



BOARD OF TRUSTEES MEETING
Thursday, June 24, 2021 / The Lodge
Ribbon Cutting for The Lodge – 6:00 pm
Regular Meeting – To Follow Ribbon Cutting

- **Call to Order (5 min)** Chairman
- **Roll Call** Jeff Daubenmire
- **Approve Minutes from April 15, 2021, Meeting** Chairman
- **Executive Session (15 min)** Chairman
- **President's Report (15 min)** Dr. Young
 - President's Report
 - Property Purchase Proposal
 - Athletics Fields Proposal
 - Laerdal Proposal
- **Academic Affairs Report (10 min)** Trustee Mitchell / Ms. Hagerott
 - Update from Vice President
- **Community Relations and Student Experience Report (5 min)** Trustees Stuart Brooks / Leon Forte' Ms. Hagerott
 - Update from Vice President
- **Finance and Personnel Report (5 min)** Trustees Mike Brooks/ Jeanie Addington / Mark Fuller
 - Update from Executive Director Finance / Treasurer
 - Debt Forgiveness Policy
 - Hocking Valley Motor Lodge
 - FY 2022 Budget
- **Facilities Committee Report (5 min)** Trustee Budzik/Trustee Dean/ Mr. Daubenmire
 - Update on Projects
- **Chairman's Report (10 min)** Chairman
- **New Business (5 min)** Chairman
- **Adjournment** Chairman
 - **Event Schedule**
 - Next Meeting – August 19, 2021
 - 5:30 pm Committee Meetings
 - 6:00 pm Board Meeting

Our Mission

We serve as a pathway to prosperity, teaching and inspiring all who seek to learn; growing careers and changing lives.

Date: April 15, 2021

The hybrid virtual meeting of the Hocking College Board of Trustees was held Thursday, April 15, 2021. Members either signed in on the provided link, or attended in person at The Lodge observing social distancing.

Administrators attending: Dr. Betty Young, President; Mr. Jeff Daubenmire, Chief-of-Staff; Ms. Jacqueline Hagerott, Vice President of Student Affairs and Campus Relations/Ombudsman/Title IX (Virtual); Mark Fuller, Executive Director, Finance / Treasurer and LaRita Brewster, CIO.

Additional attendees: Staff, Bargaining Units Representatives, and media (All Virtual)

CALL TO ORDER

Ben Mitchell called the meeting to order at 6:01 pm

ROLL CALL

Jeff Daubenmire, Board Secretary, called the roll:

Board members present: Trustees Jeanie Addington, Gerry Bird, Mike Brooks, Stuart Brooks, Mike Budzik, Blaine Davidson, Mark Dean, Leon Forte', Ben Mitchell.

Board members absent: No Trustees were absent.

Members present constitute quorum.

APPROVAL OF MINUTES

Chairman Ben Mitchell asked if there were any changes to the minutes from the February 18, 2021 regular meeting. A motion was made by Trustee Mike Brooks and seconded by Trustee Mike Budzik to approve the February 18, 2021, Board of Trustees minutes. The motion was unanimously approved.

PRESIDENT'S REPORT

Dr. Young gave the following report:

Current Projects- A PowerPoint including project updates and pictures was presented with projects taking place across campus. These projects include The Lodge, Equine Center, Nature Center, Canal Street, and Simulation Lab for Nursing.

Homeless Outreach- The College has developed a pilot, temporary program that has been initiated as a summer program for anybody in Ohio experiencing housing insecurity. This provides housing, a job, and also an education opportunity.

Athletic Scholarships- The College will be granting \$195,000 in scholarships next year to athletes that come to Hocking College. This is available to Ohio residents only and a GPA is required from the athlete's High School.

Dr. Young seeked approval for the following:

SUBJECT:

Canal Street Building Roof Replacement

BACKGROUND:

Hocking College requested bids for the Canal street building replacement. College received three bids. The lowest was \$287,000 from Advanced Concepts.

RECOMMENDATION:

Hocking College accept the bid from Advanced Concepts for \$287,000.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

Allow Hocking College to continue its renovations to Canal street building.

FISCAL IMPACT:

The accepted bid amount is \$287,000.

MOTION:

A motion was made by Trustee Gerry Bird and seconded by Trustee Stuart Brooks to approve Canal Street Building Roof replacement. The motion was unanimously approved.

ACADEMIC AFFAIRS REPORT

Jacqueline Hagerott presented the following Policies for approval:

SUBJECT:

Administrative Policies

BACKGROUND:

As a best practice the College regularly reviews and updates all College Policies to assure compliance with State and Federal Laws, and Alignment with accreditation requirements and any and all other college Requirements.

RECOMMENDATION:

Recommend the approval of the following policy:

- Fresh Start Policy

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

Academic policy which allows students to have past grades forgiven, enabling students to be more successful in their future academic endeavors.

FISCAL IMPACT:

N/A

MOTION: A motion was made by Trustee Mike Budzik and seconded by Trustee Jeanie Addington to approve Fresh Start Policy. The motion was unanimously approved.

SUBJECT:

Administrative Policies

BACKGROUND:

As a best practice the College regularly reviews and updates all College Policies to assure compliance with State and Federal Laws, and Alignment with accreditation requirements and any and all other college Requirements.

RECOMMENDATION:

Recommend the approval of the following policy:

- Transfer and Articulation Policy

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

Bring Hocking College transfer policy up to date with guidelines of the Transfer and Articulation policy

FISCAL IMPACT:

N/A

MOTION:

A motion was made by Trustee Mark Dean and seconded by Trustee Leon Forte' to approve Transfer and Articulation Policy. The motion was unanimously approved.

SUBJECT:

New academic program approval

BACKGROUND:

Hocking College is committed to providing new degree and certificate opportunities aligned with industry demands and job outlook trends. The Ohio Department of Higher Education (ODHE) and the Higher Learning Commission grant final approval to offer a new degree/certificate after the Hocking College Board of Trustees authorizes the campus to submit a proposal to ODHE and HLC for consideration.

The proposed new degree in Social Work is an Ohio Guaranteed Transfer Pathway (OGTP) approved curriculum. Ohio Guaranteed Transfer Pathway (OGTP) enables students to streamline credit transfer among the state's public institutions of higher education to find the best pathways to degree completion and launch successful careers.

With the Board of Trustees approval, the College may submit formal proposals for the following programs as developed to the Ohio Department of Higher Education for consideration.

Social Work

RECOMMENDATION:

The Hocking College Board of Trustees approve new degree/certificate programs in: Associate of Arts in Social Work, part of the Ohio Guaranteed Transfer Pathway. The launch of new programs is intended for Autumn 2021 as the replacement for the current Addiction Studies degree program.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

Upon approval, the current Addiction Studies program will be replaced by the Social Work degree. There is no administrative impact as the current Program Manager for Addiction Studies is qualified to lead the new Social Work program.

FISCAL IMPACT:

Based on Advisory Committee input, the college anticipates increased enrollment and retention with this new model. The launch of new programs will occur Autumn 2021 pending BOT, ODHE and HLC approvals.

RESOLUTION:

WHEREAS, in accordance with Chapter 3345, 3354, and 3357, of the Ohio Revised Code, the Hocking College Board of Trustees is the governing body for Hocking Technical College with authority to authorize the President to manage the day to day operations of the College, and

WHEREAS, The Hocking College Board of Trustees is authorized to approve all new degree programs proposed by the Administration.

NOW THEREFORE BE IT RESOLVED that the Hocking College Board of Trustees has reviewed the proposed new degree / workforce programs in:

Social Work

BE IT FURTHER RESOLVED, that the Hocking College Board of Trustees, hereby approves and accepts the proposed new degree / workforce programs in:
Social Work

MOTION:

A motion was made by Trustee Stuart Brooks and seconded by Trustee Gerry Bird to approve new Academic Program, Social Work. The motion was unanimously approved.

SUBJECT:

Additional Location, Logan High School

BACKGROUND:

In 2020, administrators at Logan High School approached Hocking College about expanding concurrent enrollment program offerings to include a career pathway in Business and Entrepreneurship and Associate of Technical Studies and Associate of Individualized Studies degrees. This request will require additional courses to be offered at the Logan High School campus, or more than 50% of the degrees identified above. In order to facilitate this request and in the spirit of partnership between two secondary and post-secondary education institutions, Logan High School requests to be considered an additional site location of Hocking College. Logan High School is located 12 miles outside of Hocking College. This new site will allow Hocking College to build upon existing community relationships and create opportunities for new ones. It will provide opportunities for more high school students to engage in a rigorous high school curriculum,

increasing early engagement opportunities in specific education pathways, and reducing the cost and time of completion for secondary education degrees. This vision is aligned with Ohio's Strategic Plan for Education, Each Child Our Future, ensuring all students are challenged, prepared, and empowered for his or her future.

RECOMMENDATION:

The College recommends the Board of Trustees pass a motion to open an additional location in at Logan High School to serve the above mentioned secondary education training needs.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT

Logan-Hocking Schools will assign an administrator to work in partnership with Hocking College and assist in overseeing the day-to-day operations of college-credit programs at the Logan High School site. This administrator will facilitate meetings with the high school instructor and their faculty liaison, schedule classroom observations, and attend professional development workshops.

FISCAL IMPACT:

The College Credit Plus program default funding structure is established by Ohio Revised Code 3365.07. The CCP default amounts are based on the Per Pupil Foundation amount determined by Ohio's General Assembly during the biennial budget process. These rates may change on an annual basis. Courses taught at the high school campus with a credentialed teacher are charged the floor rate as established by the State of Ohio.

Teacher salary is paid through the Logan Hocking school district. If a teacher chooses and is credentialed to teach a CCP course they do not receive any additional pay from Hocking College or the school district.

Currently there are 120 Logan High School students actively participating in CCP courses. The college anticipates enrollment growth with the offering of additional courses/programs.

MOTION:

A motion was made by Trustee Mike Budzik and seconded by Trustee Stuart Brooks to approve new Location, Logan High School. The motion was unanimously approved.

FINANCE AND PERSONNEL REPORT

Trustee Mike Brooks asked Mr. Mark Fuller to give the Finance and Personnel Report:

FY2021 Update:

Revenues and expenses remain on track for FY2021. Both operating and auxiliary results are running at net positives. The College has realized benefit from the bond refund, zero percent per employee increase in medical benefit costs for calendar year 2021, the State of Ohio's decision to reinstate SSI funding to pre-COVID-19 levels, and better than budgeted results from certain auxiliary areas such as Lake Snowden and Rhapsody. While the College continues to have COVID-19 related expenses—we have \$4.9 million remaining available as COVID-19 relief. \$1.3 million of those funds are designated as student financial aid and \$3.6 million of those funds are designated as institutional. The American Rescue Plan which was enacted in March includes another round of support for higher education. We are continuing to wait on the Department of Education for exact parameters and for our calculated portion, however initial indications are that institutions should expect about 1.7 times their CRRSAA funding level which would compute to an additional \$7.5 million which is anticipated to be split evenly between student and institutional support. Reserves and Endowments are currently at \$5.4 million. College continues to make monthly contributions toward reserves, and is on pace for \$1.0 million contribution this fiscal year. The cash position is solid, operating cash is currently \$1.0 million better than at the start of the fiscal year; currently the college has 80 days' cash on hand.

SUBJECT:

Cash and Investments Policy

BACKGROUND:

Hocking College has revised its Cash & Investments Policy to allow for Investment of its long term funds according to a defined target asset allocation. The Policy establishes an Investment Committee which will meet no less than quarterly. The Policy authorizes the College to retain the services of an investment advisor.

RECOMMENDATION:

The Board of Trustees pass a motion to approve the Cash and Investments Policy.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

The policy will allow Hocking College to form an Investments Committee, retain the services of an investment advisor, and invest long term funds such as endowments and reserves according to a defined target asset allocation.

FISCAL IMPACT:

The College currently has more than \$5 million in reserves and endowments which would qualify for investment.

MOTION:

A motion was made by Trustee Mike Budzik and seconded by Trustee Mike Brooks to approve Cash and Investments Policy. The motion was unanimously approved.

FACILITIES COMMITTEE REPORT –

Trustee Budzik provided an update on current projects on campus.

COMMUNITY RELATIONS AND STUDENT EXPERIENCE REPORT

Ms. Hagerott stated that she had no report.

EXECUTIVE SESSION

Chairman requested a motion to adjourn into Executive Session:

In pursuant to Ohio Revised Code 121.22 (G) (1) to consider the employment, demotion, or compensation of a public employee, and to consider the investigation of charges or complaints against a public employee; and

And In pursuant to Ohio Revised Code 121.22 (G) (4) to prepare for and conduct a collective bargaining strategy.

The Executive Session invitation may include:

Dr. Betty Young

A motion was made by Trustee Leon Forte' and seconded by Trustee Mike Budzik to go into Executive Session.

On a roll call vote:

Voting Yes: Trustees Jeanie Addington, Gerry Bird, Mike Brooks, Stuart Brooks, Mike Budzik, Blaine Davidson, Mark Dean, Leon Forte', Ben Mitchell.

The Board adjourned to Executive Session at 7:20 pm.

RETURN TO REGULAR SESSION

Ben Mitchell announced the return to regular session at 7:41pm.

CHAIRMAN'S REPORT

No report.

NEW BUSINESS

None

NEXT MEETING – The next meeting of the Board of Trustees is scheduled for June 24, 2021. Subcommittees will begin at 5:30 pm with the Board meeting starting at 6:00 pm at The Lodge.

ADJOURNMENT

There being no further business to conduct, a motion was made to adjourn by Trustee Stuart Brooks and seconded by Trustee Leon Forte'. The motion was approved. The Board adjourned at 7:43 pm.



Ben Mitchell, Chair



Jeffrey Daubenmire, Board Secretary



Hocking College
Board of Trustees Action

Date: June 24, 2021
Submitted by: Dr. Betty Young

SUBJECT: Purchase of Property

BACKGROUND: The College seeks to provide adequate housing for the anticipated growth of international student populations due to partnerships established with international partners.

RECOMMENDATION: It is recommended the Trustees authorize the President to negotiate for the acquisition of property for international student housing.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

Provide a property to be used by The College as a future site for international student housing to support program enrollment for programming that serves this population.

FISCAL IMPACT: Budget to be determined. Funded through strategic reserves.

COMMENTS:



Motion to approve President to negotiate for the acquisition of property for international student housing.

Adopted: 06/24/2021

Approved: 
Ben Mitchell, Chairman



**Hocking College
Board of Trustees Action**

Date: 6/24/2021

Submitted by: Dr. Betty Young

SUBJECT: Construction of Athletic Fields

BACKGROUND: The College's athletic programs continue to be a strong source of enrollment, with student athlete enrollment targeted at 287 for Fall 2021 semester. The College believes that it is prudent to dedicate resources to ensure continued growth and development of its athletic programs. It is proposed that the College construct three fields during FY 2022 – a softball field, a baseball field, and a dual-purpose soccer/football field and practice field. The aggregate cost for the construction of these fields is estimated at \$450,000.

RECOMMENDATION: It is recommended the Trustees approve the College to proceed with the construction of a softball field, a baseball field, and a dual-purpose soccer/football field and practice field.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT: The construction of these fields will help ensure the continued growth and development of its athletic programs.

FISCAL IMPACT: This project will be funded through strategic reserves approximately \$450,000. The college will undergo fund raising efforts to offset costs and provide field naming rights to engage our community.



Motion to approve the construction of Baseball, Softball, and Football/Soccer fields for \$450,000.

Adopted: 6/24/21

Approved: 



**Hocking College
Board of Trustees Action**

Date: 6/24/2021

Submitted by: Dr. Betty Young

SUBJECT: Purchase of Nursing Simulation Equipment

BACKGROUND: COVID-19 has made providing Nursing students with the field experience necessary to complete their degree difficult. The College desires to purchase a simulation lab which will be able to provide students with the experience that they need to successfully complete their degree and succeed in their careers upon graduation. The College has identified equipment and related subscription services from Laerdal Medical Corporation to meet this need. The total amount of the equipment and related subscription services is \$619,000.

RECOMMENDATION: It is recommended the Trustees approve the College to proceed with the purchase of medical simulation equipment and related subscription services from Laerdal Medical Corporation.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT: This purchase will help the College be able to provide nursing students with the experience that they need to successfully complete their degree and succeed in their careers upon graduation.

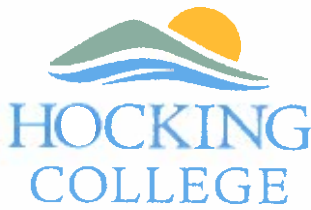
FISCAL IMPACT: This project will be funded by federal funding received through the Higher Education Emergency Relief Fund (HEERF).



Motion to approve purchase of Nursing Simulation Equipment from Laerdal Medical Corporation for \$619,000.

Adopted: 6/24/2021

Approved: 



**Hocking College
Board of Trustees Action**

Date: June 24, 2021

Submitted by: Mark Fuller

SUBJECT:

Debt Forgiveness Program

BACKGROUND:

This Policy will allow the College to implement a Debt Forgiveness Program. The Debt Forgiveness Program will allow for students meeting certain criteria and who have stopped out to re-enroll at Hocking. Students who complete the program successfully will have applicable balances forgiven and be reinstated as a student in good standing with Hocking College.

RECOMMENDATION:

The Board of Trustees pass a motion to approve the Debt Forgiveness Program Policy.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT

This Policy will allow the College to implement a Debt Forgiveness Program, providing students with a second chance to complete their degree.

FISCAL IMPACT

The College will receive SSI Funding for students in compliance with the Debt Forgiveness Program, in addition to tuition and fees for current semester courses (seat ready requirements for current semesters will apply). The College will recognize a non-cash expense on balances forgiven for students successfully completing the Debt Forgiveness Program.



Motion to pass Hocking College Debt Forgiveness Program Policy.

Adopted: 6/24/2021

Approved: 



Policy Category: Fiscal Operations
Policy Number: TBD
Policy Issued: 6/24/2021
Policy Revised: 6/24/2021
Policy Reviewed: 6/24/2021
Policy Title: Hocking College Debt Forgiveness Program
Policy Approved:
Resolution #:
Pages:

Purpose

To establish a Debt Forgiveness Program whereby students meeting certain parameters set forth by the College may request and be granted forgiveness of debts owed to the College.

Program Requirements

Hocking College will maintain written procedures which will govern the parameters of the Debt Forgiveness Program. The parameters of the program must be in compliance with ORC 131.02 and OAC 3333-1-02.1. The program must also follow the following restrictions:

- Maximum debt amount that can be forgiven is \$3,000.
- Students must request forgiveness in writing and meet the eligibility requirements of the program as specified in the College's written procedures in order for debt forgiveness to be granted.

Cross References: ORC 131.02, OAC 3333-1-02.1



**Hocking College
Board of Trustees Action**

Date: June 24, 2021

Submitted by: Mark Fuller

SUBJECT:

Dissolve Hocking Valley Motor Lodge

BACKGROUND:

Hocking Valley Motor Lodge was formed in 1975 as a 501c3 for the purpose of supporting instructional programs at Hocking College. The Hocking Valley Motor Lodge's last asset, the Liquor License for Rhapsody Restaurant, has been transferred to Hocking College. No assets are currently held by Hocking Valley Motor Lodge.

RECOMMENDATION:

The Board of Trustees approve the motion to dissolve Hocking Valley Motor Lodge as the entity is no longer needed to support the College.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT

The motion will allow Hocking College to cease annual reporting requirements, including the Filing of IRS Form 990.

FISCAL IMPACT

No direct monetary impact.



Motion to dissolve Hocking Valley Motor Lodge, a 501c3 formed in 1975 to support instructional programs of Hocking College, effective June 24, 2021.

Adopted: 6/24/2021

Approved: 



**Hocking College
Board of Trustees Action**

Date: June 24, 2021

Submitted by: Mark Fuller

SUBJECT:

Operating, Auxiliary, and Capital Budgets for Fiscal Year 2022

BACKGROUND:

Operating and auxiliary budgets have been set based on projected revenue. Expenses have been set for spending not to exceed revenues.

RECOMMENDATION:

Approve the Fiscal Year 2022 Budget as recommended by the President and Chief Financial Officer of Hocking College.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT

The budget provides a sound financial structure which will keep Hocking College accountable to its students and the community it serves.

FISCAL IMPACT

The College proposes a balanced budget with \$1.5 million in planned reserve contributions.

FY 2022 Operating Budget - \$30.1 million

FY 2022 Auxiliary Budget - \$5.1 million

FY 2022 Capital Improvement Budget - \$9.5 million

Total Hocking College 2020-21 Budget - \$44.7 million



Hocking College

Motion to Approve

Motion to approve Operating, Auxiliary, and Capital Budgets for Fiscal Year 2022.

Adopted: _____
June 24, 2021

Approved: 
Ben Mitchell, Chairman

Hocking College Budget – Fiscal Year 2022

June 24, 2021

Executive Summary

Hocking College proposes a balanced budget for FY 2022 totaling \$44.7 million which represents an increase of \$7.3 million from FY 2021.

The budget's three components are proposed as follows:

- Operating Budget: \$30.1 million, representing an increase of \$2.9 million from FY 2021
- Auxiliary Budget: \$5.1 million, representing an increase of \$0.7 million from FY 2021
- Capital Budget: \$9.5 million, representing an increase of \$3.7 million from FY 2021

Budget considerations include the following significant items:

- Capital budget includes \$3.1 million in appropriations as approved in SB310 in January 2021.
- Hocking College's SSI payments are anticipated to be basically level from FY 2021 based on projections from State of Ohio.
- Enrollment is anticipated to decrease by 4% in FY2022 from prior year, the impact of which will be partially offset by the \$5/credit hour increase in Tuition implemented in May 2021.
- In excess of \$300 thousand in expense reduction related to renegotiated pricing are recognized in the FY2022 budget. The College has successfully reduced its interest costs by completing a bond refund (\$92,000 annual savings), reduced its energy costs by entering into a new electricity supplier agreement (\$150,000 annual savings), and reduced its costs by negotiating and eliminating contracts as applicable upon maturity (\$102,000 annual savings).
- Operating budget includes \$1.0 million transfer to strategic reserves, \$400 thousand contribution to student fee reserves, and \$150 thousand contribution to replacement reserves for the Dorms and Lodge.
- Implementation of Student Athlete scholarships, which will total \$260,000 annually

Budget Details

Long Term Planning Initiatives

The framework of the FY2022 Budget incorporates the following initiatives related to the long term success of the College:

- Funding strategic and operational reserves
- Increasing operating cash levels
- Reducing recurring contractual, fixed costs

The Budget includes over \$1.5 million in reserve contributions planned for FY2022. These planned contributions will continue to move the College toward a model where long-term capital expenditures can be funded through reserves as needs arise. Budgeted reserve contributions for FY2022 are as follows:

- Strategic Reserves - \$1,000,000
- Program Reserves - \$400,000
- Replacement Reserves – Dorms - \$100,000
- Replacement Reserves – Lodge - \$50,000

A primary component to the College fulfilling its strategy to increase operating cash levels is through efficient collection of its receivables, particularly its student account receivables. To help achieve this, the

College will continue to work from a "Seat Ready" model, where students' finances must be in place prior to the start of the semester. This requirement has a negative impact on enrollment but the College continues to believe that this methodology is better for the student and the long term health of the College.

FY2022 budget continues to use a 5-year lookback period for receivables. The College will be writing off the FY2018 uncollected receivables during FY2022. Bad Debt Expense totaling \$1.1 million is anticipated for FY2022 based on the current receivable balance from FY2018 of \$1.3 million, being partially offset by \$0.2 million in anticipated additional collections on aged accounts. After a few more years of elevated bad debt expense, the College will be able to realize savings from the Seat Ready strategy implemented in FY2020.

The College continues to reduce recurring contractual, fixed costs. One of the key ways that the College finds efficiency is by maintaining a robust contract review process which reviews the necessity of contracts and eliminates those which may no longer apply or which the College is able to find a better or lower cost alternative. Budget managers are responsible for products/services specific to their area and the Fiscal Department reviews college-wide contracts and obligations. The President continues to be the sole source of final approval for all College contracts.

During FY2021, the College has decreased \$300 thousand in recurring annual costs, which are recognized in the FY2022 budget. Examples of savings which will be realized in FY2022 include:

- Reduced interest costs by completing a bond refund -- \$92,000 annual savings
- Reduced energy costs by entering into a new electricity supplier agreement -- \$150,000 annual savings
- Reduced its costs associated with various contracts as applicable upon their maturity -- \$102,000 annual savings

Capital Expenditures

The \$9.5 million proposed capital budget is funded by a combination of state appropriations and Hocking College Strategic Reserves. State Appropriations fund \$4.9 million and Hocking College Reserves fund \$4.6 million of the proposed budget.

During FY2021, Hocking College allocated up to \$2.1 million from Hocking College Strategic Reserves to be applied toward designated Capital Funded projects. While FY2021 remains in progress, it is projected that Hocking College will be able to fund the majority of its FY2021 Capital projects through state capital appropriations and operating surplus, allowing it to largely leave its Strategic Reserves for future projects.

While the College is proposing that \$4.6 million in capital expenditures be funded from Strategic Reserves, the College will use the same methodology in FY2022 and fund capital expenditures through surplus operating funds and state capital appropriations rather than Strategic Reserves to the highest extent possible.

Revenues

The College's operating budget calls for an increase in revenues of \$2.9 million or 11% while the auxiliary budget calls for an increase in revenues of \$0.7 million or 14% during FY2022.

The increase in operating revenues is primarily the result in a \$2.0 million increase in budgeted Tuition & Fees and a \$1.0 million increase in budgeted SSI revenue. Note that SSI revenue is anticipated to improve relative to FY2021 budget but will be basically in line with FY2021 operating results.

The increase in auxiliary revenues is primarily the result of \$0.5 million in budgeted revenues for the Lodge during its first year in operation, as well as incremental increases in revenue from Lake Snowden and Rhapsody.

Expenses

The budget calls for \$30.1 million in operating expenses and \$5.1 million in auxiliary expenses.

Most significant among operating expenses are summarized as follows:

- \$15.7 million in salary and benefits expense, equating to 52% of the operating budget.
- \$3.2 million in textbooks and course materials, which are essentially a pass through of course fees collected from the students. Inclusive in this figure is \$400 thousand in student reserve contributions for future capital purchases.
- \$1.8 million in student employment and scholarships. Included in this figure are work scholarships, district scholars, and student athlete scholarships.
- \$1.1 million in bad debt expense, retiring the remaining student receivables from FY2018.
- \$0.4 million related to technology upgrades, such as computer replacement, phone system upgrades, and antivirus upgrades.

Conclusion

The College proposes a balanced budget with \$1.5 million in planned reserve contributions. The budget aligns with the College's strategic goals and will help assist in its mission to serve as a pathway to prosperity.

Operating Budget

Fiscal Year 2022 vs Fiscal Year 2021

	2022 Budget	2021 Budget	O/(U) \$	O/(U) %
Total Operating				
Revenue	30,125,161	27,241,104	2,884,057	11%
Expense	30,125,161	27,241,104	2,884,057	11%
Net	-	-	-	N/A
Selected Revenue Categories				
Tuition & Fees	18,354,808	16,353,990	2,000,818	12%
State Share of Instruction	10,723,506	9,709,104	1,014,402	10%
Other Income	233,980	422,244	(188,264)	-45%
Auxiliary Net Income	812,867	755,767	57,100	8%
Total	30,125,161	27,241,104	2,884,057	11%
Selected Expense Categories				
Bad Debt Expense	1,138,000	600,000	538,000	90%
Benefits	3,952,526	3,218,674	733,852	23%
Capitalized Equip	62,000	-	62,000	N/A
Computer / Tech	340,000	45,600	294,400	646%
Contingency & Union Contingency	350,000	349,517	483	0%
Dues & Memberships	110,965	131,690	(20,725)	-16%
Ind Contractor	656,620	358,180	298,440	83%
Leases & Rentals	101,897	100,197	1,700	2%
Legal, Accting, Insur	520,376	493,776	26,600	5%
Maintenance	104,000	84,000	20,000	24%
Meals & Refresh	68,100	52,490	15,610	30%
Misc Expense	847,184	1,027,896	(180,712)	-18%
Outsourced Teaching	200,000	233,000	(33,000)	-14%
Salary & Wages	11,759,781	11,416,058	343,723	3%
Scholarships	676,000	814,000	(138,000)	-17%
Service & Maint Con	2,185,486	2,549,347	(363,861)	-14%
Strategic Reserve Transfer	1,000,000	600,000	400,000	67%
Student Emp / Work Scholar	1,155,375	569,890	585,485	103%
Supplies	397,100	481,350	(84,250)	-18%
Travel / Prof Dev	170,100	78,300	91,800	117%
Tuition Reimburse	194,000	133,196	60,804	46%
Txtbk & Course Mats	3,177,348	2,777,225	400,123	14%
Utilities	958,303	1,126,718	(168,415)	-15%
Total	30,125,161	27,241,104	2,884,057	11%

Auxiliary Budget

Fiscal Year 2022 vs Fiscal Year 2021

	2022 Budget	2021 Budget	O/(U) \$	O/(U) %
Total Auxiliary				
Revenue	5,924,728	5,191,108	733,620	14%
Expense	5,111,861	4,430,600	681,262	15%
Net	812,867	760,508	52,359	7%

Capital Budget Fiscal Year 2022

Sources:

State Capital Appropriations & Reappropriations	4,857,619
Hocking College Reserves	4,660,000
Total Sources	9,517,619

Uses:

State Capital Funded	
PERRY CO COMM HLTH AT HOCKING	200,000
CHILLER & PLUMBING REPAIRS	1,991
WDTC RENOVATION	36,201
EQUESTRIAN & VET FACILITY RENO	405,056
TECH MEDIA WORKFORCE CTR	82,458
PUB SAFE & NAT RESORC LAB RENO	2,100,742
MCCLLENAGHAN CENTER RENO	1,479,171
FIRE TOWER UPGRADE	252,000
HOCKING AQUACULTURE PROJECT	300,000
Subtotal - State Capital Funded	4,857,619

College Funded	
Baseball Field	150,000
Brewery*	700,000
Campground	600,000
Campus Signage	150,000
Columbia Gas Line Extension*	75,000
Equestrian Facility Contingency*	150,000
Film Lab*	100,000
Fire Tower Upgrade*	350,000
Firing Range*	100,000
Fleet (Bus, Vehicle Replacement)	325,000
Football/Soccer/Practice Field	175,000
LS Building Renovation*	1,500,000
Misc Campus Projects	100,000
Myers Street Renovation	25,000
Robbins Crossing	35,000
Softball Field	125,000
Subtotal - College Funded	4,660,000

Total Uses	9,517,619
-------------------	------------------

*State Capital eligible, should additional funds become available. These projects total \$2,975,000