TERRA STATE COMMUNITY COLLEGE
Fremont, OH 43420
BOARD OF TRUSTEES SPECIAL MEETING MINUTES
Tuesday, August 11, 2026
3:00 p.m. Boardroom B206

The Terra State Community College Board of Trustees met for a special meeting at 3:00 p.m. on Tuesday, August 11, 2026, in the Boardroom in the General Technologies Building on the Terra State Community College campus.

Board Members Present: Elaine Daugherty, Tim Ellenberger, Nick Gerber, Derek Gerstenberger, Dr. Jim Lahoski, Luke Sutter (virtually), and Chair Mircea Handru.

Board Members Absent: Jodi Rucker

State of Ohio Guests: Attorneys Regina Mendicino-Dwyer and Jacob Oetama Paul attended virtually from the Attorney General's Office. From the Auditor of State's Office, Steven Farrow, Senior Performance Analysist, and Brent Grace attended in person.

Call to Order

Chair Handru called the meeting to order at 3:00 p.m. Those in attendance recited the *Pledge of Allegiance*. The Mission, Vision, and Values were reviewed.

Changes or Additions to the Agenda

There were no changes or additions to the agenda.

Public Commentary

There was no request for public commentary.

Consent Agenda* R-2026-64

Approval of Special Board Meeting Minutes – June 17, 2026

There were no additions, changes, or corrections to the meeting minutes from the June 17, 2026, Special Board of Trustees meeting.

Approval of Finance Committee Minutes – July 21, 2026

There were no additions, changes, or corrections to the meeting minutes from the July 21, 2026, Finance Committee meeting.

Trustee Lahoski made a motion to approve the Consent Agenda, with a second by Trustee Gerstenberger. Roll call was taken. Voting *aye* were Trustees Daugherty, Ellenberger, Gerber, Gerstenberger, Lahoski, Sutter, and Chair Handru. The Chair declared the motion passed at 3:09 p.m.

Fiscal Watch Agenda*

Treasurer's Report – Verbal Report

The Finance Committee, at the July meeting, had recommended some changes in financial reports that would show trends over time, as well as more detail on key areas, and those will be developed for future committee meetings.

Highlights of the verbal report:

- The detailed reports for June will be presented to the Finance Committee at the August meeting scheduled for Thursday, August 20, 2026.

- The Auditors of State reviewed the Finance Department implementation of the new enterprise resource planning (ERP) to Colleague (go-live was July 1) and recommended that Banner remain our ERP of record for the time being until the whole college switches to Colleague. The Finance Department is now posting to both systems in parallel, which provides checks and balances to confirm that data in Colleague is correct. This does not change the overall schedule and the projected completion date remains summer of 2027.
- Accounts Payable update – two of three invoices have been paid on the Wadsworth account, leaving a balance of $175K.
- There is no update on the solar credit – we are still waiting for word.
- Employee Reduction Credit (ERC) update – the attorney representing us, Forvis Mazer, submitted an additional form to the IRS agent that was requested. We had had word that the IRS agent planned for this request to wrap up by the end of August, so the wait could be almost over.

Approval of Financial Recovery Plan Revision* **R-2026-65**

The collaboration with the State of Ohio auditors simultaneously with generous feedback from Ohio Department of Higher Education (ODHE) has shaped our financial recovery plan revision. We received feedback from ODHE on July 17th on our initial plan submission, which included a fairly comprehensive list of changes and revisions. On July 23rd, we met with ODHE's Chief of Staff and Senior Policy Advisor, Jim Bennett, and Vice-Chancellor of Finance Kelly Weir to go over those changes in detail, point by point, to make sure that what we were going to capture in the document was going to reflect the expectations that the State had. After incorporating their recommendations, we sent a draft revision to ODHE for informal review on August 6th. We very much appreciate the informal feedback that has been provided by ODHE. On August 10th we had another meeting with Jim Bennett and Kelly Weir to go over the updated revision and met again this morning, August 11th, to go over those changes. There has been a great deal of communication and a lot of work done by both entities and multiple departments of the College to create the version of the plan presented today.

The board packet includes both the revised recovery plan narrative and a change summary document listing all changes made since the initial notification on July 17th. A significant area of revision includes expansion of the revenue assumptions both for enrollment and SSI and further detail of the financial implications to the College of each of those components. A second area included expansion of the expense section to include narratives on the staffing reductions, the collective bargaining agreements, and the food service agreement, as well as the financial implications of running both enterprise resource planning (ERP) systems (Banner and Colleague) simultaneously and a timeline by which we would get off of the two and run with just one. Further contingencies were directed by ODHE to be included for if the enrollment or expense targets are not met. Along with this was the overall revision and change to the three-year forecast itself to reflect each of these component points. We were able to reflect everything from the different projections into the contingency plans.

Trustee comments and questions touched on the inclusion of the Employee Retention Credit (ERC) projected to be received at 100% and the projected timeline for submission of the 2026 audit (the deadline in October will not be met, as 2025 is not yet complete). The trustees requested that the bullet point stating that the College will meet the October 2026 deadline for submission of Fiscal Year (FY) 2026 audit be modified prior to submission of the financial recovery plan revision on August 14th so that it is accurate. The trustees recognize that this financial recovery plan is a living document and changes will be made. The board will review the financial recovery plan at every meeting.

Trustee Ellenberger made a motion to accept the *Terra State Community College Financial Recovery Plan Revision 2026* with the suggested revisions from this morning's meeting with ODHE and the revisions suggested at this board meeting. Trustee Daugherty seconded the motion. Roll call was taken. Voting *aye* were Trustees Daugherty, Ellenberger, Gerber, Gerstenberger, Lahoski, Sutter, and Chair Handru. The Chair declared the motion passed at 3:54 p.m.

President's Report

Dr. Breeden reported that he has established three priorities for our Terra State team:

1. Fiscal house in order
2. Increase revenue
3. Focus on relationships

Fiscal house in order:

- The State Auditors Audit is proceeding, and the first stage is complete. The next stage is for them to come back and check on our progress. They have held an out brief with me twice a week. The Performance Audit Team is moving forward, and the staff is pivoting to ensure we get them everything they need.
- Strategic Plan – My recommendation is to keep our existing plan through the end of December 2027, because we need bandwidth to devote to a collaborative process with all stakeholders involved in the planning.

Increase revenue:

- Whirlpool - Up to 40 employees in our apprenticeship program
  Replacing Electrical and HVAC faculty
- Enrollment – Finalizing fall and, shifting focus to the spring

Focus on Relationships:

- Attending events, starting to be seen in the community
- Congressman Latta visit on Thursday, 20 August

Other:

- Campus appearance - Sheriff's Department Community Engagement: Prisoners performing campus beautification. We are looking at other short-term options as well
- 1-on-1's with trustees - Remaining trustees will be followed up with so we can connect.

Board Information

Enrollment and Enrollment Revenue Reports

Summer 2026 is wrapping up with Headcount of 441, which is 89% of goal. The comparison to last year appears wider due to the recent reclassification of our guest students; Summer 2025's figures had that group included. Moving forward, the students in this group will complete prior learning applications to be awarded their credit, as guest students are typically here for only a term before transferring back to their home institutions. The enrollment goal is established by reviewing past trends, along with surveying attendance rates for enrollment events, applications, and previous application yields, as well as estimating impact of other current factors. Fall enrollment is continuing, with two weeks before term start. Two All-in-One Days are scheduled. The New CCP Student category is expected to increase significantly when those students have all officially applied and gone through their placement testing once they are back in school. The current fiscal watch designation does appear to be impacting enrollment trends for fall term.

Summer 2026 – Reported 8/11/2026 Fall 2026 – Reported 8/11/2026

Year	Headcount	% change	FTE	% change
Summer 2026	441	-24.9%	78.23	-18.5%
Summer 2025	587	-9.6%	96.01	-14.0%

Year	Headcount	% change	FTE	% change
Fall 2026	1694	-9.7%	462.84	-9.3%
Fall 2025	1876	-6.2%	510.36	-5.3%

Requests for Board Action*

State of Ohio Biennial 2027-2028 Capital Projects and Local Administration* R-2026-66

Terra State requests that the board approve the use of our State of Ohio 2027-2028 biennial capital funds to continue to build capacity related to equipment and infrastructure, which is an investment in our future. Board approval of these projects also establishes the College's intent to locally administer the capital facility projects listed below as authorized by Section 3345.50 of the Revised Code receiving less than $4 million in state capital appropriations

The projects and costs are as follows:

- Project 1 Fire Alarm System Replacement $366,000
- Project 2 Roof Replacement/Add'l Funds $146,522
- Project 3 Exterior Masonry Safety Renovations $274,500
- Project 4 Network Infrastructure Upgrade $305,000
- Project 5 Boiler Upgrade $305,000

Higher Education Improvement Fund 7034 $1,397,022

Trustee Daugherty made a motion that the Terra State Community College Board of Trustees approves the use of our State of Ohio capital funds in the approximate amount of $1,397,022 as listed above and to locally administer those capital facility projects as authorized by Section 3345.50 of the Revised Code receiving less than $4 million in state capital appropriations.

Trustee Ellenberger seconded the motion. Roll call was taken. Voting *aye* were Trustees Daugherty, Ellenberger, Gerber, Gerstenberger, Lahoski, Sutter, and Chair Handru. The Chair declared the motion passed at 4:16 p.m.

Prior Biennium Capital Projects Funding Redirection* R-2026-67

Terra State requests that the board approve redirection of our State of Ohio capital funds project balances from prior bienniums to continue to build capacity related to equipment and infrastructure. The funds proposed for redirection are remaining balances from previously completed capital projects funded by the State of Ohio. Following completion of those projects, Terra State worked with the Ohio Office of Budget and Management (OBM) to identify the remaining funds and obtain approval to redirect them to other eligible capital projects.

Redirected Funds:

- Great Lakes Demo to Bldg. B roof $15,016
- Bldg. E Roof to Bldg. B Roof $37,007
- Dell Direct Sales to Learning Lab Reno $ 6,792
- Repaving contingency to safety grant cameras $17,030
- Math Lab project to Learning Lab Reno $18,115
- Server Room AC to Elevator project contingency $11,071

Total Redirect Requested $105,031

Trustee Ellenberger made a motion that the Terra State Community College Board of Trustees approves the enclosed Campus Completion Plan for 2026-2028. Trustee Gerstenberger seconded the motion. Roll call was taken. Voting *aye* were Trustees Daugherty, Ellenberger, Gerber, Gerstenberger, Lahoski, Sutter, and Chair Handru. The Chair declared the motion passed at 4:18 p.m.

Finance Policies* **R-2026-68**

Policies presented for trustee review and approval:

- Signature on Business Accounts Policy – Originally issued in 2005 and transferred to the new template and approved in 2024. This policy, last reviewed and approved by the board in 2025, is "to be approved annually by the Board of Trustees. It is implemented by the Financial Affairs Department."
- Banking Policy – Originally approved by the board of trustees in 2024 and again in 2025, this policy is to be approved by the board and implemented annually.
- Investment Policy – Originally issued in 2004, it was revised and approved by the board of trustees in 2024 and again in 2025. This policy is to be board approved and implemented annually. Per the policy, "any modifications must be approved by the Board of Trustees and filed in the office of the Auditor of State upon adoption."
- General Ledger and Chart of Accounts Policy – Originally issued in 2008, it was edited and transferred to the new template in 2024 and reviewed again in 2025 and 2026. This policy is to be reviewed annually by the CFO and is included in this meeting to demonstrate CFO compliance of annual review.

Trustee Lahoski made a motion that the Terra State Community College Board of Trustees approves the review of the General Ledger and Chart of Accounts Policy and approves the Signatures on business Accounts Policy, the Banking Policy, and the Investments Policy. Trustee Daugherty seconded the motion. Roll call was taken. Voting *aye* were Trustees Daugherty, Ellenberger, Gerber, Gerstenberger, Lahoski, Sutter, and Chair Handru. The Chair declared the motion passed at 4:23 p.m.

Executive Session* **R-2026-69**

Trustee Ellenberger made a motion pursuant to Ohio Revised Code Section 121.22 to enter into Executive Session to consider: Personnel, specifically, appointment/employment of a public employee; also, matters required to be kept confidential (federal law; federal rules or state statutes that require confidentiality). Trustee Gerber seconded the motion. Roll call was taken. Voting *aye* were Trustees Daugherty, Ellenberger, Gerber, Gerstenberger, Lahoski, Sutter, and Chair Handru. The Chair declared the motion passed at 4:24 p.m.

Return from Executive Session* **R-2026-70**

Trustee Ellenberger made a motion to return to Public Session with a second by Trustee Gerstenberger. Roll call was taken. Voting *aye* were Trustees Daugherty, Ellenberger, Gerber, Gerstenberger, Lahoski, Sutter, and Chair Handru. The Chair declared the motion passed at 5:.8 p.m.

Adjournment **R-2026-71**

Trustee Daugherty made a motion to adjourn with a second by Trustee Gerber. As there was no other business to discuss, the Board Chair called for a vote, and all responded "Aye". Chairperson Handru declared the meeting adjourned at 5:10 p.m.

**Indicates agenda items requiring a motion and a vote*