

**PIERPONT COMMUNITY & TECHNICAL COLLEGE
BOARD OF GOVERNORS**

Finance and Administration Committee Meeting

**Tuesday, February 18, 2025
9:00 AM**

**Pierpont's Advanced Technology Center (ATC)
500 Galliher Drive
Fairmont, WV 26554
Room 216A**

AGENDA

- I. Call to Order**
- II. *Approval of Minutes – November 19, 2024** **Tab 1**
- III. Revenue Analysis**
 - A. FY 2025 Pierpont Fee Revenue Analysis as of February 10, 2025 **Tab 2**
- IV. BOG Information Items**
 - A. January 31, 2025, Combined Finance Report **Tab 3**
 - B. Capital Projects Expenditure Report as of January 31, 2025, and Deferred Maintenance Projects Update **Tab 4**
 - C. FY 2025 Contracted Service Providers as of January 31, 2025 **Tab 5**
 - D. FY 2025 Mid-Year Cash Balances as of January 31, 2025 **Tab 6**
- V. Discussion Items**
 - A. Governor Morrissey Executive Orders January 14, 2025 **Tab 7**
 - i. Pierpont response to EO 3-25
 - ii. Pierpont response to EO 4-25
 - B. Higher Learning Commission Accreditation Liaison response to Board CFI Question **Tab 8**
 - C. FY 2026 Tuition Discussion **Tab 9**
- VI. Adjournment**

**Denotes possible action item*

Tab

1

**PIERPONT COMMUNITY & TECHNICAL COLLEGE
BOARD OF GOVERNORS**

Finance and Administration Committee Meeting

**Tuesday, November 19, 2024
10:00 AM**

**Pierpont's Advanced Technology Center (ATC)
500 Galliher Drive
Fairmont, WV 26554
Room 216A**

MINUTES

Notice of Meeting

A meeting of the Pierpont Community & Technical College (Pierpont) Board of Governors Finance and Administration Committee was held on November 19, 2024, beginning at 10:00 AM. The meeting was conducted in person at the Advanced Technology Center in Fairmont, WV. Advanced announcement of this meeting was posted on the WV Secretary of State's Meeting Notices Webpage.

Committee Members Present: Jeffrey Powell – Committee Chair, Susan Woods Coffindaffer, and Anthony Hinton

Committee Members Absent: Lisa Lang

Other Board Members Present: Jessica Barker, Thomas Cole, Joanne Seasholtz, and Nathan Weese

Others Present: Members of the President's Cabinet, faculty, staff, and others

I. Call to Order

Jeffrey Powell called the meeting to order at 10:07 AM.

II. Approval of Minutes – May 14, 2024

Anthony Hinton moved to approve the May 14, 2024, meeting minutes. Susan Woods Coffindaffer seconded the motion. All agreed. Motion carried.

III. Revenue Analysis

A. Dale Bradley presented and reviewed the FY 2025 Tuition Revenue Analysis as of November 11, 2024, Report (Report provided in Agenda packet).

IV. BOG Action Item

A. Acceptance of the Independent Auditor’s Report by Suttle & Stalnaker, PLLC of Pierpont Community & Technical College’s Finance Statement for the year ended June 30, 2024

Dale Bradley presented and reviewed the FY 2024 Financial Overview (presentation included in the agenda packet). The overview included key financial information for the College over the last five years and reflected improvements in all those areas. The College has a negative Unrestricted Net Position since the recognition of the \$27.8 Million loss in FY 2021 resulting from the final separation from Fairmont State University. The Unrestricted Net Position has improved each year since FY 2021 from a low of negative (\$12.4 Million) in FY 2021 to negative (\$3.5 Million) in FY 2024. Mr. Bradley explained that the College can continue to improve its unrestricted net position by ensuring that operating revenues exceed operating expenses. The institution's long-range goal is to improve and maintain a positive Unrestricted Net Position that is a minimum of 10% of annual unrestricted operating expenses.

Having a negative unrestricted net position negatively affects the primary reserve ratio which is one of the ratios used in calculating the Composite Financial Index (CFI). The College’s CFI dropped from 1.32 in FY 2023 to 0.72 in FY 2024 primarily due to a reduction in Non-Operating Revenues in FY 2024 compared to FY 2022 and FY 2023. Non-Operating Revenues in FY 2022 and 2023 included additional funding from the State of WV for capital improvements, CARES ACT funds received and HEPC payments on behalf which bolstered the CFI score in FY 2022 and FY 2023. The impact of not having significant Non-Operating Revenues in FY 2024 had not been recognized until the FY 2024 CFI was calculated after completion of the FY 2024 Financial Statements. He presented various scenarios for increasing the CFI in the current fiscal year (**Attachment A**).

*Anthony Hinton requested a meeting with Pierpont’s HLC liaison to discuss the CFI score. He also requested a CFI scenario where the institution does not spend the \$304,000 in supplemental state appropriations, as it is the only expenditure currently under full control. It was suggested that these funds could be released as other financial outcomes materialize.

Susan Woods Coffindaffer moved to recommend the acceptance of the auditor’s report to the full Board. Anthony Hinton seconded the motion. All agreed. Motion carried.

V. BOG Information Items

A. October 31, 2024, Combined Finance Report

Dale Bradley presented and reviewed the Budget/Finance FY 2024 Report as of October 31, 2024 (Report provided in Agenda packet).

B. Prioritized Expenditures of One-Time Supplement State Appropriation

Dale Bradley presented the Prioritized Expenditures of One-Time Supplemental State Appropriation Report (Report provided in Agenda packet). He highlighted the two top rated projects. The top-rated project is the Ellucian (Banner) Self-Service upgrade, as Ellucian will no longer support Banner 8 Self-Service after Fall 2025, necessitating an upgrade to Banner 9 Self-Service. The second top-rated project involves making changes to various classroom door locks to simplify a student or instructor's ability to secure classrooms should the need arise in an emergency.

C. Capital Projects Expenditure Report as of October 31, 2024, and Deferred Maintenance Projects Update

Dale Bradley presented the Capital Projects Report as of October 31, 2024 (Report provided in Agenda packet), noting that approximately \$72,500 in Contractor retainage for the Vet Tech project has yet to be released. Payment of the retainage has not been issued due to an issue with a flat spot in the waste line which on occasion has created a waste line blockage. The corrective action that is being tested is the installation of two pressure assisted toilets to increase waste flow through the identified flat spot. One pressure assisted toilet has been installed and appears to have helped overcome the blockages associated with the waste line flat spot issue. Release of the retainage is awaiting the installation of a second pressure assisted toilet and refinishing the topcoat applied to the exterior steps.

The ATC 3rd Floor and Clarksburg Campus deferred maintenance projects are expected to go out to bid shortly after the start of the new calendar year.

D. Years 2021, 2022, & 2023 Clery Act Report Summary (All Campus Locations)

Dale Bradley provided an update on the Clery Report (Report provided in Agenda packet), noting 2 drug-related arrests on the Clarksburg campus and 6 drug related arrests on Public Property near the Clarksburg and Culinary Academy campuses. None of the individuals arrested were Pierpont students or employees.

VI. Adjournment

There being no further business, Susan Woods Coffindaffer moved to adjourn the meeting. Anthony Hinton seconded the motion. All agreed. Motion carried.

Respectfully submitted by Amanda N. Hawkinberry

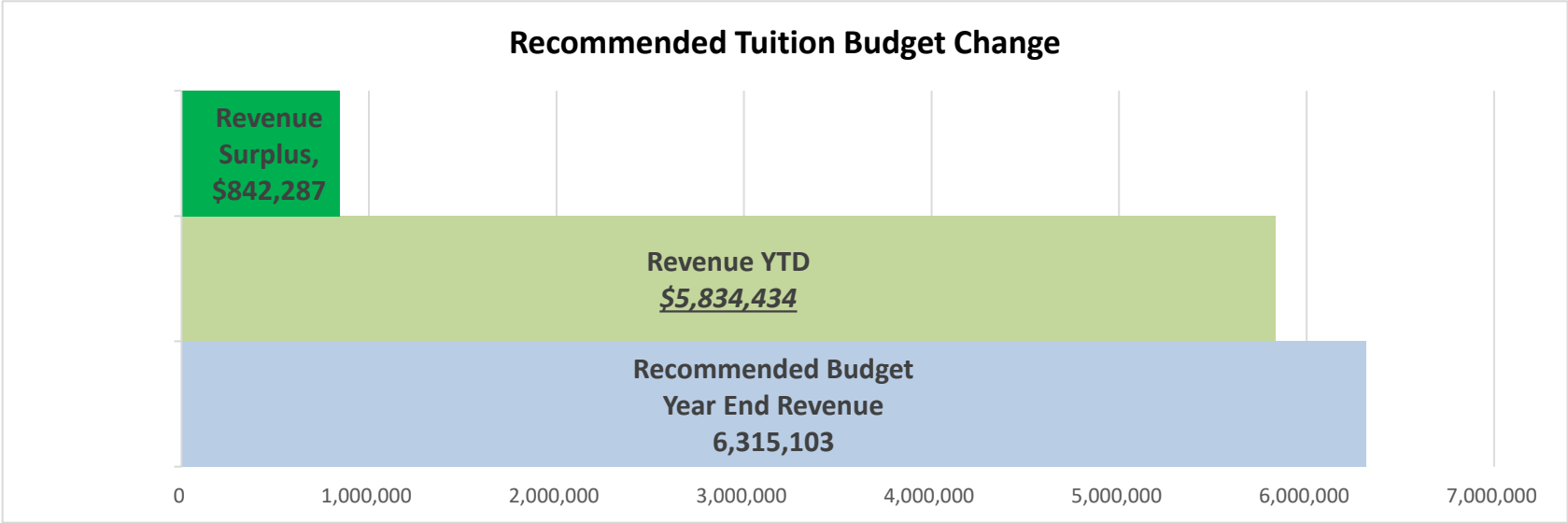
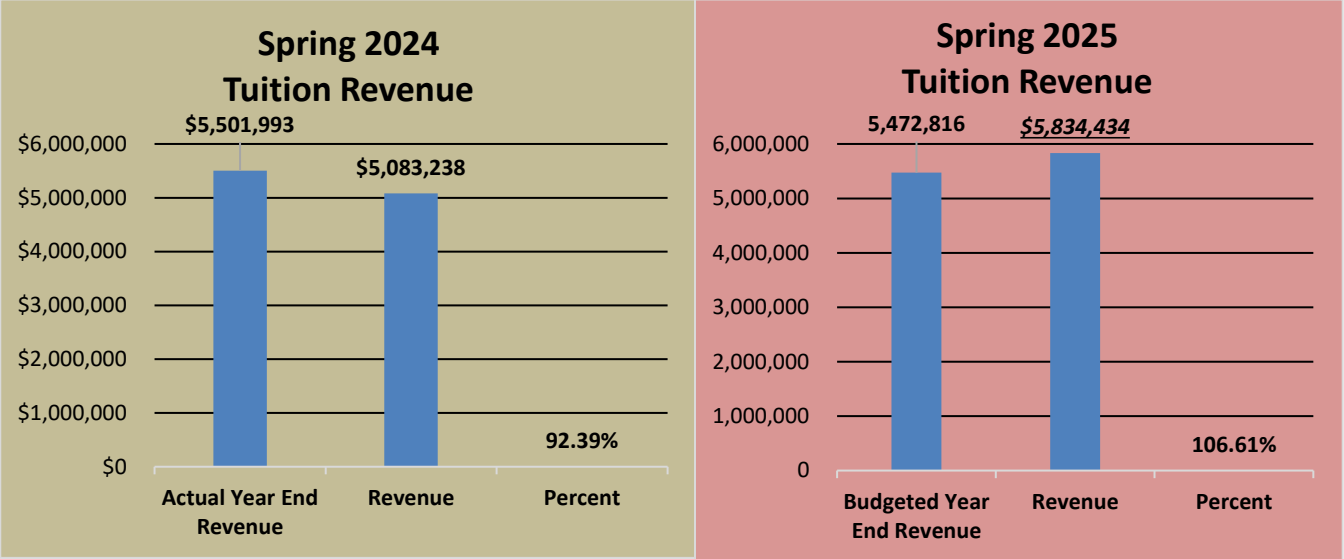
Composite Financial Indicator (CFI) Analysis - Projections

FY 2025 Projection Scenario's				
Step 1 - Modify Financial Statements to Remove GASB 68 and GASB 75 (Pension nad OPEB)	Scenario #1	Scenario #2	Scenario #3	Scenario #4
	2025-1	2025-2	2025-3	2025-4
The Modified Statements are starting point for FY2025 Projections	Cash, revenues and expenses remain constant from FY 2024	Operating Revenues - plus \$600,000	Operating Revenues - plus \$600,000	Operating Revenues - plus \$600,000
		Operating Expenses -plus \$100,000	Operating Expenses -plus \$100,000	Operating Expenses -plus \$100,000
	Foundation amounts remains constant from FY 2024	Foundation amounts remains constant from FY 2024	Foundation amounts remains constant from FY 2024	Foundation amounts remains constant from FY 2024
	Reduce debt liability by FY 2025 payment amounts	Reduce debt liability by FY 2025 payment amounts	Reduce debt liability by FY 2025 payment amounts	Reduce debt liability by FY 2025 payment amounts
	State Appropriations at FY 2025 amount/increase salaries by the increase	State Appropriations at FY 2025 amount/increase salaries by the increase	State Appropriations at FY 2025 amount/increase salaries by the increase	State Appropriations at FY 2025 amount/increase salaries by the increase
	Remove paid on behalf amounts from HEPC	Remove paid on behalf amounts from HEPC	Added paid on behalf from HEPC - For 3rd Floor	Added paid on behalf from HEPC - For 3rd Floor
	Expenses increased by FY 2025 planned budget deficit of \$190,000	Expenses increased by FY 2025 planned budget deficit of \$190,000	Expenses increased by FY 2025 planned budget deficit of \$190,000	Expenses increased by FY 2025 planned budget deficit of \$190,000
	Add new federal grant Revenues, Expenses, Capital Assets and Net Position change	Add new federal grant Revenues, Expenses, Capital Assets and Net Position change	Add new federal grant Revenues, Expenses, Capital Assets and Net Position change	Add new federal grant Revenues, Expenses, Capital Assets and Net Position change
				One time supplemental appropriation of \$304,973 reflected as unspent.
Ratio names	2025 -1	2025 -2	2025 -3	2025 -4
Primary Reserve	-0.41	-0.19	-0.19	-0.15
Net Operating Revenue Ratio	0.58	0.75	0.75	0.87
Return on Net Position Ratio	0.58	0.77	0.89	1.01
Viability Ratio	-0.22	-0.10	-0.10	-0.08
Composite Financial Indicator Score (CFI)	0.53	1.23	1.35	1.64

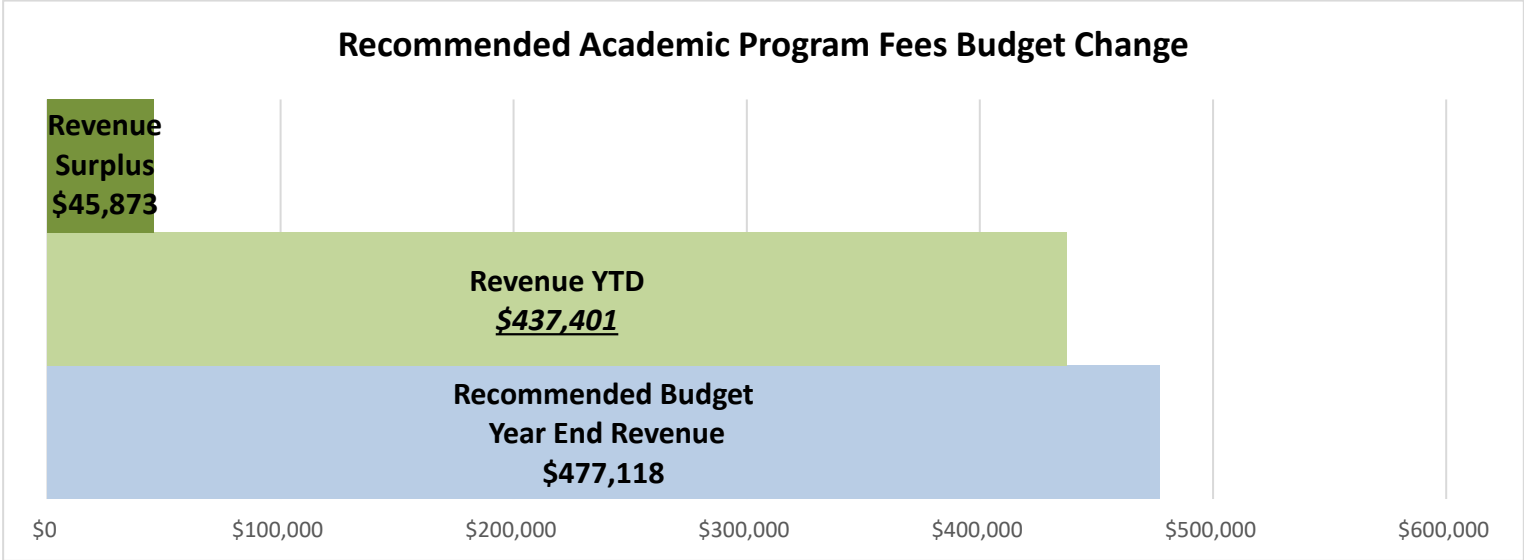
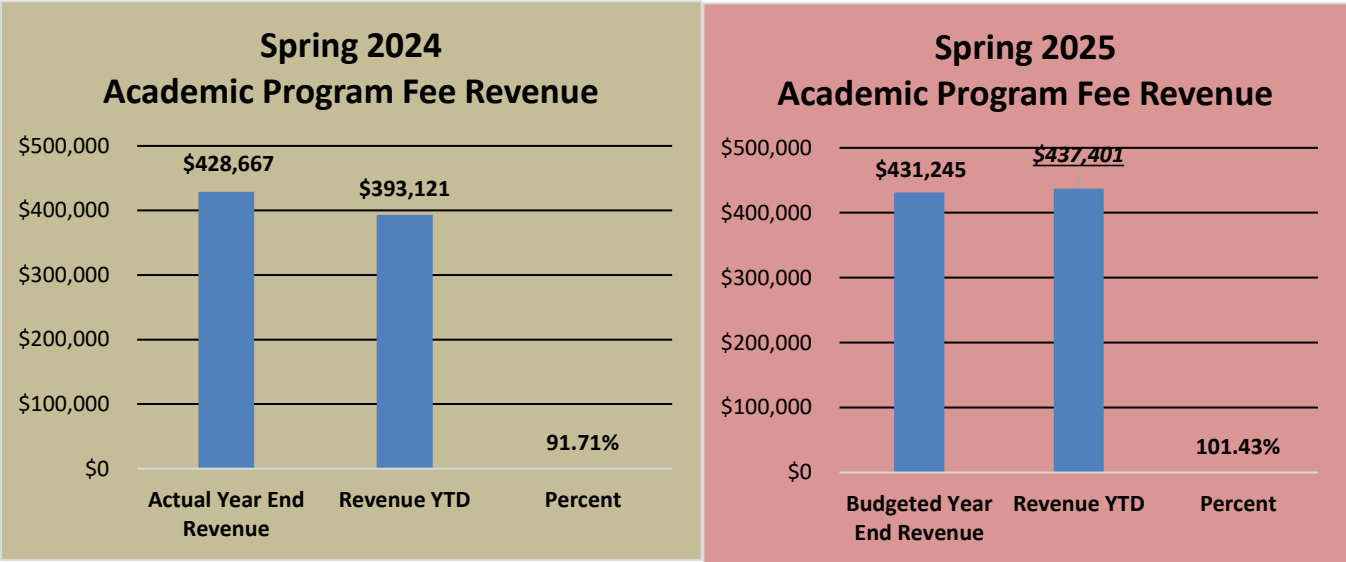
Tab

2

FY 2025 TUITION REVENUE ANALYSIS AS OF FEBRUARY 10, 2025



FY 2025 ACADEMIC PROGRAM FEES ANALYSIS AS OF FEBRUARY 10, 2025



Tab

3

Board of Governors
Budget/Finance Report FY 2025
Pierpont Community & Technical College
as of January 31, 2025

Pierpont’s overall financial structure consists of four primary fund types: unrestricted, auxiliary, restricted, and plant/capital funds.

Unrestricted Funds – Includes those economic resources of the institution which are expendable for any purpose in performing the primary objectives of the institution, i.e., instruction, research, extension, and public service, and which have not been designated by the governing board for other purposes. These funds consist of State Appropriations, not designated for a specific purpose, and general tuition and fees revenues. For fiscal management purposes Pierpont segregates Unrestricted funds into two subgroups; President Controlled Funds and Fund Manager Controlled Funds.

- President Controlled Funds consist of State Appropriations and general tuition and fees revenues.
- Fund Manager Controlled Funds consist primarily of program fees and lab/course fee funds that are used to cover program specific operational costs.

Auxiliary Funds – Auxiliary funds are a subsection of unrestricted funds. Auxiliary enterprises are activities conducted primarily to provide facilities or services to students, faculty, and staff. Such activities could include residence halls, food services, bookstore, parking, etc. At Pierpont these activities are reported as a separate fund type for fiscal management. Currently parking is the only Auxiliary fund activity and is used to support maintaining parking resources and campus security.

Restricted Funds - The restricted fund group consists of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended. Restricted funds primarily consist of contracts and grants received from federal or state governments for financial aid, research, public service or other restricted purposes.

Plant/Capital Funds – Plant/Capital Funds are a subsection of unrestricted funds used for debt service, capital projects, facilities maintenance, and renewal.

SUMMARY UNRESTRICTED FUNDS:

As of the January 31, 2025, Budget/Finance Report, the Unrestricted Budget Balance is (\$177,397) which includes Board approved spend down of Fund Manager cash reserves of \$188,000 and a One-Time Supplemental Appropriation received in FY 24 spend of \$110,000.

As of this report date, the YTD Actuals for Unrestricted Funds reflect the following:

- The institution has realized approximately 99% of projected operating revenue.
 - *Note: Tuition and Auxiliary revenues are exceeding budget due to enrollment being up by approximately 10% at the end of January compared to the previous year at the same time.*

- The institution has incurred approximately 49% of operating expenses.
- The institution has realized approximately 73% of nonoperating revenues.
- The Year-To-Date Actual Budget Balance is \$5,958,584.

SUMMARY RESTRICTED FUNDS:

As of this report date, the YTD Actuals for Restricted Funds reflect the following:

- The institution has realized approximately 52% of projected operating revenue.
- The institution has incurred approximately 50% of operating expenses.
- The institution has realized approximately 73% of nonoperating revenues.
- The Year-To-Date Actual Budget Balance is \$1,185,402.

Pierpont Community & Technical College
Actual vs Budget Statement of Revenues and Expenses
Current Unrestricted (Including Depreciation)
January 31, 2025

		Current Budget	Actual YTD	YTD Actual to Current Budget
OPERATING REVENUE	Tuition and Fees	6,984,187	6,928,295	99.20%
	Auxiliary enterprise revenue	160,000	176,484	110.30%
	Other Operating Revenues	110,163	92,778	84.22%
	Total:	7,254,350	7,197,558	99.22%
OPERATING EXPENSE	Salaries	7,712,937	3,901,830	50.59%
	Benefits	1,949,780	918,030	47.08%
	Student financial aid - scholarships	248,252	20,835	8.39%
	Utilities	364,013	186,484	51.23%
	Supplies and Other Services	5,271,831	2,575,234	48.85%
	Equipment Expense	123,016	84,500	68.69%
	Fees retained by the Commission	97,199	72,899	75.00%
	Loan cancellations and write-offs	100,000	0	0.00%
	Total:	15,867,029	7,759,814	48.91%
OPERATING INCOME / (LOSS)		(8,612,678)	(562,257)	
NONOPERATING REVENUE (EXPENSE)	State appropriations	8,613,156	6,459,867	75.00%
	Gifts	102,700	94	0.09%
	Investment Income	300,000	168,130	56.04%
	Total:	9,015,856	6,628,091	73.52%
TRANSFERS & OTHER	Capital Expenditures	(100,000)	(107,250)	107.25%
	Transfers for Financial Aid Match	(30,875)	0	0.00%
	Transfers to Plant Reserves	(559,700)	0	0.00%
	Total:	(690,575)	(107,250)	15.53%
BUDGET BALANCE UNRESTRICTED		(287,397)	5,958,584	
One-Time Supplemental Appropriation (Received in FY 24)		110,000		
BUDGET BALANCE ONE-TIME SUPPLEMENTAL APPROPRIATION		(177,397)	5,958,584	

Pierpont Community & Technical College
Actual vs Budget Statement of Revenues and Expenses
Current Restricted
January 31, 2025

		Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Federal Grants and Contracts	3,780,244	1,011,433	26.76%
	State/Local Grants and Contracts	5,083,712	3,667,823	72.15%
	Private Grants and Contracts	406,805	186,974	45.96%
	Total:	9,270,760	4,866,230	52.49%
OPERATING EXPENSE	Salaries	1,255,122	92,343	7.36%
	Benefits	293,649	20,736	7.06%
	Student financial aid - scholarships	7,843,661	4,807,572	61.29%
	Supplies and Other Services	660,846	147,417	22.31%
	Equipment Expense	155,060	7,220	4.66%
	Total:	10,208,338	5,075,288	49.72%
OPERATING INOCME / (LOSS)		(937,578)	(209,058)	
NONOPERATING REVENUE (EXPENSE)	Federal Pell Grant Revenues	2,250,000	1,632,741	72.57%
	Gifts	485	0	0.00%
	Total:	2,250,485	1,632,740	72.55%
TRANSFERS & OTHERS	Capital Expenditures	(1,514,516)	(238,281)	15.73%
	Transfers for Financial Aid Match	30,875	0	0.00%
Transfers - Indirect Cost (Char	Indirect Cost Recoveries	(53,462)	0	0.00%
	Total:	(1,537,104)	(238,281)	15.50%
BUDGET BALANCE		(224,196)	1,185,402	

Tab

4

**Pierpont Community and Technical College
Board of Governors
Meeting of February 18, 2025**

ITEM: FY 2025 Capital Projects Update.

COMMITTEE: Finance and Administration Committee

INFORMATION ITEM: FY 2025 Capital Project Budgets, Expenditures, and Cash Balances as of January 31, 2025.

STAFF MEMBER: Dale Bradley

Pierpont Community & Technical College
 Project Summary
Capital Plant Funds
 As of January 31, 2025

Projects			
Projects - Funds Transferred	Approved Budget	Actual Expenditures to Date	Unexpended Budget Balance
Caperton Center Expansion - Vet Tech	2,094,326	2,140,461	(46,135)
ATC 3rd Floor Furniture, Fixtures & Inform. Tech.	200,000	0	200,000
Small Capital Projects	150,000	75,001	74,999
TOTALS	<u>2,444,326</u>	<u>2,215,461</u>	<u>228,865</u>

Plant Funds Cash Balances at January 31, 2025		
Fund Title	Fund	Cash Balance
Caperton Center Expansion-Vet Tech	3510	26,365.43
ATC 3rd Floor Furniture, Fixtures & Inform. Tech.	3518	200,000.00
Small Capital Projects	3570	72,721.40
HEPC Debt Service	3573	135,927.00
Pierpont - E&G Cap & Infrastructure*	3575	594,163.29
Total Cash in Plant Funds on January 31, 2025		<u>1,029,177.12</u>

Cash Balances Available For Capital Projects as of January 31, 2025		
Fund Name	Fund	Cash Balance
Pierpont - E&G Cap & Infrastructure*	3575	594,163.29
Pierpont Facilities Fee	3170	327,206.07
Total Cash Balances Available For Capital Projects		<u>\$ 921,369.36</u>

Unrestricted Facilities Fee Fund Projected Cash Balance at June 30, 2025		
Fund 3170		Cash Balance
Beginning Balance		313.00
Estimated Revenues		559,700.00
Projected Cash in Unrestricted Facilities Fee Fund at June 30		<u>\$ 560,013.00</u>

Tab

5

**Pierpont Community and Technical College
Board of Governors
Meeting of February 18, 2025**

ITEM: FY 2025 Contracted Service Providers as of January 2025.

COMMITTEE: Finance/Audit and Administration Committee

INFORMATION ITEM: List of Service Providers Pierpont Community and Technical College has or is utilizing in FY 2025 as of January 2025.

STAFF MEMBER: Dale Bradley

BACKGROUND: General information of companies/organizations Pierpont has or is engaging in providing contracted services to the institution during FY 2025.

CONTRACTED SERVICES

ACT PROGRAMS
BREWER & COMPANY
CARAHSOFT TECHNOLOGY CORP
CHECKER, INC
CINTAS CORP
CITYNET LLC
CONLEY CPA GROUP PLLC
DATARAILS
EMCOR SERVICES SCALISE INDUSTRIES
FAIRMONT MARION CO TRANSIT AUTHORITY
FOLLETT HIGHER EDUCATION GROUP LLC
GREENLEAF ENVIRONMENTAL SERVICES
HAPCHUK, INC
HORIZON INFORMATION SRV
HQ AERO MANAGEMENT US INC
IN WEST VIRGINIA HIGH TECH FOUNDATION
INDUSTRIAL ELEVATOR MAINTENANCE INC
JONATHAN D CORCORAN
K M SERVICE
MODERN CAMPUS USA INC
NELNET BUSINESS SOLUTIONS INC
NERO DIGITAL
NEWTECH SYSTEMS INC
NEWTECH SYSTEMS LLC
NORTHSTAR TECHNOLOGIES LLC
OUTSOLVE LLC
INSPIRING DR
JAMIE STAPLES
PERSONA IDENTITIES INC
PILLAR INNOVATIONS
QUALEX CORPORATION
RELIANT CAPITAL SOLUTIONS LLC
REPUBLIC SERVICES TRASH
RYAN CONSTRUCTION SERVICES INC
SAFETY KLEEN SYSTEMS
AMPED EVENTS
STANDARD EXTERMINATING
STERICYCLE INC/SHRED-IT
STRATA INFORMATION GROUP INC
SUPERIOR LAWN CARE SERVICES
THAT YOGA STUDIO
THE OP SHOP INC
UNITED HOSPITAL CENTER INC

VERTICAL TRANSPORT CONSULTING
VIOLET CONSULTING LLC
WAREHOUSE KIDS LLC
WASTE MANAGEMENT
WEST VIRGINIA ASSOCIATION OF REHABILITATION FACILITIES
WEST VIRGINIA UNIVERSITY HOSPITALS INC
WILLIAMS & FUDGE INC
WV REGION VI WORKFORCE INVESTMENT BD

LEGAL SERVICES

DINSMORE & SHOHL LLP

PROFESSIONAL SERVICES

ALLONE HEALTH SOUTH LLC
AUTOMOTIVE RENTALS INC
BATMANS TROPHIES AND AWAR
BRIDGEPORT TIRE & SUPPLY
CLIFTONLARSONALLEN LLP
FORTIFY LEADERSHIP GROUP LLC
JESSICA HARVEY
JN PIFER
RIVI VET TECH
QUALITY MACHINE COMPANY
METROPOLIS MANAGEMENT
VECTOR SCENARIO LEARN
WorkED Consulting LLC
SORENSEN

INFORMATION TECHNOLOGY SERVICES/SOFTWARE

ADVANTAGE DESIGN GROUP
BAMBOOHR HRIS
BLACKBOARD INC
BLACKBOARD LLC
CITYNET LLC
ENTERPRISE RESOURCE PLANNING
INTERNET2
TUTOR COM INC
VECTOR SCENARIO LEARN

Tab

6

**Pierpont Community and Technical College
Board of Governors
Meeting of February 18, 2025**

ITEM: FY 2025 Mid-Year Cash Balances as of January 31, 2025.

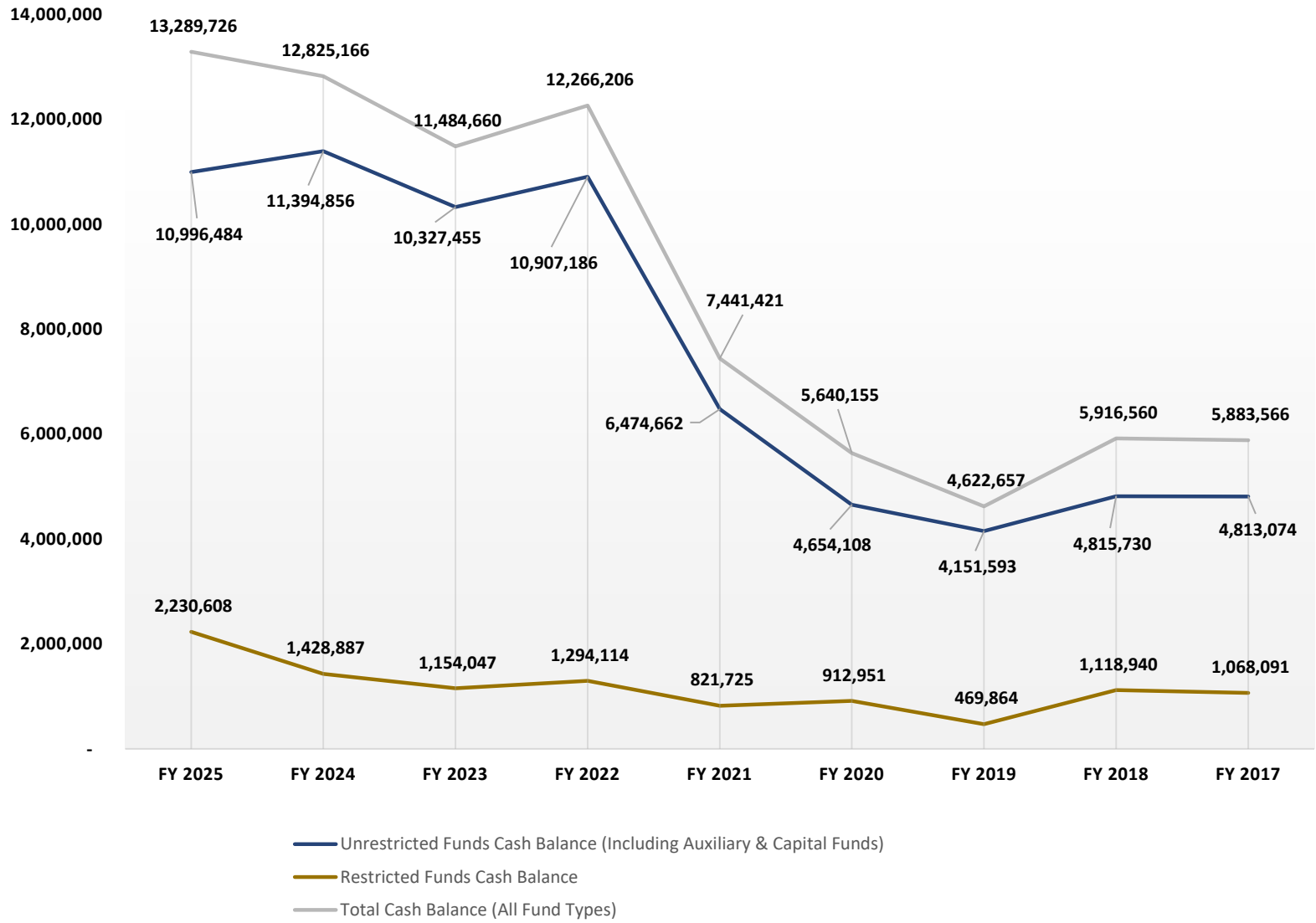
COMMITTEE: Finance/Audit and Administration Committee

INFORMATION ITEM: Pierpont Community and Technical College FY 2025 Mid-Year Cash Balances as of January 31, 2025, are as follows:

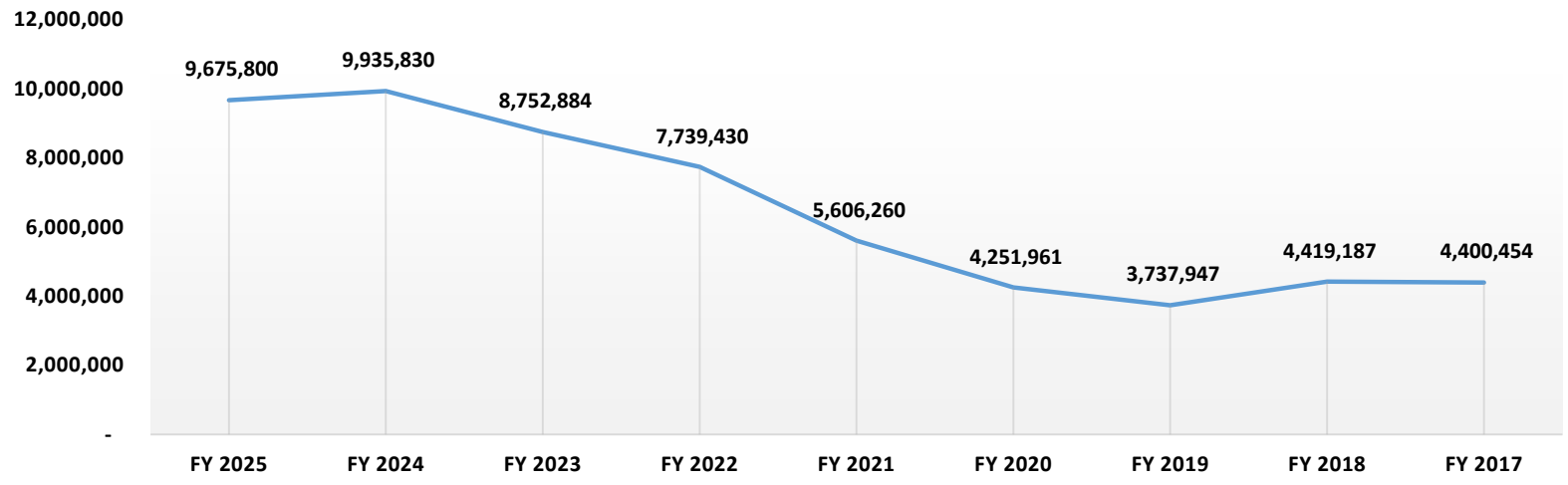
- Total Cash Balances (All Fund Types): \$13,289,726
- Unrestricted Funds Cash Balances (Including Auxiliary & Capital Funds): \$10,996,484
- Restricted Funds Cash Balances: \$2,230,608
- Unrestricted Funds Cash Balances (Without Capital Funds): \$9,675,800
- Unrestricted Auxiliary & Capital Funds Cash Balances: \$1,320,684
- Restricted Funds Cash Balances: \$2,230,608

STAFF MEMBER: Dale Bradley

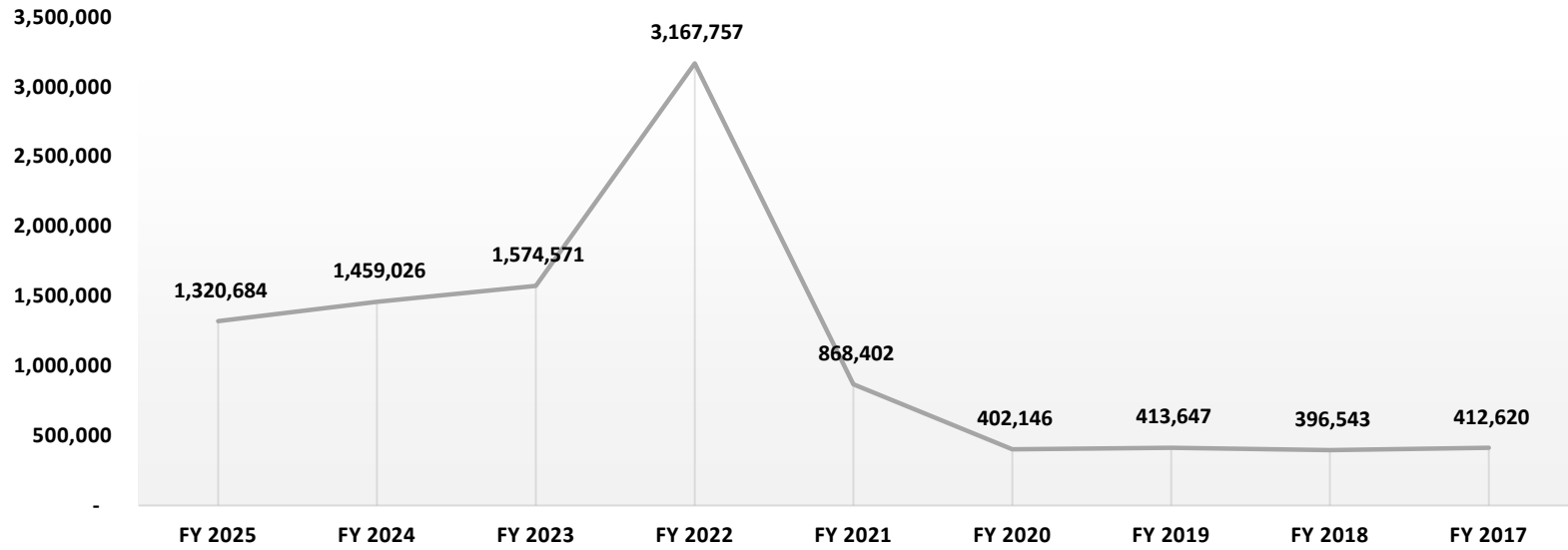
Pierpont C&TC Cash Balances (All Fund Types) 2017 - Jan. 31, 2025



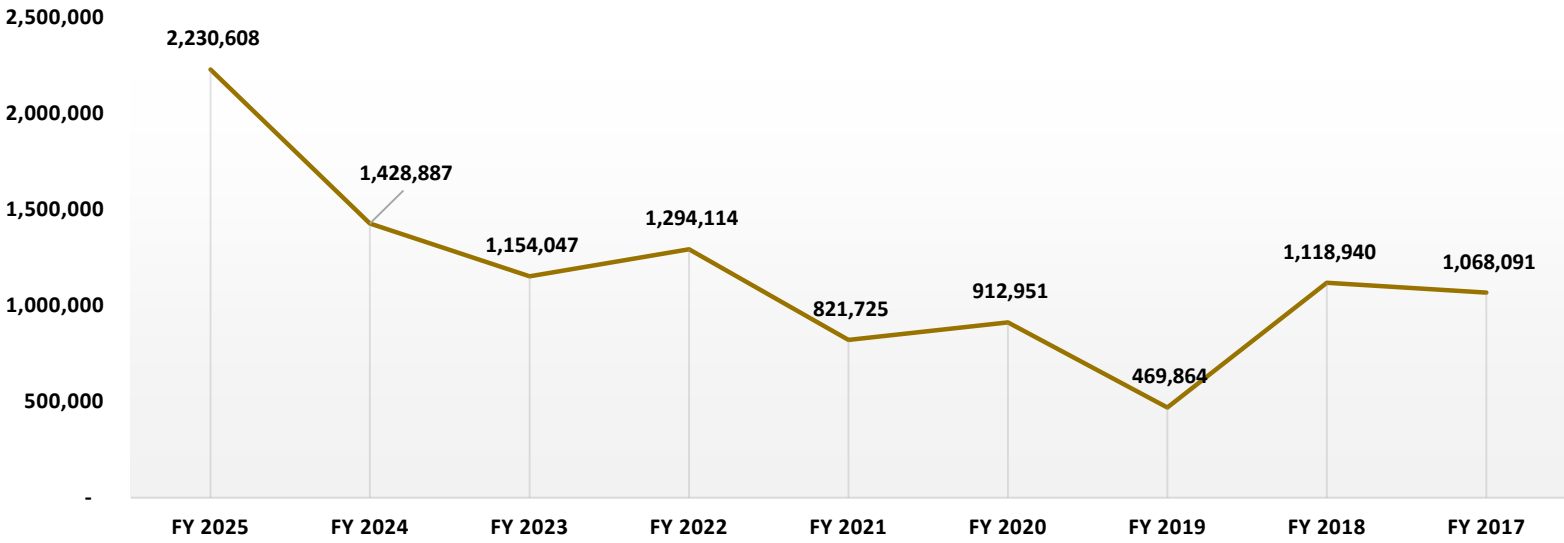
**Pierpont CTC
Unrestricted Funds Cash Balances 2017 - Jan. 31, 2025
(Without Capital Funds)**



Pierpont CTC
Unrestricted Auxiliary & Capital Funds Cash Balances 2017 - Jan. 31, 2025



**Pierpont CTC
Restricted Funds Cash Balance 2017 - Jan. 31, 2025**



Tab

7

Governor Morrisey
Executive Orders
Issued January 14, 2025

- Executive Order 1-25: Establishing an economic Backyard Brawl.
- Executive Order 2-25: Setting School choice as a priority of the administration.
- Executive Order 3-25: Ordering cessation of DEI (Diversity, Equity, and Inclusion).
- Executive Order 4-25: Reviewing past, present, and projected spending decisions.
- Executive Order 5-25: Directing agencies to develop a plan for more efficient government.
- Executive Order 6-25: Plan to reduce rules, regulatory review.
- Executive Order 7-25: Allowing religious exemptions for school vaccines.
- Executive Order 8-25: Reviewing outdated Executive Orders

**Higher Education Policy Commission and Council for Community & Technical College
Education identification of Executive Orders that could/do impact WV Public Higher
Education**

Order Number	Topic	Summary	Deadlines for Unified System Response Submissions
1.25	Comparison of Rules with Bordering States	Known as the "Backyard Brawl" order. Directs agencies to conduct a comparative analysis of their current taxes, fees, regulations and workforce and licensing rules with those of neighboring states (KY, OH, PA, MD, and VA). The goal is to ensure that none of these are unnecessarily burdensome, especially when compared to neighboring states. HEPC/Council believe this order applies mostly to system state rules and regulations but will provide an update once they have further reviewed.	April 24, 2025
3.25	Inventory and Elimination of DEI Programs	This order mandates the cessation of all Diversity, Equity, and Inclusion (DEI) programs in state agencies and institutions. Institutions must review and report current DEI activities and demonstrate compliance with the directive.	February 13, 2025 for a list of all DEI-related programs. April 14, 2025 for plans to cease said programs.
4.25	Review of Expenditures Over \$100,000	Requires a detailed review of all past and planned expenditures over \$100,000 for the current fiscal year. Institutions must provide justification for each expenditure and identify areas where cost savings could be achieved. We are working with our Finance Division to identify the simplest method for you to extract this information from Oasis and/or Banner.	February 28, 2025
5.25	Efficiency Plan Development	Calls for a comprehensive review of institutional operations to identify areas of inefficiency or wasteful spending. Agencies must outline steps to streamline operations and reduce redundancy for any identified inefficiencies or unnecessary expenditures.	March 15, 2025 to report findings. April 24, 2025 to submit plans.
6.25	Comprehensive Rule Review	Mandates a complete review of all promulgated rules to assess their necessity and impact. Agencies must recommend rules for elimination or amendment to reduce regulatory burden. HEPC/Council initial interpretation suggests that this responsibility will fall primarily to HEPC/Council but will notify institutions if any information required from the institutions.	April 24, 2025

HEPC/Council encourages institutions to:

1. **Review the executive orders** and assess how they may impact your institution.
2. **Identify staff members** who will be responsible for providing the necessary information for each order.
3. Begin **considering potential areas of concern or compliance issues.**

INSTRUCTIONS:

In compliance with Executive Order (EO) No. 4-25 regarding review of major expenditures in fiscal year (FY) 2025, please submit the requested information using the template on the tabs of this workbook. You may add rows as needed.

Current Expenditures Tab:

Please provide all single transaction expenditures that are greater than \$100,000.00 from July 1, 2024 through January 14, 2025. This includes all payments, transfers, etc.

The template provides space to list the following information for all expenditures reported. Please use one row for each expenditure.

Vendor Name: Indicate the registered vendor name of the entity that received the expenditure.

Payment Date: Indicate the date of disbursement for the expenditure.

Payment Amount: Indicate the amount of the expenditure.

Payment Description: Indicate a description for the expenditure.

Funding Type: Indicate if the expenditure was paid from state, federal or a combination of state and federal money. Please use "State", "Federal", or "Combination" to indicate.

Justification: Provide a detailed justification for the expenditure.

Essential or Not Essential: Indicate if the expenditure is essential to the operations of the institution or if it is NOT essential to the operations of the institution. Please use "Essential" or "Not Essential" to indicate.

Planned Expenditures Tab:

Please provide all planned single transaction expenditures that are greater than \$100,000.00 from January 15, 2025 through June 30, 2025. Do not reduce the amount of the planned expenditure to multiple expenditures to circumvent the EO and fall below the threshold.

The template provides space to list the following information for all expenditures reported. Please use one row for each expenditure.

Vendor Name: Indicate the registered vendor name of the entity that is anticipated to received the planned expenditure.

Payment Date: Indicate the anticipated date of disbursement for the planned expenditure.

Payment Amount: Indicate the anticipated amount of the planned expenditure.

Payment Description: Indicate a description for the planned expenditure.

Funding Type: Indicate if the planned expenditure will be paid from state, federal or a combination of state and federal money. Please use "State", "Federal", or "Combination" to indicate.

Justification: Provide a detailed justification for the planned expenditure.

Essential or Not Essential: Indicate if the planned expenditure is essential to the operations of the institution or if it is NOT essential to the operations of the institution. Please use "Essential" or "Not Essential" to indicate.

Return the completed templates to meredith.peters@wvhepc.edu no later than the COB on February 13, 2025.

Executive Order No. 4-25; Current Expenditure Review

Institution: Pierpont Community & Technical College

Contact Name: Dale Bradley

Contact Email: dbradley@pierpont.edu

Vendor Name	Payment Date	Payment Amount	Payment Description	Funding Type	Justification	Essential or Not Essential
Butler Gas Products Company	7/12/2024	167,841.32	Lincoln VRTEX 360+ VR Training Welder (Quantity 2 at \$83,920.66 each)	State	Securing Virtual Reality (VR) Welders enabled Pierpont C&T College to expand Welding Program to meet regional workforce needs and support the implementation of the National Coalition of Certification Centers (NC3) LEEPS curriculum. Received WV Advance Grant to support purchase of VR Welders.	Essential

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Higher Learning Commission Board of Governors CFI Question January 24, 2025:

Email From Amanda Hawkinberry

Hi Linnea,

A Board member has put forward the following questions:

How is our current CFI rating viewed by the HLC, and what should we as a board be concerned about?

Given our current CFI rating how should we view the next few years?

Specifically, should we be more concerned about getting our Rating back up or pursuing our Strategic Plan, knowing that if we pursue our Strategic Plan the rating will likely be poor again next year? I believe we can improve the rating, but it will impact timing on some of our plans.

Is it common for institutions such as Pierpont to vary their CFI rating over time, and if so, how is that viewed from the HLC?

Thank you for taking the time to consider the above questions. We really appreciate it!

Higher Learning Commission Accreditation Liaison CFI Response January 24, 2025

Email from Linnea A. Stenson

Hello, Amanda and Michael!

I think for starters it would be helpful for your board to review our Financial and Non-Financial Indicators process. That information is found here:

<https://www.hlcommission.org/accreditation/cycles-and-processes/financial-and-non-financial-indicators/> (and don't miss the download on the procedure).

On that page, you'll see three subsections labeled **Above the Zone**, **In the Zone**, and **Below the Zone**. Since Pierpont is a public institution, those numbers there are the 'targets.' And as you can see, being above requires no follow up, while in the zone or below the zone require some sort of follow up, as shown.

So really, I think the question is would Pierpont fall into or below the zone. I suspect Mr. Bradley would be able to estimate where you all might fall, depending on what actions your board takes relative to your finances.

It's not uncommon for CFIs to go up and down. I think the thing to remember is that if you indeed fall below the zone (as you have in the past), we will ask you to explain to us why, and we will continue to require that information until such time as your CFI goes back into (or above) the zone. This may well be a strategic decision the college is making—and that's fine. We just need to see a "rational rationale" for that.

Higher Learning Financial Indicators

Financial Indicators

The financial data submitted in the Institutional Update generate a Composite Financial Index (CFI). For private institutions, HLC uses the financial ratios provided by the U.S. Department of Education and for public institutions, HLC relies on the financial ratios recommended in *Strategic Financial Analysis for Higher Education: Identifying, Measuring & Reporting Financial Risks (Seventh Edition)*, by KPMG LLP; Prager, Sealy & Co., LLC; Attain LLC.

CFI Ranges

HLC has identified ranges, or zones, of CFI values that indicate whether further review is required.

Above the Zone

Private Institutions: 1.5 to 3.0

Public Institutions: 1.1 to 10.0

No additional follow-up is required for institutions with a CFI that falls above the zone.

In the Zone

Private Institutions: 1.0 to 1.4

Public Institutions: 0 to 1.0

First Year

If an institution reports a CFI that falls within the zone for the first time, HLC will issue a Letter of Concern. The institution is required to acknowledge receipt of this letter by submitting an institutional response from the CEO either confirming the financial information that was reported in the Institutional Update or requesting corrections and/or modifications to the financial information submitted. Any modifications to the data require supporting documentation.

Second or Subsequent Year

If an institution reports a CFI that falls within the zone for a second or subsequent consecutive year, HLC will require the institution to submit a report and additional financial documents for review by a panel of HLC peer reviewers.

Below the Zone

Private Institutions: -1.0 to 0.9

Public Institutions: -4.0 to -0.1

If an institution reports a CFI that falls below the zone, HLC will require the institution to submit a report and additional financial documents for review by a panel of HLC peer reviewers. In subsequent years, the institution will be required to submit a report for panel review following each Institutional Update until its CFI is above the zone.

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Tuition Increase Budget Impact - FY 2026

Current Adjusted T & F Revenue Budgeted Amount: \$4,481,825
Current In-State Tuition Per Semester: **\$2,881**
Current Out-of-State Tuition Per Semester: \$6,830

<u>Increase Amount</u>		<u>Additional Annual Revenue</u>	<u>Revenue Difference</u>	<u>Impact on In-State Students</u>		<u>New Per Semester Rate</u>	<u>New Annual Rate</u>
				<u>Additional Costs Per Semester</u>	<u>Additional Annual Costs</u>		
7.00%		\$313,728	\$22,409	\$202	\$403	\$3,083	\$6,165
6.50%		\$291,319	\$22,409	\$187	\$375	\$3,068	\$6,137
6.00%		\$268,909	\$22,409	\$173	\$346	\$3,054	\$6,108
5.50%		\$246,500	\$22,409	\$158	\$317	\$3,039	\$6,079
5.00%		\$224,091	\$22,409	\$144	\$288	\$3,025	\$6,050
4.50%		\$201,682	\$22,409	\$130	\$259	\$3,011	\$6,021
4.00%		\$179,273	\$22,409	\$115	\$230	\$2,996	\$5,992
3.50%		\$156,864	\$22,409	\$101	\$202	\$2,982	\$5,964
3.00%		\$134,455	\$22,409	\$86	\$173	\$2,967	\$5,935
2.50%		\$112,046	\$22,409	\$72	\$144	\$2,953	\$5,906
2.00%		\$89,636	\$22,409	\$58	\$115	\$2,939	\$5,877
1.50%		\$67,227	\$22,409	\$43	\$86	\$2,924	\$5,848
1.00%		\$44,818	\$44,818	\$29	\$58	\$2,910	\$5,820

