The Board of Trustees of Howard Community College (HCC) met in budget work session on Wednesday, January 9, 2019, in The Rouse Company Foundation Student Services Hall, Room 400, at Howard Community College, Columbia, Maryland. Chair Kevin J. Doyle brought the work session to order at 6:00 p.m. Other board members present included trustees Mamie J. Perkins and Christopher G. Marasco. Kathleen B. Hetherington, secretary/treasurer, was also present. Vice Chair Felícita Solá-Carter and trustees Steven A. Joss and Kevin F. Schmidt were absent.

Chair Doyle welcomed the board members and announced that due to unusual circumstances, a quorum of the board was not present; therefore approval items, including approval of the agenda and adjournment, would not be addressed.

**Review of the Financials**

Lynn Coleman, vice president of administration and finance, provided highlights of the November 2018 financial statements.

This was an information item and required no board action.

**Proposed Fiscal Year 2020 (FY20) Budget**

President Hetherington thanked the trustees present for their attendance. She emphasized that the budget process involves college-wide participation. She commented that when faculty and staff are asked to rank budget priorities on the college’s Quest (Quality Evaluation of Services Trends) Survey, a salary increase always rates as most important. President Hetherington championed the need for salary increases, emphasizing that if HCC is to maintain its quality faculty and staff, then the college must maintain competitive salaries for employees. She asked the board to consider salary increases as a priority. Chair Doyle echoed Dr. Hetherington’s support for salary increases.

President Hetherington thanked the members of president’s team for collaborating on a proposed budget that reflects the needs of the college community and demonstrates that the college is a good steward of funding from the county, state, and students. She thanked Ms. Coleman and her team, including Janet Lombard Cullison, senior associate vice president of finance; Chris Heston, associate vice president of finance; and Verna Bernoi, director of budget and finance; and Shannon Lichtinger, chair of the salary and benefits committee; and Matthew Palewicz, vice chair of the salary and benefits committee, for their efforts in developing the proposed budget.
On January 18, 2019, the governor will present the state budget, which will give the college a clearer picture of its FY20 funding from the state. President Hetherington reminded the trustees that the board will approve the proposed operating budget at the board’s regular meeting on January 23, 2019. The proposed budget then will be submitted to Howard County Executive Ball for consideration. The board will have two additional opportunities to review the operating budget proposal; once after the County Executive’s hearing on April 30, 2019, and then following the Howard County Council’s final vote on the budget on May 29, 2019.

President Hetherington indicated that she would ask all trustees to forward any questions or concerns regarding the proposed operating budget to Chair Doyle and herself in advance of the January 23, 2019, board meeting.

Ms. Coleman presented the FY20 proposed operating budget, including review of the key budget development dates and the budget development process; discussion of the strategic planning process; overview of the budget categories, both restricted and unrestricted; functions of the budget; review of fund 10 budget components including two different scenarios; review of continuing education, special and auxiliary services and budget savings. Ms. Coleman also reviewed the proposed FY20 detailed source of funds, including state and county funding, comparisons to other Maryland community colleges, and recommendations from the salary and benefits committee. An 8.5 percent increase for the operating budget is being proposed to request from the county, reflecting an increase of $2,973,793 over the FY19 funding level. The college is anticipating a two percent increase in the governor’s budget, but will not know what Governor Hogan is proposing until January 18, 2019.

Highlights of the FY20 proposed budget included:

- A $1 per credit hour tuition increase, with an additional $6 per credit hour for out-of-county students, and an additional $6 per credit hour for out-of-state students, as well as increases in instructional and student fees, including the consolidated fee;
- Merit increase of five percent;
- An increase to the adjunct faculty pay rate of five percent for level I and II, and four percent for level III, with an estimated average of $40 per credit hour;
- Faculty promotions;
- Four new faculty positions; and
- 4.67 new full-time and hourly positions.

Chair Doyle commented on the need for flexibility in funding the budget. Dr. Hetherington stressed the need to keep salaries competitive, while also maintaining affordable tuition and fees.

The budget work session concluded at 7:30 p.m.

The above constitutes the notes of the January 9, 2019, budget work session of the Howard Community College Board of Trustees as approved on January 23, 2019, and is a true and correct copy of the same.

Kathleen Hetherington, secretary/treasurer