

MINUTES
FINANCE COMMITTEE MEETING
OF McHENRY COUNTY COLLEGE

A Meeting of the Finance Committee of the Board of Trustees of McHenry County College was held on Monday, February 21, 2011 in the Board Room, Room A217, in Building A on the Campus. Chair Walters called the meeting to order at 5:31 p.m. When Mr. Lowe called the roll, the following Trustees were present:

Dr. DeWitt
Mr. Lowe
Mr. Adams
Ms. Larson
Ms. Walters

Mr. Sheriff arrived at 5:42 p.m. Mr. Parrish arrived at 6:26 p.m.

ACCEPTANCE OF AGENDA

The agenda was accepted as presented, without objection.

ACCEPTANCE OF MINUTES

The minutes of the January 24, 2011 Finance Committee meeting were accepted as presented.

OPEN FOR RECOGNITION OF VISITORS AND PRESENTATIONS

No one signed in to address the Committee.

FY 2012 BUDGET OVERVIEW

Dr. Smith asked Mr. West to provide an update on current planning efforts. Mr. West distributed handouts to the Trustees. He reviewed the assumptions of how the numbers were looked at; the Consumer Price Index is 1.5 and state funding will remain flat. He plans to budget conservatively for state funding at 50%. He reviewed revenue and expenditure assumptions and stated that with proposed new activities there will be a budget shortfall of \$1.6 million. He spoke about ways to cover the shortfall: 1) controlling costs, 2) examining processes and systems to make sure all are necessary to move the College forward; 3) looking at implementing automated processes to replace current manual processes.

Dr. Smith reported that of the approximately 1,000 original Promise students, 180 are left. However, close to 600 students who are no longer in the program still attend McHenry County College.

A discussion of tuition and fees followed. Based on Board discussion in January that McHenry County College tuition should be in the middle range, it was noted that based on recent and pending tuition increases at Illinois community colleges, tuition rates of \$99.00 - \$101.00 would fall in the middle.

Discussion ensued regarding ways to cover the budget gap: controlling costs, raising tuition and fees, rethinking the \$2.5 million transfer from the O&M fund to O&M restricted fund.

A discussion followed regarding state reimbursement rates for credit courses and the categorization system used for such courses.

GRADUATION FEE

Dr. Miksa stated that the Academic and Student Affairs Division is investigating how McHenry County College can contribute to President Obama's American Graduation Initiative. The College charges a \$20.00 graduation fee. Last year, 300 students met all criteria for certificates. Had the students paid the fee, they could have received a credential that would help in the workforce. The department is looking closely at a way to eliminate the graduation fee. Dr. Miksa will provide more information as this research moves forward.

SUMMARY COMMENTS BY BOARD MEMBERS

There were no summary comments.

CLOSED SESSION

There was no Closed Session.

FUTURE AGENDA ITEMS

Items proposed for the next agenda were the FY 2012 budget, tuition and fees, and the graduation fee.

Ms. Larson inquired about reclassification of programs.

ADJOURNMENT

Hearing no further business, Chair Walters adjourned the meeting at 6:30 p.m.