

**THE RICHARD STOCKTON COLLEGE OF NEW JERSEY
BOARD OF TRUSTEES**

**MINUTES
July 12, 2006**

Trustees Present:

Hon. Gerald Weinstein, Chair
Dr. Clarence C. Hoover, III., Vice Chair
Dr. James Yoh, Member-at-Large
Mr. Curtis J. Bashaw
Mr. Stanley Ellis
Mr. Albert L. Gutiérrez
Michael Jacobson, Esq.
Mr. Jonathon Furtado, Student Trustee
Mr. Andrew D. Klimkowski, Student Trustee Alternate
Dr. Herman J. Saatkamp, Jr., Ex Officio

Absent:

Ms. Emma N. Byrne

Call to Order and Roll Call:

Chairman Gerald Weinstein called the meeting to order at 1:30 p.m. on Wednesday, July 12, 2006 the Board Room K-203k. On May 18, 2006, notice of this meeting as required by the Open Public Meeting was (a) posted in the Business Services Office of the College, (b) sent to the editors of *The Press* and the *Vineland Times Journal*, and (c) filed with the Secretary of State, (d) Galloway Township Clerk's Office and (e) Atlantic County Clerk's Office.

Note: Unless otherwise stated, all votes on the following resolutions were unanimous.

Approval of Meeting Minutes of April 12, 2006 and June 14, 2006:

Upon a motion made by Trustee Hoover and seconded by Trustee Gutierrez, the Board voted to adopt the minutes of April 12, 2006 and June 14, 2006.

Resolution to Meet in Closed Session:

Upon a motion made by Trustee Gutierrez and seconded by Trustee Ellis, the Board voted to adopt the Resolution to Meet in Closed Session.

Return from Closed Session:

Chairman Weinstein reconvened the open/Public Session at 3:45 p.m.

Report of the Chair:

Chairman Weinstein extended his appreciation to Mr. Charles Klein, Vice President of Administration and Finance, and his staff for preparing the budget proposal, especially given the uncertainty of the State budget. He also congratulated President Saatkamp upon assuming the Chairmanship of The Council of Presidents of State Colleges. Chairman Weinstein thanked everyone involved in the planning and construction of the F-Wing Overbuild.

Appointment of the Building and Grounds Committee:

Chairman Weinstein reported that Trustee Jacobson accepted an appointment to the Building and Grounds Committee. Trustee Bashaw chairs the committee which also includes Trustee Gutierrez.

President's Report:

President Saatkamp made reference to works by Charles Darwin and Charles Dickens, as he commented on the difficult budgetary times in New Jersey, in addition to the future of the College.

Dr. Saatkamp reported that the Governor's budget proposal projected a 30% cut to higher education. The approved budget, after an 8-day state shutdown, resulted in an 18% cut to higher education with an 8% cap set on tuition and fees. The funds from tuition increases will recapture about 1/3rd of the loss from the state and the other 2/3rd will be comprised of other revenues, salary savings from vacant and vacated positions, and efficiencies within the administration of the College. He further outlined steps the College was taking to reduce its dependency on state funding:

1. Leaving positions vacant
2. Deferring maintenance
3. Adopting efficient administrative practices (merging departments, changing investment practices, payment methods, and restructuring our indebtedness)
4. Not providing performance raises for managers this year (FY07), although an average of 8% salary increase was mandated by the state negotiated contract for other employees.
5. Evaluating requests for filling vacancies on an individual basis.
6. Establishing an internal committee to advise the President on further efficiencies.

Dr. Saatkamp stated the College would continue operating under two guiding principles: continuing to build the highest quality education to attract excellent students, faculty and staff; and to ensure Stockton remained accessible and affordable. He further stated that last year the College increased scholarships by 80%, and was able to increase this year's scholarship funding by 15%. In addition, the Foundation nearly doubled its endowment over the last three years.

Dr. Saatkamp also highlighted several new initiatives planned for the College, including: F-wing Expansion & Renovation (which recently opened), four new dormitories, new parking areas/garage, Campus Center, and the Science Center. Applications and acceptances for FY07 were also increased, in addition to 10 new faculty lines and approximately 30 new Faculty this fall. Next year, due to space constraints, only 6 new faculty lines will be added. He also spoke about the new and innovative offerings at the College, such as the Honors Program, SOAR, Faculty Development Institute, Faculty Lounge, Internet Café by the library, the College's first doctoral program, PDCE, Carnegie Center, Washington Center, ETTC (Mays

Landing), CRC, Aviation Research Park (FAA), Expansion of the Stockton Institute, and the Hughes Public Policy Center

Special Presentation to Student Trustee, Jonathan Furtado:

President Saatkamp announced that Jonathan Furtado was concluding his term as Student Trustee. Chairman Weinstein and President Saatkamp presented Trustee Furtado with a plaque in recognition of his leadership, dedication and service as the student representative to the Board. Trustee Furtado thanked the Board and college community for the opportunity to serve as a trustee.

Academic Year Calendar for 2006-2007.

Trustee Hoover, Chair of the Academic Affairs and Planning Committee, recommended approval of the Academic Year Calendar for 2006-2007 (Fall 2006; Spring 2007 and Summer Session 2007). Upon a motion made by Trustee Jacobson and seconded by Trustee Ellis, the Board voted to adopt the resolution.

Report of the Building and Grounds Committee:

Committee Chair, Trustee Bashaw, reported the Building and Grounds Committee held its first meeting on July 10 and looks forward to being part of the development projects currently planned on campus. A second meeting is planned for August.

Additional Comments from Chairman Weinstein regarding the Proposed Budget:

Chairman Weinstein apologized to the trustees because they were not able to receive, in advance, the proposed budget. It was not finalized until July 11. To give the board time to review the budget, he requested that they conditionally approve the Proposed FY2007 Budget, with the understanding that any questions, issues or modifications would be addressed at the September 13 meeting.

Report of the Finance Committee:

Finance Committee Chair, Trustee Stan Ellis, reported the committee met to review and discuss the several initiatives which the committee recommended for approval by the Board.

Revised Continuation of the FY2006 Budget into FY2007:

Trustee Ellis requested board approval to support the College's proposed continuation of the FY2006 operating budget effective July 1, 2006. Upon a motion made by Trustee Ellis and seconded by Trustee Jacobson, the Board voted to adopt the resolution.

FY07 Campus Housing Charges:

Trustee Ellis recommended approval of campus housing charges for FY07 which will increase on-campus housing rental rates to \$55.50 (a 10% increase). Increases will be required for the next 5 to 7 years to fund operational needs including the renovation of campus housing. Trustee Gutierrez inquired if the housing reservation and damage deposit charge was increased. Dr. Joseph Marchetti, Vice President of Student Affairs, replied the amount (\$150) would not increase. Upon a motion made by Trustee Jacobson and seconded by Trustee Bashaw, the Board voted to adopt the resolution.

Purchase of Real Property Owned by Atlantic County Development Corporation:

Trustee Ellis recommended approval to authorize the President or his designee to negotiate the purchase of real property owned by Atlantic County Development Corporation. The land is located in Galloway Township, NJ, consists of 228.56 acres and will cost

\$1,650,000. Chairman Weinstein reported the Board was presented with a proposed contract for the purchase of the property and that Trustee Jacobson had recommendations for changes to the agreement which he would share with Vice President Klein. Final draft of the document will be prepared once the changes have been received. Upon a motion made by Trustee Bashaw, and seconded by Trustee Jacobson, the Board voted to adopt the resolution.

Purchase of Real Property from Galloway Eldercare Ltd:

Trustee Ellis recommended approval to authorize the President or his designee to negotiate the purchase of real property from Galloway Eldercare Ltd. The property, also referred to as the Simoff property, is located in the Township of Galloway, NJ and will cost \$2,000,000. Upon a motion made by Trustee Bashaw, and seconded by Trustee Jacobson, the Board voted to adopt the resolution, subject to the final agreement being executed by the President. Chairman Weinstein stated the College had no immediate plans for use of the Atlantic County Development Corporation or Galloway Eldercare Ltd. properties.

Extension of Lease of Property at 300 Shore Road, Linwood:

Trustee Ellis recommended the Board approve an extension of lease of property at 300 Shore Road, Linwood, New Jersey to Gilda's Club of South Jersey for two one-year periods and all other terms and conditions would remain the same. Upon a motion made by Trustee Hoover and seconded by Trustee Yoh, the Board voted to adopt the resolution, with an abstention from Trustee Jacobson.

Extension of Tuition Reimbursement for Spouses, Dependents and Domestic Partners:

Trustee Ellis requested approval to extend the tuition reimbursement program of 40% of tuition charged to and paid by a full-time matriculated undergraduate student spouse, dependent or domestic partner, or paid on his or her behalf, provided the semester's academic program has been satisfactorily completed. The program, which was first adopted in August 2004, is recommended to be extended for one year to September 1, 2007. Trustee Gutierrez inquired why the program was being done in a demonstration fashion. President Saatkamp responded the program had only been in place for one year and that the plan included revisiting the program annually through 2008. Upon a motion made by Trustee Hoover and seconded by Trustee Furtado, the Board voted to adopt the resolution.

Authorize a RFP to Procure Professional Services for Construction Management Services for the Housing V Project:

Trustee Ellis recommended issuing a RFP to procure professional services for construction management services for the Housing V Project. Upon a motion made by Trustee Jacobson and seconded by Trustee Gutierrez, the Board voted to adopt the resolution.

Authorize a RFP to Procure Professional Services for Commissioning for College Center and Housing V Projects:

Trustee Ellis recommended issuing a RFP to procure professional services for commissioning for College Center and Housing V Projects to assist the College in the review of systems for the College Center and Housing V projects. Vice President Klein reported the cost for this type of service would be minimal. Upon a

motion made by Trustee Jacobson and seconded by Trustee Gutierrez, the Board voted to adopt the resolution.

Authorize a RFP to Procure Professional A/E Services for the Design of a Centralized Co-Generation and Chiller System:

Trustee Ellis recommended the issuance of a RFP to procure professional A/E services for the design of a centralized co-generation and chiller system. Chairman Weinstein commented there were modifications needed to the existing facilities because of new construction and the aging of some existing chillers. Upon a motion made by Trustee Jacobson and seconded by Trustee Bashaw, the Board voted to adopt the resolution.

Authorize a RFP to Procure Professional A/E Services for the Evaluation and Design of the Facilities Infrastructure System:

Trustee Ellis recommended the issuance of a RFQ to procure professional A/E services for the design of the facilities infrastructure system. Trustee Gutierrez suggested that the College consider underground lines as the College moves forward with the master plan. Chairman Weinstein remarked that was the intent of the commission. Upon a motion made by Gutierrez and seconded by Trustee Yoh, the Board voted to adopt the resolution.

Housing Allowance Correction Resolution (for President Herman J. Saatkamp)

Trustee Ellis recommended the board approve a correction to the housing allowance for Dr. Saatkamp. At the June 15, 2005 meeting, the Board approved a housing allowance increase for Dr. Saatkamp consistent with his employment contract to \$4,300 or 7.5%. The minutes, however, reflected only a rate of 7%. Chairman Weinstein reported this was not an increase in the President's housing allowance. This action was necessary to ensure that the records are consistent with the amount approved in June 2005. Upon a motion made by Trustee Jacobson and seconded by Trustee Yoh, the Board voted to correct the housing allowance increase to 7.5% effective July 1, 2005.

FY07 Board Rates (Information Item Only):

Trustee Ellis reported the FY07 Board Rates was an information item only. The rates for the College's eight meal plans reflect a contractual inflationary increase of 1.8% for each plan and a \$.04 enhancement increase.

Proposed FY2007 Operating Budget and Adoption :

Trustee Ellis recommended approval of the Proposed FY2007 Operating Budget and Adoption Resolution. The proposed FY2007 Operating Budget will be resolved subject to any revisions and modifications proposed by the Board at the September 13, 2006 meeting. Upon a motion made by Trustee Ellis and seconded by Trustee Hoover, the Board voted to adopt the resolution.

Academic Term Tuition and Fees Effective For FY2007:

Trustee Ellis recommended approval of the Academic Term Tuition and Fees for FY2007. He reported there will be an increase in undergraduate tuition of \$13.73 per credit, from \$171.82 to \$185.55 per credit hour, and to \$319.70 per credit hour for out-of-state students. In addition, the post baccalaureate, masters, and post masters tuition rate will be \$406.10 per credit hour, \$602.60 per credit hour for out-of-state students, and a doctoral tuition rate of \$46.70 per credit hour, and a per credit hour for out-of-state students

of \$693. Chairman Weinstein commented the tuition cap applied only to undergraduate tuition. President Saatkamp commented the construction fee increased from \$3 to \$16, which caused the fee structure to be higher. Upon a motion made by Trustee Ellis and seconded by Trustee Yoh, the Board voted to adopt the resolution.

Trustee Klimkowski asked if it was a priority for Stockton to increase its out-of-state students. President Saatkamp replied that Stockton would like to attract more out-of-state students since the College is known on a national level; however, the State is concerned about subsidizing tuition for out-of-state students. He suggested that scholarships would help reduce the impact of the out-of-state tuition.

Issuance of a Contract for the Repairs of the Stormwater Underground Recharge System in Housing I:

Trustee Ellis recommended for approval the issuance of a contract for the repairs of the Stormwater Underground Recharge System in Housing I to the lowest responsible bidder, Jersey Construction, Inc. of Atco, New Jersey, in the amount of \$84,199. A 5% contingency of \$4,210 has been included in the construction budget for a total construction budget of \$88,409. Upon a motion made by Trustee Furtado and seconded by Trustee Bashaw, the Board voted to adopt the resolution.

Award a Contract for the Satellite Dish Replacement:

Trustee Ellis reported this resolution was pulled because of a lack of bids received.

FY06 Bid Waiver: Professional Services related to Aquifer Thermal Energy Storage System (ATES) Project:

Trustee Ellis recommended approval of the FY06 Bid Waiver for professional services related to the Aquifer Thermal Energy Storage System (ATES) Project. On February 15, 2005 the Board approved engaging the firm IF Technology to design and manage the construction of ATES System. IF Technology has selected Vinokur Pace, a local civil engineering firm, and Eastern GeoSciends, Inc. geological consultants to assist in the design work for the ATES System. The requested bid waiver is for: **Vinokur Pace (\$85,500)** and **Eastern GeoSciences, Inc., (\$50,000)**. Upon a motion made by Trustee Ellis and seconded by Trustee Jacobson, the Board voted to adopt the resolution.

Issuance of a Contract for The Louisville Road Upgrades and Improvements:

Trustee Ellis recommended issuance of a contract for the Louisville Road upgrades and improvements to the lowest responsible bidder; Perks Reutter Associates of Pennsauken, New Jersey in the amount of \$40,000, including a 5% contingency for the design cost. Upon a motion made by Trustee Ellis and seconded by Trustee Jacobson, the Board voted to adopt the resolution.

Report of the Investment Committee:

Committee Chair, Trustee Stan Ellis, reported the Committee was pleased with the performance of the College's investments to date.

Report of the Audit Committee:

Trustee Gutierrez, Chair of the Committee, reported the Audit Committee met on June 29 with the external auditors of the firm Ford, Scott, Seidenburg and Kennedy (with and without staff present).

They reviewed Executive Order 122, which requires the chartering of an Audit Committee and its roles and responsibilities. There was also discussion on fraud considerations. The auditors advised him of the process of conducting interviews with staff members, which are ongoing if anyone from the College wishes to meet with them.

He reported that the auditors were pleased to see that the internal audit plan was consistent with their work. The auditors will also be reviewing transactions resulting from their review of any conflicts of interest that may exist in any levels in the organization. Trustee Gutierrez noted that the firm was committed to an expedited time frame and will continue to communicate with him should there be any findings prior to their final report.

He also reported that results of the internal audit plan as conducted by the internal auditor, and as directed by the Board of Trustees, was found to be free of any material or substantive defects and only minor considerations in certain areas, which were discussed with management. The audit included a review of President's Office expenditures, Stetson Commission Review, Performing Arts Center Operations, follow-up review on scholarships, telephone/cell phone usage, petty cash, and a second follow-up on telephone usage. He commended the administration for continuing to monitor these areas effectively.

Personnel Resolution:

Chairman Weinstein called the Board's attention to the Personnel Resolution. Upon a motion made by Trustee Jacobson and seconded by Trustee Hoover, the Board voted to adopt the resolution, with an abstention from Trustee Furtado.

Other Business:

Chairman Weinstein asked if there was any other business. Trustee Furtado thanked the Board and every one for welcoming him and providing guidance during his term as Trustee. He wished Stockton and every one the best of luck. Chairman Weinstein thanked him for all of his efforts.

Comments from the Public:

Chairman Weinstein opened the floor to the public for comments.

Dr. Michael Frank, President of SFT Union, thanked the Board and administration for once again approving the tuition reimbursement program. He noted that although the program had not been heavily utilized, he hoped the College would continue to offer the program.

Dr. Lynn Stiles, Professor of Physics, reported the College hosted a The EcoStock Conference, which attracted 180 people, representing 31 different nationalities from approximately 25 countries. Over 130 papers were presented at the conference. Dr. Stiles thanked the College for supporting the Aquifer Thermal System (ATES) project, the F-Wing Overbuild and other eco friendly campus projects.

Dean Dennis Weiss thanked the Board for the recent appointment of Dr. Dianne Smith, Assistant Dean of NAMS.

Provost Carr introduced Dr. Nicholas Mansor, Associate Provost for Budgeting and Strategic Planning and Ms. Anu Vendantham on her appointment as Associate Director of Institutional Technology.

Ms. Beth Olsen, Grants Director, reported faculty and staff have been awarded a promised \$4 million in grants and contracts this year. She thanked the Board for appointing Ms. Ann M. Edmonds, a Stockton graduate, and Assistant Director of Grants Development.

Dr. Israel Posner, Associate Professor of Psychology, announced The Jewish Federation of Atlantic and Cape May Counties will honor President and Mrs. Saatkamp on August 10, 2006 at Trump Plaza. He also reported that the College's Professional Development and Continuing Education program has been awarded \$375,000 in contract and grants from the Department of Labor and Workforce Development. A series of workshops have been conducted for the gaming industry in Atlantic City as well as for other organizations throughout the county. Nearly 5,000 people have been trained over the last year-and-a-half.

Vice President Klein introduced Ms. Michele B. Ginieszczi, Staff Counsel.

Mr. Abe Simoff remarked that he was impressed with President Saatkamp and the wonderful work and fundraising efforts currently underway at Stockton. He stated he would continue to participate in the College in its fundraising efforts.

Mr. Stephen Davis, President, Council of the Black Faculty & Staff announced the Council's 25th Annual Scholarship Dinner will be held on November 9, 2006 at the House of Blues in Atlantic City.

Next Meeting:

As there was no further business or comments from the public, Chairman Weinstein announced that the next regularly scheduled meeting of the Board of Trustees will take place on Wednesday, September 13, 2006 at the Townsend Residential Life Center.

Adjournment:

Upon a motion made and seconded, the Board voted to adjourn the meeting at 5:45 p.m.

For the College,
Brian K. Jackson, Assistant Secretary to the Board

Approved by the Board of Trustees on September 13, 2006