public meeting to order at 2:00 p.m.

## MINUTES

The minutes of the March 9, 2007, meeting were presented by Mrs. Hammond for approval and adoption. Mr. Carnevale made, and Mr. Fricke seconded, a motion to adopt the minutes. The motion carried unanimously.

## PRESIDENT'S REPORT

Dr. Pruitt reported to the Board that Budget considerations are currently underway in the State government. We are monitoring the hoped-for restitution of funding for enrollment growth and for the Watson Institute. The budget for the College will probably be flat funded, which for us is a win. However, we are still not clear that there will be adequate funding for the mandated salary increases for the unionized employees. For many such employees, there will be a 34% increase over the years of the contract. The impact of the state's being unable to support the salary program will be great on the colleges. This impact for the College will be about 1 million dollars. On the other hand,

all employees will have to now pay 1.5% of their salaries for health care benefits. We are also monitoring the budget situation for the 3 million dollar Knowledge Initiative for the Library.

The appointments process to fill the vacancy created by Rosie Saez's resignation from the Board has been delayed due to the Governor's injuries, as has the Kuser acquisition. However, all should be well in both regards. Dr. Pruitt introduced Philip Sanders, who represented Mr. Scheiring, and Joe Youngblood, who was at the meeting to provide information on the proposed John S. Watson School of Public Policy.

Ms. Hammond has been selected to be an honoree at the Gala this year, along with Senator Inverso.

Dr. Pruitt showed the DVD prepared for new employee orientation. The intent is to explain the College's culture, etc. to new employees.

#### **REPORT OF THE ADMINISTRATION AND FINANCE COMMITTEE**

Mr. Fricke reviewed the activities of the May Administration and Finance meeting. He asked Dr. Pruitt to comment on the subpoenas that all Colleges and universities received as a result of the national investigation into student loan practices and possible violation of conflicts-of-interest ethical issues. We have retained counsel to advise us on properly responding to the subpoena. Dr. Pruitt is confident that the College has no problems in this regard. Mr. Fricke also described the effort that is currently underway in some areas to reduce autonomy from public college boards of trustees.

Mr. Fricke then provided information on the proposed regulations to allow public libraries to return to their municipalities some of the money they receive through mandated property tax dedications provided that there are excess funds in certain amounts. Norma Blake elaborated on this. She also responded to questions about the effect of the change. Very few libraries and towns will be affected, since conditions like those that obtain in Shore towns that have had windfalls in property taxes as a result of large escalations in property values constitute an anomaly.

Mr. Fricke explained that the third-quarter financial results are quite good, especially in the contracts areas. However, there was a concern about the relatively low numbers of students enrolled as "traditional" students. Dr. Pruitt added that traditional enrollments are increasing, but the contract enrollments are increasing at an even greater rate. Because serving contract students is more efficient for us than serving traditional ones, this is not necessarily a problem. Whatever the case may be, however, we are committed to ensuring that our enrollment streams are diversified. We are also committed to controlling the costs and managing our margins well. Concerns were also expressed that this emphasis on contract populations might change the character of the College. However, these fears were allayed through the commitment to diversified enrollment streams.

Mr. Fricke then discussed the proposed fee increase and mentioned that the committee was pleased to see that the increase was the lowest we have had in many years, at between 4 and 5%. Philip Sanders pointed out that the increases projected for revenues are based on anticipated enrollment growth. This year, a different approach was taken to setting fees in that deans and others were asked to predict the enrollment growth in each school, based on what they knew about market forces, etc. We know that such costs as supporting the new mandated salary program and other fixed costs will be high, and it's possible that this new method of projecting enrollments may be overly optimistic. Therefore, we will budget for the new fixed costs, but we will hold operating costs to current levels until we find that the optimistic projections have been met. We also need to be concerned about where we are positioned in the marketplace regarding pricing, so we have been conservative. In response to a question as to whether the higher fees set in the last few years had an impact on enrollment numbers, Dr. Pruitt assured the group that there had been no negative impact; in fact, our enrollment growth was stronger than ever. Our fees are still quite competitive.

#### **CONSIDERATION OF FY 2008 FEE INCREASE**

Mr. Fricke presented the following resolution:

- WHEREAS:** The "Higher Education Restructuring Act of 1994," Chapter 48 of Title 18A of the New Jersey Statutes requires the governing boards of public institutions to conduct public hearings prior to the date of the adoption of a tuition or fee schedule; and
- WHEREAS:** The Administration and Finance Committee of the Board of Trustees held a public hearing at Thomas Edison State College on May 15, 2007; and
- WHEREAS:** The Administration and Finance Committee of the Board of Trustees has recommended that the proposed tuition and fee changes be made effective July 1, 2007, as indicated on the schedule provided; and
- WHEREAS:** The action herein taken is pursuant to a recommendation by the President; now, therefore, be it
- RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby approve the proposed schedule of tuition and fees as recommended and incorporated herein by reference, effective July 1, 2007.

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

In presenting the resolution on the bid waivers, Mr. Fricke proposed that there be discussion of each bid waiver prior to the vote, in case there were any questions or concerns. He gave a brief explanation of each providing a brief rationale for the approval

of each. Norma Blake provided explanations for the bid waivers pertaining to the State Library.

### **CONSIDERATION OF BID WAIVERS**

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 for the College's School of Nursing at a cost that may exceed the bid threshold of \$26,200;
- upgrade the current payroll and time-and-attendance systems, and implement an automated recruitment system at an approximate cost of \$100,000;
- provide customer relationship management training at an approximate cost of \$50,000;
- renovate the Kelsey Building, including new furniture and fixtures, carpeting, wall coverings, window treatments and bathroom updating, at an approximate cost of \$900,000;
- use the services of Princeton Partners, Inc., to continue the College's advertising campaigns at an approximate cost of \$500,000;
- use the services of TMP Directional Marketing to identify prospective students through paid search term advertising

and lead generation campaigns related to Web search engines, at an approximate cost of \$200,000;

- use Auto Graphics, Inc., to provide a virtual Web-based catalog system allowing the State Library to offer the statewide interlibrary JerseyCat loan service at a cost of approximately \$370,000;
- use Dynix to provide hardware and software maintenance for the State Library's Integrated On-line Library System at a cost of approximately \$30,000;
- use Palinet for cataloging materials purchased for the State Library's collection at an approximate cost of \$220,000;
- purchase statewide database licenses at an approximate cost of \$1,900,000 to provide access to full-text scholarly online journals, Web-based, full-text newspaper databases, including a full-text Spanish electronic database, and a curriculum-oriented encyclopedia database targeted for students and teachers;
- host a weekend for training for 150 to 200 New Jersey public library trustees at an approximate cost of \$60,000;
- purchase adaptive equipment for visually-impaired clients served by the Library for the Blind at an approximate cost of \$70,000;
- replace the LBH's Audiovision signal at an approximate cost of \$360,000;
- maintain and support the centralized New Jersey Connect statewide technology system at an approximate cost of \$500,000; and
- support the State Library's Knowledge Initiative at an approximate cost of \$3,000,000

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 services of mentors for the College's School of Nursing at a cost that may exceed the bid threshold of \$26,200; upgrade

the current payroll and time-and-attendance systems, and implement an automated recruitment system at an approximate cost of \$100,000; provide customer relationship management training at an approximate cost of \$50,000; renovate the Kelsey Building, including new furniture and fixtures, carpeting, wall coverings, window treatments and bathroom updating, at an approximate cost of \$900,000; use the services of Princeton Partners, Inc., to continue the College's advertising campaigns at an approximate cost of \$500,000; use the services of TMP Directional Marketing to identify prospective students through paid search term advertising and lead generation campaigns related to Web search engines, at an approximate cost of \$200,000; use Auto Graphics, Inc., to provide a virtual Web-based catalog system allowing the State Library to offer the statewide interlibrary JerseyCat loan service at a cost of approximately \$370,000; use Dynix to provide hardware and software maintenance for the State Library's Integrated On-line Library System at a cost of approximately \$30,000; use Palinet for cataloging materials purchased for the State Library's collection at an approximate cost of \$220,000; purchase statewide database licenses at an approximate cost of \$1,900,000 to provide access to full-text scholarly online journals, Web-based, full-text newspaper databases, including a full-text Spanish electronic database, and a curriculum-oriented encyclopedia database targeted for students and teachers; host a weekend for training 150 to 200 New Jersey public library trustees at an approximate cost of \$60,000; purchase adaptive equipment for visually-impaired clients served by the Library for the Blind at an approximate cost of \$70,000; replace the LBH's Audiovision signal at an approximate cost of \$360,000; maintain and support the centralized New Jersey Connect statewide technology system at an approximate cost of \$500,000; and support the State Library's Knowledge Initiative at an approximate cost of \$3,000,000.

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

#### **CONSIDERATION OF BANKING SERVICES**

Mr. Fricke described the proposed relationship with Bank of America and 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 of 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:** Bank of America has prepared the banking services contracts for the years 2004-2006 and has provided the College and its affiliate, the New Jersey State Library, with quality services; and
- WHEREAS:** Bank of America services will be provided at a lower service cost for FY 2007 through 2008 over the life of the contract; and
- WHEREAS:** The College has determined that Bank of America continues to meet the specifications for such services; now, therefore, be it
- RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby authorize a bid waiver which will enable the College to extend the contract for banking services to Bank of America for the College and its affiliate, the New Jersey State Library, for a period of three years.

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

#### **CONSIDERATION OF EFA FINANCING**

Mr. Fricke pointed out the long list of items to be financed through this tax-exempt program and went over the particulars of the resolution. Mr. Arndt asked about which aspects of the Kuser acquisition must be covered by the College. Dr. Pruitt pointed out which these were and assured him that we have already set aside money to pay our share.

Mr. Fricke presented the following resolution:

- WHEREAS:** The Board of Trustees of Thomas Edison State College ("the College") desires to approve a "Project" consisting of acquisition of certain real property and various equipment, furniture, and fixtures for use by the College and/or in conjunction with the New Jersey State Library; and
- WHEREAS:** The College has determined that the Project will benefit the College and the State Library and assist in serving the ongoing needs of its students and its operation; and
- WHEREAS:** The Board of Trustees of the College desires to approve an amount necessary to finance the Project, in an amount of three million, five-hundred thousand dollars (\$3,500,000); and
- WHEREAS:** The College has further determined that the financing of the Project and the related costs of issuance should be accomplished through tax-exempt financing through the issuance by New Jersey Educational Facilities

Authority (the "Authority") of tax-exempt bonds or lease obligations (the "Tax-Exempt Obligations"); and

**WHEREAS:** The Authority will lend the proceeds of the Tax-Exempt Obligations to the College for the purpose of financing the Project; and

**WHEREAS:** In connection with the tax-exempt financing, the College will enter into a Lease and Agreement with the Authority (the "Agreement") pursuant to which the College will be obligated, inter alia, to pay amount sufficient to satisfy debt service on the Tax-Exempt Obligations; and

**WHEREAS:** The Board of Trustees desires to authorize certain officers of the College to execute and deliver the Agreement and any and all other agreements and documents necessary or appropriate to implement the Project and the tax-exempt financing and to take all action necessary or appropriate to implement the Project and accomplish the tax-exempt financing (including the related costs of issuance), now, therefore, be it

**RESOLVED:** That the Board of Trustees hereby approves the Project as presented and the tax-exempt financing of the Project through the issuance by the Authority of Tax-Exempt Obligations in an amount of three million five-hundred thousand dollars (\$3,500,000), which amount includes related costs of issuance of the Tax-Exempt Obligations; and be it further

**RESOLVED:** That the Board of Trustees names the President and the Vice President for Administration and Finance as "Authorized Officers" to take all necessary and appropriate action to implement the Project and to finalize the structure and details of the tax-exempt financing that will be considered the most advantageous structure to fit within the means of the budget of the College; and be it further

**RESOLVED:** That in order to implement and finance the Project and the related costs of issuance, the Board of Trustees hereby authorizes the execution and delivery of the Agreement and any and all other agreements or documents to implement and finance the Project through the issuance of Tax-Exempt Obligations; and be it further

**RESOLVED:** That the Authorized Officers are directed to execute and deliver the Agreement, in the form approved by the Authority and the Board of Trustees, and any and all other agreements and documents as are necessary or appropriate to implement the Project and to finance the Project through the Tax-Exempt Financing (the "Other Documents") in the name of and on behalf of the Board of Thomas Edison State College, in as many counterparts as may be necessary, and to affix or impress the official seal of Thomas Edison State College thereon and to attest the same. Such execution and attestation to be conclusive evidence of the



approval of the form and content of such Agreement and the Other Documents; and be it further

**RESOLVED:** That all resolutions, orders and other actions of the Board of Trustees in conflict with the provisions of this resolution to the extent of such conflict are hereby superseded, repealed or revoked; and this Resolution take effect immediately.

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

Dr. Pruitt also reminded the group that the State auditors are here at the moment. They review all aspects of the College and will be with us for several months.

#### **FULL SCOPE AUDIT RESULTS**

Mr. Fricke described the correction of the very few findings of the full-scope audit for financial aid. It is probable that financial aid will always generate a few findings, given our 12-semester system. However, we have made great improvement in this area, and this year's findings are very minor and very few. They have not indicated any systemic issues. We have increasing numbers of students using financial aid, in the form of loans not grants, and we have a very low default rate.

#### **REPORT OF THE ACADEMIC AFFAIRS COMMITTEE**

Mr. Seaton presented the information on the meeting of the Academic Affairs Committee. Mrs. Hammond also complimented Joe Youngblood on his good work and recent honors.

Mr. Seaton cited the recently completed Periodic Review Report to the Middle States Commission on Higher Education and commended it to the Board's attention. He pointed out that the report has been submitted and that the Commission members will vote on our continuing accreditation at their November meeting.

#### **CONSIDERATION OF CANDIDATES FOR DEGREE**

In introducing the information on the candidates, Mr. Seaton pointed out that Linda Vasbinder, Dr. Pruitt's confidential assistant, is on the list for approval, having completed work for an associate's 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 June 8, 2007, 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. Fricke seconded, a motion to adopt the resolution. The motion carried unanimously.

#### **CONSIDERATION OF CREATION OF THE JOHN S. WATSON SCHOOL OF PUBLIC POLICY**

Dr. Pruitt introduced Dr. Joseph Youngblood's presentation, describing the rationale for establishing the John S. Watson School of Public Policy as a logical outgrowth of the work already being carried on by the Watson Institute. Groups such as the Urban Mayors' Association have approached the College to ask that such a school be established. Dr. Youngblood made a PowerPoint presentation to describe the programs and general work of the proposed school. Dr. Pruitt presented the following resolution:

**WHEREAS:** The Board of Trustees of Thomas Edison State College has the authority and the responsibility to approve the educational curricula and academic policies of the College; and

**WHEREAS:** The Academic Affairs Committee of the Board of Trustees has reviewed and concurred with the recommendation to establish the John S. Watson School of Public Service as presented; and

**WHEREAS:** The President of the College recommends the proposal as presented; now, therefore, be it

**RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby establish the John S. Watson School of Public Service as presented and incorporated herein by reference.

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

#### **CONSIDERATION OF ACADEMIC COUNCIL APPOINTMENTS**

Mr. Seaton presented the following resolution:

**The Board of Trustees of Thomas Edison State College does hereby appoint Winston Maddox, to a three-year term on the Academic Council.**

**The action herein taken is pursuant to a recommendation by the President of the College, having been reviewed and endorsed by the Academic Council.**

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

#### **CONSIDERATION OF JOINT ASSOCIATE IN APPLIED SCIENCE DEGREE PROGRAM IN DENTAL HYGIENE**

Mr. Seaton presented the following resolution:

**WHEREAS:** The Board of Trustees of Thomas Edison State College has the authority and the responsibility to approve the educational curriculum and academic policies of the College; and

**WHEREAS:** The Academic Affairs Committee of the Board of Trustees has reviewed and concurred with the recommendation to approve the Joint Associate's degree program in Applied Science in Dental Hygiene to be offered with the University of Medicine and Dentistry of New Jersey; and

**WHEREAS:** The President of the College recommends the proposal as presented; now, therefore, be it

**RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby approve the recommendation as presented and incorporated herein by reference.

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

#### **CONSIDERATION OF JOINT CERTIFICATE PROGRAM IN DENTAL ASSISTING**

Mr. Seaton presented the following resolution:

**WHEREAS:** The Board of Trustees of Thomas Edison State College has the authority and the responsibility to approve the educational curriculum and academic policies of the College; and

**WHEREAS:** The Academic Affairs Committee of the Board of Trustees has reviewed and concurred with the recommendation to approve the Joint Certificate program in Dental Assisting to be offered with the University of Medicine and Dentistry of New Jersey; and

**WHEREAS:** The President of the College recommends the proposal as presented; now, therefore, be it

**RESOLVED:** That the Board of Trustees of Thomas Edison State College does hereby approve the recommendation as presented and incorporated herein by reference.

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

#### **CONSIDERATION OF CONTRACT RENEWALS**

Dr. Pruitt presented the following resolution:

**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.**

**The action taken herein is pursuant to an evaluation of each employee's work performance and the recommendation of the President.**

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

#### **CONSIDERATION OF FY2008 MEETING DATES**

Ms. Hammond presented the proposed FY2008 meeting dates and the following resolution:

**The Board of Trustees of Thomas Edison State College does hereby approve the following meeting dates for FY2008:**

September 14, 2007	-	10:00 a.m.
December 7, 2007	-	10:00 a.m.
March 7, 2008	-	10:00 a.m.
June 6, 2008	-	2:00 p.m.

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

#### **APPOINTMENT OF NOMINATING COMMITTEE**

Mrs. Hammond appointed Mr. Fricke, Mr. Arndt, and Mr. Myers to serve on the Nominating Committee.

#### **CONSIDERATION OF RESOLUTION TO THANK STUDENT TRUSTEE**

Dr. Pruitt expressed heartfelt thanks to Mr. Jack Lampman for his contributions, and dedication during his service as a student trustee. He then presented the following resolution:

**Trustee and for his specific and special interest in the growth and development of Thomas Edison State College.**

**We applaud Mr. Lampman's accomplishments and commend his continued interest in the College, and we look forward to a continuing relationship with him.**

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

#### **ADJOURNMENT**

Mr. Fricke made, and Mr. Arndt seconded, a motion to adjourn. The motion carried unanimously, and the public meeting was adjourned at 4:00 p.m.

#### **CONSIDERATION OF RESOLUTION TO GO INTO EXECUTIVE SESSION**

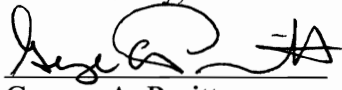
Dr. Pruitt presented the following resolution:

**BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-13 and 10:4-12 that the Board of Trustees of Thomas Edison State College hold a closed session immediately following the public meeting of June 8, 2007, for the purpose of discussing a personnel matter.**

**It is expected that the discussion undertaken in closed session will not be made public due to the confidentiality of this matter.**

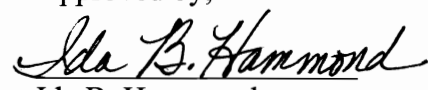
Mr. Arndt made, and Mr. Fricke seconded, a motion to adopt the resolution. The motion carried unanimously.

Submitted by,



George A. Pruitt  
Secretary of the Board

Approved by,



Ida B. Hammond  
Chairperson