



MARYLAND COMMUNITY COLLEGE FACILITIES PLANNERS COUNCIL MEETING

Web Site – www.montgomerycollege.edu/departments/fpc

Minutes for FPC Meeting Chesapeake College December 7, 2018

<u>ATTENDANCE</u>			
NAME	INSTITUTION	NAME	INSTITUTION
Jim Taylor	AACC	Jamie Karn	MC
Maurice Howell	BCCC	Diedre Gibson	PGCC
Lisa Aughenbaugh	Carroll	Greg Gregory	WWCC
Jerry Kramer	CCBC		
Cynthia Maylan	CCBC		
David Beard	Cecil and CSM		
Paul Renshaw	Chesapeake		
Miriam Collins	Chesapeake		
Katy Potts	Frederick	Clarence Felder	MD DGS
Kathy Meagher	Garrett	Cynthia Tims	MD MHEC
Lou Clypoole	Hartford	Phil Fleisher	MD DBM
Travis Hopkins	Howard		

FPC Meeting Minutes

1. **Continental Breakfast:** Thanks to Chesapeake College for providing a delicious breakfast.
 - A. **Call to Order:** Jamie Karn called the meeting to order. Tim Jones, Vice President of Administrative Services at Chesapeake College, welcomed the Planners to Chesapeake College, and provided an update on the sustainable design efforts at the college. Much of Eastern Shore will be impacted by sea level rise. Half of Dorchester Co. will be under water by 2100. The US Dept of Energy has a “Better Building” group that is worth exploring for partnerships and support tools for sustainability – Chesapeake has benefited by these partnerships and tools. He suggested that attendees reach out to Paul, Miriam or Tim for info on this and for other initiatives for sharing ideas.

2. Officer Reports:

- A. Chair Report (Kristina Schramm): No report (Kristina unable to attend).
- B. Vice Chair Report (Jamie Karn): Jamie indicated that he has no report, other than an update on Goal #1, which he will provide in "Old Business" portion of meeting. Topics are needed for discussion in "New Business" agenda item.
- C. Secretary Report (Kerry Norberg): No report (Kerry not able to attend) Please make any corrections or additions to the hard copy Directory that is being passed around.
- D. Treasurer Report (Travis Hopkins): The current funds balance is \$1,969.03. Travis will check the by-laws about procedures for dues collection.

3. Agency Reports:

- A. DBM Report (Phillip Fleischer): Phil has been busy on multiple projects. Requests that we let him know if there are any changes in costs, schedules, cash flow, etc. for FY20 projects. Kathy Meagher asked if multiple projects at one institution can be funded by one capital renewal grant - Garrett College's entire Facilities Master Plan is currently based on renewal funds. The response is that yes, multiple projects can be funded by one grant to a college, but maximum number of grant awards per year is eight, and there may be fewer some years. MACC prioritizes the project selection (through the Prioritization Model), not MHEC.
- B. DGS Report (Clarence Felder): Clarence reported that things are getting done, and policies and procedures are being put in place. The backlog of work for Public Schools projects is being caught up on. New communication channels are being put into place between DBM, DGS and MHEC to streamline information sharing. Clarence, Phil and Cynthia are meeting every month to coordinate activities.

We need to manage expectations on timeline for returning encumbrance letters and contract approvals. MHEC turns around an encumbrance letter in 5-7 business days, then goes to Clarence. Will continue to work through processes and produce timelines. Timeline and schedules for projects are critical - for contractor commitments, planning, college board approvals, etc. The goal for existing "in process" projects goal is to get us funding as soon as possible. They will not implement new processes w/ these projects that are already in the pipeline.

The December Board of Public Works (BPW) meeting was moved to the 19th. BPW has begun asking questions about projects that are on the agenda for that meeting. CCBC had some questions – Clarence will coordinate with CCBC. BPW has issued their FY2019 calendar. The January meeting is scheduled as indicated on the website.

A request has been made that agencies report timelines to colleges so that colleges know which BPW meeting their project will be scheduled for. Materials need to be forwarded early enough that DBM and DGS and MHEC can coordinate before submitting a project to BPW agenda item.

Clarence: suggested that we set up a date for a meeting with the colleges: to discuss these elements and sequence of the procurement and startup process and better coordinate the State agencies process. It is decided that this subject be the focus for the "New Business" discussion this afternoon, since no other topic has been proposed for today.

Significant changes are anticipated in the processes on the State side. DGS is planning to revise the manual per the new processes, and make it easier to use.

C. MHEC Report (Cynthia Tims):

Be cognizant of timelines and necessary lead times for agencies to review and prepare documents for BPW meetings and inter agency communications. MHEC and DGS cross checking to ensure clean BPW submissions. 7-10 days lead for MHEC, TBD lead-time for DGS. Whole timeline layout is a work in progress.

D. MACC Report (Brad Phillips): Brad was not in attendance. No report.

4. **Old Business:**

A. Goal #1: Continuing Education (ConEd) study

- a. Terry Bowen has forwarded a copy of a "Maryland Community College Space Guidelines Committee Report," dated July 2000. Jim Taylor, Shelly Bilello, and Trina Crook are "signatures" to that document, and can hopefully provide some background.
- b. Cynthia Tims asked if there are any documents that Mike Keller worked on, that could be forwarded to Jon Enriquez.
- c. David indicated that there were some other studies done, such as one from 2005, that could be found. Jerry indicated that Gail Fink, of BCCC, was involved in that study.
- d. The Goal #1 committee should check in with participants in the 2000 program, and the possible 2005 effort.
- e. The committee needs a written mission statement and an expected outcome (likely a recommendation). Committee needs to develop a solid draft, then send out to officers for approval, and copy all FPC members. MACC also needs to approve this strategic statement.
- f. Clarence reported that for Public Schools, State Rated Capacity (SRC) is a key measure that impacts funding, and it has proved impossible to create a formula that is fair to everyone, every year. There are so many variables, that in order to be fair many interpretations for justifications are possible, and have been allowed Geography variances are a big factor. The formula has to remain stable, but we can make it flexible by allowing these exceptions/justifications. Consequently, the committee will need to stay engaged, to review justifications. They need to know the

colleges well to review justifications accurately. There may be many variables that need to be tracked.

- g. David Beard indicated that the two WD&CE buildings that were recently approved leaned toward supporting development in the community, which is a variation from the formulas.
- h. We need to avoid “going down a rabbit hole.” Cannot seek a perfect formula.
- i. The “research” personnel probably are the best informers.
- j. Need to focus on space use during critical hours.
- k. Need an entry point to get discussion started – something that can be tested, and used to “see how it works.”
- l. The mission statement of the group is critical.

B. Goal #2: Best Practices & Goal #4: Agency Information:

- a. Goal #2: report will be next month (alternating with #4). Todd Deak is actually presenting today, as part of #2 subject matter.
- b. Clarence suggests a Best Practice subject matter: submittals to DGS should be by certified mail or by UPS, because he will then receive a notification that it has been sent (and delivered). Also, follow up with an email from the sender to Clarence saying “I am putting this in the mail on ___ (date).”
- c. Clarence emphasized that unless you are sending money; send it electronically, instead of by hard mail.

C. Goal #3: Promotion of CC – State Website Links:

- a. Shelly and Travis will produce a work scope document by the next meeting.

D. Goal #5: Agency Information:

- a. Cynthia Tims will produce and present an overview of the funding/review processes.

E. Goal #5 FPC Updated Website:

- a. Kristina is not in attendance. Jamie Karn will coordinate with Kristina for update.

5. Best Practice Presentation:

- A. Todd Deak and Bob Abrams of Maryland Correctional Enterprises provided a presentation.
 - Maryland community colleges are one of the largest customer groups of MCE
 - For an overview, see the presentation, and handouts
 - MCE is a state agency. 100% self-supporting, and donate money back to the general fund

- Voluntary participation by prisoners. Will help them obtain high school diploma and GED.
- Reduce prison idleness
- 26 business entities, including furniture
- There is a waiver available for purchasing products not manufactured by MCE. Colleges are to request it, and MCE will send by email or hard copy mail.
- Colleges should give as much notice as possible regarding delivery/install date.
- Todd – Went over services and products provided by MCE. New storage capacity coming online in Jessup. Can do custom requests for some products, need to check ahead with MCE.
- Equipment waiver via Email is OK if accepted by others.
- MCE can do phased installation if planned far enough ahead of time, will bring other resources or provide waiver to get the process done.
- MCE does not provide whiteboards and is moving away from conference tables.
- Go through local reps or Todd for capital projects, account reps for day-to-day activities.

A. New storage capacity coming online in Jessup. Can do custom requests for some products, need to check ahead with MCE.

6. **Lunch:** Thank you to Chesapeake College for a wonderful lunch.

7. **New Business:**

A. **Conversation regarding the agency required processes for encumbrance of project funds:**

A meeting between DGS, DBM and MHEC was held yesterday, December 6, on the subject of inter-connections, communications and reporting processes between colleges and between the agencies. The meeting was convened in the context of discussions of potential revisions to the reporting processes.

Some of the key topics discussed in that meeting were the process for encumbering project funds, and possible faster use of (unused) encumbered funds. Clarence, Phillip and Cynthia reported on the outcome of that meeting and the ensuing conversation is summarized as follows:

It is possible to encumber exactly the amount for the design fee, or construction bid amount, or FFE cost. It is also possible to encumber the whole funding approval, particularly for shorter duration projects. There are pros and cons for both scenarios. Encumbered funds that are not yet being used, are typically rolled over to fund FF&E, but are still at risk of State officials taking it away to use for something else. Officials look at other local costs coming soon, and past practices of local officials in spending State funds.

Agencies have the challenge of moving projects faster to expend the funds, or utilizing money in a different strategy. An example is contingency funds – they are necessary, but cause more money to be put on hold, and may sit unused for long periods. MHEC provides the request for funds to DGS. DGS holds the request until the contract is awarded, then it goes to BPW.

From the DBM perspective, the agency budgets the money but does not necessarily spend it. DGS and other agencies do the spending.

For example, the FF&E lists: do we encumber only the contract amount, or contingencies also? The contingency funds may not be spent (unless a contract amount is revised).

Should colleges go ahead and encumber their entire appropriation(s) for a fiscal year? DBM does not look at the contract language, only the contract amount. If the appropriation amount is higher than contract amount, DBM could encumber the entire appropriation and then roll the unused funds into the next phase (FF&E for example). Unspent funds revert to the bond year that they were authorized. This is DBM's preferred process. Encumbrance occurs before a contract amount is known (often), and is based on the budget, which is an estimate, rather than contract. Funds for equipment cannot be encumbered until the Form G is approved. Currently there are two options for encumbrance:

- encumber before the contract is received, or
- encumber at same time contract is executed.

Officially, the "encumber before contract" may no longer be allowed (may never have technically been legal). More to come on this subject.

MHEC prepares the paperwork for encumbrance recommendation and forwards to DBM and DGS, before contract is received. DGS may encumber the funds before contract goes to BPW for approval.

When do the authorized funds go from "savings" to "checking" account (BPW)? It has fluctuated. Has happened both ways in the past.

BPW asks questions about a contract, and want to know that DGS has reviewed a complete contract, before authorizing the funds (putting into "checking" account). An approval letter from the Secretary (DGS) can allow a project to start before funding has been approved, and is a guarantee that the funding will eventually be provided – barring some sort of emergency that causes State to shift funds to something else.

Does the Notice to Proceed has to come from State level? Yes.

DGS can provide with a high level of certainty that funding will be made available. What does the pre-authorization process look like? DBM will look at how much funding is actually going to be needed during a fiscal year. When DGS approves a contract, the funding is guaranteed for the entire contract – unless the contract explicitly states separate authorizations for phases. For DGS, each fiscal year requires a separate appropriation of funds. Therefore, each year the college has to go through authorization/appropriation process with DBM – to BPW – to encumber the funds for that fiscal year.

How does the contract need to reflect this? The agency does not need a separate contract for each year. DBM will determine the formal cash flow amounts for each year. DBM wants the college to estimate accurately what the cost/need is for each fiscal year, and DBM will review and respond with questions or approve.

DBM will do everything they can to keep the projects moving forward.

Pre-authorized funds for each year still need to be approved by the legislature in the given year except that funding for an entire single project phase, which crosses multiple fiscal years, only has to be approved annually through the CBIS process. No legislative re-approval is needed for second year.

The FPC should invite the agencies to present on this subject on an annual basis. To reiterate, the two routes for encumbrance of funds for a project are as follows:

1. Colleges can prepare a request for encumbrance and submit to MHEC, for the full amount for that fiscal year. MHEC then provides that request for encumbrance in a letter to DGS, for no more than the appropriated amount for that fiscal year. DGS, upon receipt of the letter, schedules with DPW for a hearing.

Or,

2. The community college can prepare a letter to MHEC to encumber the entire approved amount for a project.

The letter is then forwarded to DGS, which then waits for receipt of contract from the community college. DGS can write a Pre-Authorization Letter to the community college, before submitting the item to BPW, which allows the college to get started, then the funds can be drawn down after BPW approves the expenditure.

The record of the BPW hearing outcome is the official documentation of approvals. You can then give GC notice to proceed.

None of the agencies come out and look at the progress on the project, after funding is approved. Hope to put in place a requirement for a simple report of progress (CPE?) to the State.

There are already quarterly reports that we submit to MHEC, which include % of completion. This is a combined status and completion percentage report for current quarter, and projections for costs for next quarter. There are two subsheets that indicate how things are going, description of delays, etc.

FPC members wish to discuss this further with agencies, particularly the issue of records of change order.

DGS does not want to wait until the end of a project to see the change order records and reports. The current quarterly cash flow report and status report on Bond Bill Sales goes to MHEC.

Colleges can ask the Architect or GC or CM to fill out the paperwork. In a CM at risk project, there should not be any change orders – except for major concealed conditions, or owner changes.

Package is to be sent to Clarence at DGS, and DGS will copy the other agencies. The Manual needs to be revised to incorporate any changes in processes. It would be helpful to include step-by-step details of their closeout procedures.

Earlier reporting and more efficient close out procedures would help with the reversion of funds sooner, and easier.

- 8. **Tour:** No tour this month.
- 9. **Adjournment:** Meeting adjourned at approximately 2:00 p.m.

Meeting Date	Meeting Location
Friday, January 25, 2019	Carroll Community College
Friday, February 22, 2019	Prince George's Community College
Friday, April 26, 2019	Howard Community College
June 6-7, 2019	Garrett College