

BUDGET WORK SESSION AND REGULAR MEETING
BOARD OF ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 519
Counties of Stephenson, Ogle, Jo Daviess and Carroll

CALL TO ORDER

The budget work session of the Board of Illinois Community College District No. 519 was called to order by Mr. David D. Shockey, Chairperson, at 3:00 p.m. on July 19, 2011 in the Robert J. Rimington Board Room (room H-228) in the Highland Community College Student/Conference Center, 2998 West Pearl City Road, Freeport, Illinois in said district.

ROLL CALL

The following members were present: Mrs. Diane Gallagher, Mr. David Shockey, Mr. Rob Urish, Mr. Doug Block, Mr. Jim Endress, Dr. Steve Jennings, Ms. Whitney Zum Dahl (arrived 3:04 p.m.), and Ms. Chelsey Kaiser (arrived 3:34 p.m.)

The following members were absent: None

Also present: Dr. Joe Kanosky, President (departed 5:28 p.m.; returned 5:42 p.m.; departed 6:08 p.m.; returned 6:58 p.m.; departed 7:10 p.m.; returned 7:32 p.m.); Mr. Tim Hood, Vice President, Academic Services (arrived 3:10 p.m.; departed 5:01 p.m.); Ms. Jill Janssen, Vice President, Administrative Services (departed 5:28 p.m.; returned 5:42 p.m.; departed 6:08 p.m.; returned 6:58 p.m.; departed 7:10 p.m.; returned 7:32 p.m.); Ms. Rose Ferguson, Associate Vice President, Human Resources (departed 5:28 p.m.; returned 5:42 p.m.; departed 6:08 p.m.; returned 6:58 p.m.; departed 7:10 p.m.; returned 7:32 p.m.); Ms. Liz Gerber, Associate Vice President, Student Services (arrived 3:01 p.m.; departed 5:01 p.m.); Mr. Pete Willging, Director, Marketing & Community Relations (arrived 3:01 p.m.; departed 5:01 p.m.); Ms. Mary Lloyd, Manager, Accounting (departed 4:00 p.m.); Ms. Andria Cornelius, Coordinator, Accounting (departed 4:00 p.m.); Ms. Lynn Pacey, Accounting Specialist (departed 4:00 p.m.); Dr. Thompson Brandt, Dean, Humanities and Social Sciences (arrived 3:03 p.m.; departed 4:00 p.m.); Ms. Beth Koeller, Director, Columbia College Freeport Campus (arrived 3:54 p.m.; departed 5:01 p.m.); Mr. Scott Johnson, R.L. Johnson Associates (arrived 3:56 p.m.; departed 4:48 p.m.); Mr. Steve Mihina, Faculty (departed 5:01 p.m.); Mr. Jim Berberet, Interim Executive Director, HCC Foundation (arrived 3:51 p.m.; departed 4:15 p.m.); Ms. Jerelyn Forman, Coordinator, Instructional Services (arrived 4:01 p.m.; departed 4:05 p.m.); Ms. Karissa Patefield, Student Advisor (arrived 4:01 p.m.; departed 4:05 p.m.); Ms. Hilary Matheson, *The Journal-Standard* (arrived 3:53 p.m.; departed 5:01 p.m.); Mr. Lenny Nieves, Illinois Federation of Teachers (arrived 5:42 p.m.; departed 6:08 p.m.; returned 6:58 p.m.; departed 7:10 p.m.; returned 7:32 p.m.); Mr. Chris Weaver, Illinois Federation of Teachers (arrived 5:42 p.m.; departed 6:08 p.m.; returned 6:58 p.m.; departed 7:10 p.m.; returned 7:32 p.m.); Mr. Keith Weiner, Grievant (arrived 5:42 p.m.; departed 6:08 p.m.; returned 6:58 p.m.; departed 7:10 p.m.; returned 7:32 p.m.); Mr. Rex Blomberg, HCC-C Unit President (arrived 5:42 p.m.; departed 6:08 p.m.; returned 6:58 p.m.; departed 7:10 p.m.);

Mr. Tim Zollinger, Ward, Murray, Pace & Johnson (arrived 5:16 p.m.); and Ms. Terri Grimes, Board Secretary.

FY'12 TENTATIVE BUDGET

Ms. Janssen reported that faculty and staff have been encouraged to attend the budget work session to learn more about the budgeting process. She also explained that the College is required by law to publish a notice in the local paper stating that the budget is available for public inspection and that there will be a public hearing at the September 20, 2011 regular Board meeting.

The FY'12 budget covers the time period of July 1, 2011 through June 30, 2012. In FY'11, we received approximately \$70,000 less than anticipated in local taxes. We also have not received all of our FY'11 funding from the State, and this will be included in the allowance for doubtful accounts. FY'12 Equalization funding increased about \$60,000 for FY'12. Tuition and fees are based on \$99 per credit hour. Currently our enrollment for Fall is down about 14%, and each 1% equals about \$25,000.

Ms. Janssen explained that the Foundation line item in the FY'12 budget is for payment of the debt certificates only. Overall, FY'12 revenues are projected to be about 2% higher than projected revenues for FY'11 and about 1% higher than budgeted revenues in FY'11. Our Fiscal Year 2011 audit will begin in a couple weeks, and Ms. Janssen would anticipate some changes based on the audit. Salaries came in significantly under budget due to some positions not being filled or filled late and a decrease in part-time instructors. Materials and supplies were also lower than anticipated.

Ms. Janssen reported that we continue to write off student bad debt. New processes are in place to help decrease the amount that needs to be written off and have already helped to reduce the amount going to collections by one to two percent. Going forward the amount of write-offs for student bad debt should not be as large. Many of the accounts currently being written off were old. Mr. Block expressed his hope that the new system will decrease the bad debts.

Fiscal Year 2012 salaries are budgeted based on negotiated raises for faculty and custodial/maintenance employees and an assumption that administrative, professional, and nonunion classified staff will also receive the two percent increase. Health insurance premiums were also reduced by three percent. Salaries and benefits make up 74 percent of the FY'12 budget compared to 72 percent in FY'11.

Ms. Janssen believes that funding for Pell grants will increase about \$600,000 in FY'12. In addition, the Retired and Senior Volunteer Program (RSVP) saw some cuts and has only been funded through March 2012. The Workforce Investment Board will not allow as much classroom training to be funded through Partners for Employment, which will impact the number of students we serve. Ms. Janssen closed her presentation by stating that Mr. Ed Smith from the Illinois Community College Board believes that the College should have between 20 and 25 percent of operating funds in reserves given the uncertainty of State payments, while government

accounting standards had suggested between five and 15 percent be kept in reserves. Mr. Hood also noted that the College is looking at creative ways to fund programs which are currently underfunded.

REGULAR SESSION

The time being 4:00 p.m., the Chairperson continued with the regular meeting agenda.

APPROVAL OF AGENDA

Mr. Endress moved and Mrs. Gallagher seconded the motion to approve the agenda, as presented. The vote being unanimous, the motion carried.

APPROVAL OF MINUTES

Mr. Block moved and Mr. Urish seconded the motion to approve the minutes of the June 1, 2011 Board retreat, June 1, 2011 Audit Committee meeting, and the June 21, 2011 regular meeting, as presented. The vote being unanimous, the motion carried.

PUBLIC COMMENTS

There were no public comments.

INTRODUCTIONS

Ms. Ferguson announced that the College has begun a new staff mentoring program, and as part of the program, it was suggested that the new mentor introduce their new employee. Ms. Ferguson introduced Ms. Jerelyn Foreman, one of the mentors, who introduced her mentee, Ms. Karissa Patefield. Ms. Patefield is our new Student Advisor.

FOUNDATION REPORT

Mr. Jim Berberet presented the monthly Foundation report. He announced that since his last Board report, an additional \$12,500 has been received in cash and pledges, bringing the unaudited total of donations made in FY'11 to \$404,000. He also reported that the July debt certificate payment has been made.

The Foundation sold raffle tickets at the Stephenson County fair and also received many questions from fairgoers. He thanked all those who helped staff the fair booth. Dr. Jennings stated that he believes the Foundation and Highland should cooperate to provide more items to give away to fairgoers. Mrs. Gallagher suggested that it might be beneficial to have a presence at the Elizabeth fair and possibly have Highland West open and offering a program during the same time so people could stop by.

The "Shindig at the Stables" fundraiser will be held on August 13. Over 80 silent and live auction items have been received and more items are needed. Mr. Berberet thanked Ms. Gerber

for coordinating campus donations. A highlight of the Shindig will be the drawing for a \$5,000 raffle prize. Over 1,000 raffle tickets have been sold to-date.

Mr. Berberet reported that the Showcase Highland events will continue into the Fall. He is also working with Dr. Thompson Brandt and Mr. Hood to establish a "Friends of the Fine Arts."

CONSENT ITEMS

A. Academic (None)

B. Administration (None)

C. Personnel

1. New Job Description: Student Accounts Specialist I

Recommendation: That the Board of Trustees approve the new job description, as presented, for Student Accounts Specialist I, formerly falling under the Accounting Specialist position. This is an hourly, non-exempt position and will remain at the salary placement level assigned to the Accounting Specialist position.

2. Revised Job Description: Student Accounts Specialist II

Recommendation: That the Board of Trustees approve the revised job description, as presented, including a change in job title for the Cashier position to Student Accounts Specialist II, with a recommended change in placement on the Highland Salary Range Table from 27 to 35. This position remains as an hourly, non-exempt position.

3. New Job Description: Coordinator, Nursing and Allied Health Lab

Recommendation: That the Board of Trustees approve the new job description for Coordinator, Nursing and Allied Health Lab, as presented, with placement at Range 38 on the Highland Salary Range Table. This is a part-time, hourly, non-exempt position and is included in the FY'12 budget.

4. Appointment: Adjunct Accounting Instructor

Recommendation: That the Board of Trustees approve the appointment of Ms. Carol Wilhelms as Adjunct Accounting Instructor effective August 11, 2011, at a prorated FY'12 salary of \$52,091, plus appropriate fringe benefits. This salary is within the FY'12 budget.

5. Part-time Instructors/Overload

Recommendation: That the part-time/overload instructors listed be approved to teach during the Summer semester of 2011.

D. Financial (None)

Mr. Urish moved and Mrs. Gallagher seconded the motion to approve the consent items, as presented. Mr. Endress questioned why the Summer part-time/overload list is just now being

presented for approval when we are almost through the Summer session. Dr. Kanosky stated that this is the normal timing for approval of the list. Dr. Jennings also reported that Ms. Carol Wilhelms is a very distant relative of his and asked if trustees would prefer he abstain from voting. Trustees agreed that since she is a distant relative, her appointment would have no economic impact on Dr. Jennings and he did not need to abstain.

The roll call on the motion was as follows:

AYES: Shockey, Urish, Block, Endress, Jennings, Zumdahl, Gallagher, Kaiser
 NAYS: None

Whereupon the Chairperson declared the motion carried.

MAIN MOTIONS

A. Academic

1. New Program: Stable Manager Certificate

Mrs. Gallagher moved and Mr. Block seconded the motion to approve the new Stable Manager Certificate, as presented. The roll call on the motion was as follows:

AYES: Urish, Block, Endress, Jennings, Zumdahl, Gallagher,
 Shockey, Kaiser
 NAYS: None

Whereupon the Chairperson declared the motion carried.

2. New Program: Equine Massage Therapist Certificate

Mr. Urish moved and Mrs. Gallagher seconded the motion to approve the new Equine Massage Therapist Certificate, as presented. The roll call on the motion was as follows:

AYES: Block, Endress, Jennings, Zumdahl, Gallagher, Shockey,
 Urish, Kaiser
 NAYS: None

Whereupon the Chairperson declared the motion carried.

3. New Program: General Equine Science Certificate

Mr. Endress moved and Ms. Zumdahl seconded the motion to approve the new General Equine Science Certificate program, as presented. The roll call on the motion was as follows:

AYES: Endress, Jennings, Zumdahl, Gallagher, Shockey, Urish,
Block, Kaiser
NAYS: None

Whereupon the Chairperson declared the motion carried.

4. New Program: Riding Instructor Certificate

Mr. Block moved and Mrs. Gallagher seconded the motion to approve the new Riding Instructor Certificate, as presented. The roll call on the motion was as follows:

AYES: Jennings, Zumdahl, Gallagher, Shockey, Urish, Block,
Endress, Kaiser
NAYS: None

Whereupon the Chairperson declared the motion carried.

5. Curriculum and Instruction Committee Report

Mr. Urish moved and Dr. Jennings seconded the motion that the report of course and curriculum changes for the July 1, 2010 through June 30, 2011 period be approved, as presented. The roll call on the motion was as follows:

AYES: Zumdahl, Gallagher, Shockey, Urish, Block, Endress,
Jennings, Kaiser
NAYS: None

Whereupon the Chairperson declared the motion carried.

B. Administration

1. First Reading – Revised Policy: Ethics

Mr. Urish moved and Dr. Jennings seconded the motion to approve for first reading the revision to Policy 5.081 – Ethics, as presented. The roll call on the motion was as follows:

AYES: Gallagher, Shockey, Urish, Block, Endress, Jennings,
Zumdahl, Kaiser
NAYS: None

Whereupon the Chairperson declared the motion carried.

C. Personnel (None)

D. Financial

1. Tentative Budget for Fiscal Year 2012

Mr. Endress moved and Mr. Urish seconded the motion to approve the following Resolution regarding a Tentative Budget for 2011 – 2012 and setting the public hearing date thereon for September 20, 2011:

RESOLUTION: Be it resolved that the attached Tentative Budget for fiscal year 2011 – 2012 be conveniently made available for public inspection after this date through September 20, 2011, and furthermore, that public notice be given of such hearing date at least 30 days prior to date of Public Hearing.

The roll call on the motion was as follows:

AYES: Shockey, Urish, Block, Endress, Jennings, Zumdahl,
Gallagher, Kaiser
NAYS: None

Whereupon the Chairperson declared the motion carried and the Resolution adopted.

2. SunGard Higher Education Inc. Agreement

Mr. Block moved and Dr. Jennings seconded the motion to approve the agreement with SunGard Higher Education Inc. for licensing, updates, and technical support for the College's Enterprise Resource Planning (ERP), or primary computing system, as presented. The roll call on the motion was as follows:

AYES: Urish, Block, Endress, Jennings, Zumdahl, Gallagher,
Shockey, Kaiser
NAYS: None

Whereupon the Chairperson declared the motion carried.

3. Provision of Mental Health Assessments Agreement

Mr. Endress moved and Mr. Urish seconded the motion to approve the agreement between Highland Community College and FHN Family Counseling Center for the provision of student mental health assessments, consultation and training at a rate of \$85.00 per hour for a minimum of five hours per week and a maximum of 10 hours per week while classes are in session. The roll call on the motion was as follows:

AYES: Block, Endress, Jennings, Zumdahl, Gallagher, Shockey,
Urish, Kaiser
NAYS: None

Whereupon the Chairperson declared the motion carried.

4. Approval of Salary Increases for Administrative, Professional, and Non-Union Classified Staff

Dr. Jennings moved and Mr. Block seconded the motion to approve an FY'12 salary increase for eligible administrative, professional, and non-union classified staff of up to two percent retroactive to July 1, 2011. The roll call on the motion was as follows:

AYES: Endress, Jennings, Zumdahl, Gallagher, Shockey, Urish,
Block, Kaiser
NAYS: None

Whereupon the Chairperson declared the motion carried.

5. Acceptance of Bid: Natural Science Greenhouse

Mr. Urish moved and Mrs. Gallagher seconded the motion to authorize acceptance of the low bid meeting specification from Larson & Larson Builders, Loves Park, Illinois for \$294,935, for the construction of a new Natural Science Greenhouse. The low bid meeting specifications is for the Base bid, plus Alternate Bids numbers 1 and 3A.

Mr. Scott Johnson explained that the base bid is for the majority of the project, while Alternate 1 is for in-floor heating for the greenhouse, and Alternate 3A is for adding a link between the building and the greenhouse. The roll call on the motion was as follows:

AYES: Jennings, Zumdahl, Gallagher, Shockey, Urish, Block,
Endress, Kaiser
NAYS: None

Whereupon the Chairperson declared the motion carried.

6. Payment of Bills and Agency Fund Report

Mr. Block moved and Mrs. Gallagher seconded the motion to approve the Resolution authorizing and directing Ms. Jill Janssen, Treasurer, to make payment and to transfer funds for June 2011 bills in the amount of \$1,111,574.86, Automated Clearing House (ACH) debits of \$261,622.09 and Electronic Refunds of \$37,395.20 with 2 adjustments of \$7,769.40, such warrants amounting to \$1,402,822.75. Transfers of funds for payroll amounted to \$907,636.75. The roll call on the motion was as follows:

AYES: Zumdahl, Gallagher, Shockey, Urish, Block, Endress,
Jennings, Kaiser
NAYS: None

Whereupon the Chairperson declared the motion carried and the Resolution adopted.

REPORTS

Treasurer's Report and Comparison of Budget with End-of-Year Projections

There was no additional report.

Student Trustee

Ms. Kaiser reported that she will be planning a summer retreat for the current Student Senators in the near future.

ICCTA Representative

Mrs. Gallagher stated that there is a new rule requiring that online classes be certified in the state where the student is located, and she asked if the College would be prepared for this requirement. Dr. Kanosky stated that this requirement has been postponed for now and the Illinois Community College Board is working on the issue. Ms. Beth Koeller stated that Columbia College has a full-time compliance officer to deal with the situation.

Mrs. Gallagher also requested that Pell grants be discussed at the September Board retreat. She noted that a featured speaker at the Association of Community Colleges' Leadership Congress in Dallas in October will be the chief executive officer of Goodwill.

Administration

Ms. Gerber stated that a second open house for adult students will be held tonight, and Express Registration will take place tomorrow.

Ms. Janssen reported that the bookstore has new Highland apparel in stock, and she encouraged trustees to check it out.

Mr. Hood stated that Mr. Scott Anderson and Ms. Anki Fockstedt, equine instructor, will host an open forum for the new equine program on August 4 from 4:00 to 7:00 p.m. He encouraged trustees to attend and hopes that information on the program will be made available at the Shindig at the Stables. Mr. Hood also reported that Mr. John Sullivan, chemistry instructor, fell and is in the hospital. Mr. Hood concluded his presentation by reporting that the Northwest Illinois Development Alliance (NIDA) is spearheading an effort to develop a shared vision for our area called "Prospering Together". Mr. Hood, Dr. Kanosky, and Mr. Block have been involved in several of the planning meetings.

OLD BUSINESS

There was no old business.

At 5:01 p.m., the Chairperson declared a recess; the meeting resumed at 5:16 p.m.

CLOSED SESSION

Mr. Block moved and Dr. Jennings seconded the motion to move into Closed Session for the purposes of discussing the appointment, employment, compensation, discipline, performance, or dismissal of specific employees, and pending litigation, pursuant to the Open Meetings Act, and to return to Open Session for possible action. The roll call on the motion was as follows:

AYES: Gallagher, Shockey, Urish, Block, Endress, Jennings, Zumdahl,
Kaiser
NAYS: None

At 5:19 p.m., the Chairperson declared the motion carried and the meeting in Closed Session.

Mr. Block moved and Dr. Jennings seconded the motion to end the Closed Session. The roll call on the motion was as follows:

AYES: Shockey, Urish, Block, Endress, Jennings, Zumdahl, Gallagher, Kaiser
NAYS: None

At 7:32 p.m., the Chairperson declared the motion carried and the Closed Session ended.

ACTION, IF NECESSARY**Personnel**

Mrs. Gallagher moved and Mr. Block seconded the motion to uphold the administration's recommendation to terminate Mr. Keith Weiner and to direct the Chair of the Board to send the required notice, as per the custodial/maintenance union contract. The roll call on the motion was as follows:

AYES: Block, Endress, Zumdahl, Gallagher, Shockey, Kaiser
NAYS: Urish, Jennings

The vote being six ayes and two nays, the Chairperson declared the motion carried.

NEW BUSINESS

There was no new business.

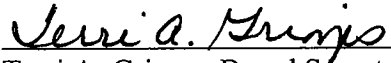
DATES OF IMPORTANCE

The next regular meeting of the Board of Trustees will be held on Tuesday, August 16, 2011 at 4:00 p.m. in the Robert J. Rimington Board Room in the Highland Community College Student/Conference Center.

ADJOURNMENT

Dr. Jennings moved and Mr. Urish seconded the motion to adjourn the meeting. At 7:35 p.m., there being no further business, the Chairperson declared the motion carried and the meeting adjourned.

Respectfully submitted,



Terri A. Grimes, Board Secretary
Illinois Community College District No. 519