

**New College Institute  
Executive Committee Meeting Minutes  
July 23, 2009**

**Attendance:**

**Ms. Elizabeth Haskell, Ms. Amanda Redd, Mr. Kimble Reynolds, and Mr. Roh Spilman. Dr. Eugene Trani** participated electronically.

Also present were **Mr. Mark Heath, Senator Roscoe Reynolds, Dr. Barry Dorsey**, NCI Executive Director; **Mr. Charles Guthridge**, Public Affairs Consultant; **Mr. Morgan Guthridge**, Public Affairs Consultant; **Dr. Leanna Blevins**, NCI Associate Director; **Mr. Charles Toothman**, NCI Fiscal and Human Resources Administrator; and **Ms. Melanie Ingram**, NCI Assistant to the Executive Director. **Ms. Greer Saunders**, Assistant Attorney General, participated electronically.

**Call to Order and Welcome**

Chairman Rob Spilman called the meeting to order and welcomed those present. He introduced NCI's newest Board member, Mr. Mark Heath, President/CEO of the Martinsville Henry County Economic Development Corporation.

**Roll Call and Approval of Minutes**

Ms. Ingram called the roll and announced that a quorum was present.

On motion by Mr. Reynolds, seconded by Ms. Haskell, the minutes of the April 16, 2009 meeting were approved.

**Discussion of the Proposed New Building**

Dr. Dorsey reported that NCI staff submitted a Capital Outlay Request on June 1 to the Department of Planning and Budget requesting funding for a proposed new building. A copy of this request was distributed to members present. The process is for DPB to do a cursory review and then send it to the State Council of Higher Education (SCHEV) for detailed review and recommendation to the Governor and the 2010 General Assembly.

Dr. Dorsey had anticipated that the LISC Group, consultants to the Harvest Foundation on Uptown development, would complete its study of Uptown Martinsville and make recommendations to the Harvest Foundation by June 1. The LISC consultants had indicated to Dr. Dorsey their belief that NCI is the linchpin to Uptown development.

Unfortunately, the LISC study became protracted when the variable of the City obtaining a CDBG (Community Development and Block Grant) was introduced. The consultants incorporated the city's efforts into their overall study and recommendations. As a result, the LISC Group probably won't be making any recommendations before the end of the year, at the earliest.

Meanwhile, NCI needs to move quickly in order to obtain an initial grant for the building and to leverage those funds to obtain other grants. There are at least two reasons for the need to move ahead: the value of having a new building in place in 2012 – 13, and the possibility of receiving matching funds set aside by the Tobacco Commission for projects currently requiring a match.

Mr. Toothman pointed out that our original request was \$8.5 million; however, NCI's budget analyst in Richmond recommended that the amount requested be increased to \$12.5 million. She indicated that it would be in NCI's best interest to ask for more rather than less.

Dr. Dorsey reviewed possible funding sources and strategies for NCI's proposed new building. Dr. Trani noted that without matching monies or grants, a new building would probably not be approved by the General Assembly. Legislative support is a key component to a new building, as well as private source money. To make this project work in 2010, NCI should have either a federal earmark or funds from the Harvest Foundation. After discussion, it was the consensus of the Executive Committee that Dr. Dorsey and Chairman Rob Spilman arrange a meeting with Allyson Rothrock, Executive Director of the Harvest Foundation, to discuss NCI's proposed building. Should NCI receive a grant commitment from the Harvest Foundation, such a commitment would provide leverage for NCI to receive funds from the state as well as the Tobacco Commission.

Chairman Spilman asked that the group consider holding a planning retreat in September to further discuss the timetable for this project and NCI's future directions. NCI staff will review calendars and correspond with Board members to set the date for a retreat.

#### **Approval of the General Fund Operating Budget for 2009 – 10**

Dr. Dorsey reviewed the General Fund Operating Budget for 2009 – 10. A copy of the budget is included with these minutes. On motion by Ms. Haskell, seconded by Ms. Redd, the budget was approved.

#### **Approval of the Budget Reduction Plan Submitted to the Department of Planning and Budget**

As requested by the Governor's Office, NCI submitted a Budget Reduction Plan for 2009 – 10 and the two years thereafter to the Department of Planning and Budget on July 22, 2009.

The plan indicates how the agency proposes to comply with a Governor's directive to be prepared to reduce the budget by 5, 10, or 15 percent, as needed. The plan is a contingency plan should further budget reductions be necessary. (NCI has already taken a \$111,000 state reduction in both 2008 – 09 and 2009 – 10, as well as a comparable reduction for those years in Harvest matching funds distributed through the Foundation.)

On motion by Ms. Haskell, seconded by Mr. Reynolds, the budget reduction plan was approved.

**Other Business**

Dr. Dorsey reviewed the Budget Development Process pointing out due dates of tasks to be completed by NCI staff. A copy of the Department of Planning and Budget Calendar is attached.

Dr. Trani reminded the Executive Committee that he is now President Emeritus of VCU and is very interested in continuing on New College's Board with one caveat: he requested that he be allowed to attend all future meetings by videoconference. Members expressed their appreciation to Dr. Trani for his willingness to continue as a Board member and agreed that his presence by videoconference was acceptable.

**Adjournment**

The meeting adjourned at 10:15 a.m.

**New College Institute  
Combined Budget Estimate**

	Fiscal Year 2009-2010		
	General Fund	New College Foundation Fund	HEETF
<b>ALLOCATION</b>	<b>\$ 1,623,809</b>	<b>\$ 2,453,450</b>	<b>\$ 75,000</b>
<b>Salaries</b>			
Retirement	\$ 76,304		
FICA - salary	48,339		
FICA - wage	6,200		
Group Insurance	6,843		
Med. Ins.	86,592		
Retiree Credit	8,212		
Disability	13,688		
Salaries	684,336		
Per Diem Payments	800		
DC Match	4,800		
Other Fringes	-	15,000	
Wages	66,903	57,297	
<b>Total Salaries</b>	<b>\$ 1,003,017</b>	<b>\$ 72,297</b>	<b>\$ -</b>
<b>Contractual Services</b>			
Freight Svs.	\$ 350	\$ -	\$ -
Postal	\$ 7,000	\$ 2,500	
Printing Svs.	\$ 10,000	\$ 5,000	
Telec. Non-state	\$ 16,800		
Organizational Membership	\$ 5,000	\$ 5,000	
Publication/Subscription	\$ 1,000		
Employee Training/Conf.	\$ 5,000		
Emp Training/Trans/Meals	\$ 3,000		
Employee Tuition Reimbursement	\$ 8,000		
Temporary Clerical Help			
CPA & Auditors	\$ -	\$ 13,000	
Legal Services	\$ -	\$ 7,000	
Creosote	\$ -	\$ 25,000	
Guthridge	\$ -	\$ 60,000	
Administrative Services	\$ -	\$ 12,000	
Grant Writer		\$ 20,000	
Media Svs.	\$ 60,000	\$ 60,000	
Custodial Services.	\$ 36,000	\$ 14,000	
Elect. Repair/Maint.. Svs.	\$ 6,000		
Equip. Svs.	\$ 5,000		
Exterminator Svs.	\$ 600		
Manual Labor Svs.	\$ 2,500		
Computer Operations		\$ 90,000	
Security	\$ 24,000	\$ 22,000	
VITA	\$ 5,000		
MBC Initiative	\$ 6,000		
DP Svs. St.	\$ 3,400		
Computer Software	\$ 5,000		
Travel Pers.	\$ 10,000	\$ 5,000	
Travel Sub./Lodging	\$ 5,000	\$ 5,000	
<b>Total Contractual Services</b>	<b>\$ 224,650</b>	<b>\$ 345,500</b>	<b>\$ -</b>

**New College Institute  
Combined Budget Estimate**

	Fiscal Year 2009-2010		
	General Fund	New College Foundation Fund	HEETF
<b>ALLOCATION</b>	<b>\$ 1,623,809 <sup>1</sup></b>	<b>\$ 2,453,450 <sup>2</sup></b>	<b>\$ 75,000</b>
<b>Degree Programs</b>			
Criminal Justice		\$ 134,000	
Homeland Security	\$ 56,500	\$ 118,500	
Elementary Ed		\$ 90,000	
Motorsports		\$ 150,000	
Nursing		\$ 100,000	
Social Work (BSW)		\$ 125,000	
Individualized Study	\$ 105,000	\$ 19,000	
Early Childhood Development		\$ 50,000 <sup>3</sup>	
Accounting		\$ 73,577 <sup>4</sup>	
Counseling (M.S.)		\$ 198,750	
Reading (MS)		\$ 22,000 <sup>5</sup>	
Social Work (MSW)		\$ 91,000	
Educational Leadership		\$ 30,000	
<b>Total Programs</b>	<b>\$ 161,500</b>	<b>\$ 1,201,827</b>	<b>\$ -</b>
<b>Teacher Education &amp; Special Programs</b>			
English as a Second Language		\$ 1,800 <sup>5</sup>	
Alternative Licensure		\$ 7,200 <sup>6</sup>	
Math, Science Social Studies & Language Arts		\$ - <sup>7</sup>	
Patient Counseling		\$ 4,900 <sup>5</sup>	
<b>Total Teacher Education &amp; Special Programs</b>	<b>\$ -</b>	<b>\$ 13,900</b>	<b>\$ -</b>
<b>Educational Programs</b>			
VCU Health Mgmt		\$ 10,000	
Summer Teachers Certification Course		\$ 10,000	
Student Summer Programs		\$ 40,000	
<b>Total Programs</b>	<b>\$ -</b>	<b>\$ 60,000</b>	<b>\$ -</b>
<b>Supplies and Equipment</b>			
Office Supplies	\$ 10,000	\$ 2,500	
Gas	\$ 2,500		
Gasoline		\$ 1,600	
Packing & Shipping	\$ 300		
Bldg. Maintenance	\$ 5,000	\$ 3,000	
Custodial Supplies	\$ 5,000	\$ -	
Electrical Repair & Main	\$ 3,100	\$ 3,000	
Mech Repair equipment	\$ 2,500	\$ 2,500	
Catering and Events	\$ 8,000	\$ 5,000	
Computer Supplies	\$ 6,000	\$ -	
Promotional	\$ 10,000	\$ 10,000	
<b>Total Supplies</b>	<b>\$ 52,400</b>	<b>\$ 27,600</b>	<b>\$ -</b>

**New College Institute  
Combined Budget Estimate**

	Fiscal Year 2009-2010		
	General Fund	New College Foundation Fund	HEETF
<b>ALLOCATION</b>	<b>\$ 1,623,809 <sup>1</sup></b>	<b>\$ 2,453,450 <sup>2</sup></b>	<b>\$ 75,000</b>
<b>Transfer Payments</b>			
Building Rental	\$ 96,076	\$ 62,400	
Electricity	30,000	15,000	
Refuse	373	-	
Water/Sewer	1,960	1,800	
Auto Insurance/General Liability	-	750	
D&O Insurance	-	1,899	
Workman's Comp.	2,500		
<b>Total Transfer Payments</b>	<b>\$ 130,909</b>	<b>\$ 81,849</b>	<b>\$ -</b>
<b>Equipment</b>			
Computer Equipment	\$ -	\$ 25,000	
Classroom Technology	-	50,000	75,000
Automobile lease		4,272	
Office Furniture	4,000		
Classroom Furniture	15,000		
Office Machines	5,000		
<b>Total Equipment</b>	<b>\$ 24,000</b>	<b>\$ 79,272</b>	<b>\$ 75,000</b>
Allocation	\$ 1,623,809	\$ 2,453,450	75,000
<b>Total Expenditures</b>	<b>\$ 1,596,476</b>	<b>\$ 1,882,245</b>	<b>\$ 75,000</b>
<b>Surplus/Deficit</b>	<b>\$ 27,333</b>	<b>\$ 571,205</b>	<b>\$ -</b>

<sup>1</sup> Adjusted Appropriation to reflect reduction of \$111,000

<sup>2</sup> Includes carryover of \$754,641 and \$75,000 match to HEETF

<sup>3</sup> \$50,000 paid in advance

<sup>4</sup> \$75,000 for one-time start up costs only

<sup>5</sup> Stipends for students accepted to the program

<sup>6</sup> Maximum payment to JMU. One-half of the amount to be used as stipends for students to cover one-half of the tuition for 7 students

<sup>7</sup> These endorsements are included in cost of Longwood University Liberal Studies program

**Note: NCI carried forward approximately \$50,000 from fiscal year 2009 to apply toward further budget reductions in fiscal year 2010. This amount is not reflected in the budget above.**

## 2010-2012 Biennium Budget Development Process

Provided below is a tentative calendar for major milestones in the development of the 2010-2012 biennial budget. This calendar is not all encompassing, and dates are subject to change.

Task	Tentative Date
DPB issues instructions on development of 2010 operating plan and budget components	Mid May
Agencies submit year-end pledge balance sheets	June 1
Agencies submit six-year capital requests	June 1
DPB issues instructions to agencies for 2010-2012 maintenance reserve subprojects	June 1
Agencies submit 2010 operating plan and budget components	June 8
DPB issues reduction plan instructions for FY 2010 and 2010-2012 biennium	June 30
Agencies submit 2010-2012 maintenance reserve requests	July 1
Instructions issues for agency legislative proposals	July 10
DPB issues base budget and technical adjustment instructions	July 16
Agencies submit budget reduction plans	July 22
DPB issues instructions to agencies on annual maintenance reserve plan	July 29
DPB issues instructions for addenda decision packages	July 29
DPB issues instructions for strategic plans	July 29
DPB issues instructions for agencies to prepare monthly draw schedules for all bond projects	August 5
Base budget adjustments and technical adjustments due from agencies	August 7
Agencies submit initial list of proposed decision packages to Secretaries	August 7
Agencies submit monthly draw schedules for bond projects funded in 2002 session	August 12
Secretaries notify agencies of decision packages approved for detailed submission	August 14
Annual maintenance reserve plans due	August 21
Formal proposals for legislation submitted to Secretary	August 28
Agencies submit monthly draw schedules for all other capital projects funded with debt	August 30

\*

\*

\*

\*

\*

-

-

DPB issues instructions for nongeneral fund revenue estimates	August 30
Agencies submit strategic plans based upon base budget submission	September 1
Agencies submit final addenda decision packages	September 1
Agency legislative proposals due to Governor's Office and DPB	September 9
DPB issues instructions for legislative and other required reports	October 1
Agencies submit nongeneral fund revenue estimates	Late October
Agencies submit other legislative required documents	November 1
Governor presents budget to HAC and SFC	December 18

\*

\*

-

\*

-