

MINUTES
COMMITTEE OF THE WHOLE
OF McHENRY COUNTY COLLEGE

A meeting of the Committee of the Whole of the Board of Trustees of McHenry County College was held on Tuesday, October 16, 2012, in the Board Room, Room A217, of Building A on the Campus. Ms. Miller called the meeting to order at 6:01 p.m.

When Ms. Larson called the roll, the following were present:

Ms. Miller
Ms. Larson
Ms. Rueda
Mr. Parrish

Ms. Walters was absent. Mr. Adams was absent at roll call and arrived at 6:18 p.m. Ms. Kissner was absent at roll call and arrived at 6:28 p.m. Attorney Daniel Curran was present as legal counsel.

ACCEPTANCE OF AGENDA

Closed Session was moved after item #5, Open for Recognition of Visitors and Presentations, and item #11, Discussion of FY 2012 Audit, was moved to after Closed Session. The agenda was accepted as amended.

ACCEPTANCE OF MINUTES

The minutes of the Committee of the Whole meeting, September 18, 2012, were accepted as presented.

OPEN FOR RECOGNITION OF VISITORS AND PRESENTATIONS

No one signed in to address the Committee.

CLOSED SESSION

At 6:04 p.m., Ms. Liddell moved to go into closed session to discuss matters covered under Illinois Open Meetings Act 120/2(c), Exception #29, *Meetings between internal or external auditors and governmental audit committees, finance committees, and their equivalents, when the discussion involves internal control weaknesses, identification of potential fraud risk areas, known or suspected frauds, and fraud interviews.* Ms. Larson seconded the motion. There was no discussion. The roll was called; all were in favor and the motion carried.

At 6:28 p.m., Ms. Miller moved to come out of Closed Session and Ms. Liddell seconded the motion. There was no discussion. A voice vote was taken and all were in favor; the motion carried. Closed Session ended at 6:28 p.m.

DISCUSSION OF FY 2012 AUDIT

The FY 2012 audit was discussed. Mr. Fred Lantz and Mr. Matt Pehle from Sikich, LLC, the College's auditing firm, summarized the single audit report. Mr. Pehle noted that the College received the highest level opinion that can be given and congratulated the College on that opinion. Mr. Pehle then spoke about the CAFR (Comprehensive Annual Financial Report), noting items of interest. He noted that page three contained management discussion and analysis intended to be a lay person's explanation of major fluctuations, trends and basic financial information. He stated that the College is doing a good job on a long-term basis. Mr. Pehle noted that the College had no compliance issues with any grants. He added that Sikich is required to audit the credit hour figures submitted to the Illinois Community College Board, and the College received an unqualified opinion, indicating no compliance issues. Mr. Pehle asked that Trustees contact him with any questions.

PRESIDENT'S REPORT

Dr. Smith noted that Chair Miller would not be present for the November 15 Board meeting; discussion followed about rescheduling November meetings. Consensus was reached that meetings would be held as follows: Evaluation and Policies Committee on Monday, November 5 at 6:30 p.m., Committee of the Whole meeting on Thursday, November 29 at 6:00 p.m., and Regular Board Meeting on Thursday, November 29 at 7:00 p.m..

DISCUSSION OF SEPTEMBER FINANCIAL REPORTS

Mr. Tenuta spoke about the financial reports, which contained a comparison of FY 2013 to FY 2012, and noted that income statements are available for each of the funds.

EMERGENCY REPAIR: SANITARY PIPE, BUILDINGS B AND D

Dr. Smith provided maps to show the engineers' findings relative to the sanitary sewer pipe leading into the College. Mr. Evans explained that a video inspection of the sanitary sewer pipe revealed it was "under water." Surveyors from H. R. Green determined the extent of the damage and recommended replacing the current pipe with a 10" pipe. Mr. Evans noted that the new sewer main will support the Facility Master Plan. Mr. Adams noted that the timing on this repair is excellent, just before the parking lots are to be renovated. Dr. Smith noted that quotes will be obtained from three contractors, and overall costs will come to approximately \$176,000.00. She noted that this repair must be done before asphalt plants close for the season.

HEALTH EDUCATION FACILITY, PUBLIC PRIVATE PARTNERSHIP, PHASE II FEASIBILITY

Ms. Brown spoke about Phase I and Phase II documents and noted that Board insights were added to the scope document for the Phase II study, which increased the study's cost. Existing sites in the county will be explored to see if they would work as the Health and Sciences Education building. Ms. Brown stated that Phase II could be completed sixty days after Board approval. It was noted that travel and out-of-pocket expenses would be added to the total cost, and Ms. Brown estimated these costs would be less than 10%. Discussion followed. It is expected that a review will be given to the Board in January, with a final report in February. Mr. Adams added that the Harvard school district did its due diligence in a similar way before building a school; he noted that rehab costs must be considered. Mr. Gorman of Power Wellness can get Board input at the November 29 Committee of the Whole meeting. Mr. Parrish spoke about one of the Trustees acting as a liaison for the study effort; he noted that he would like to attend meetings on the study. Dr. Smith asked whether the Board would like this item placed on the October Board agenda; there was consensus to place the contract on the agenda after a few revisions have been made.

SUMMARY COMMENTS BY BOARD MEMBERS

Ms. Miller noted that she received information at the ACCT Leadership Congress and will share it with other Trustees. A discussion item will be placed on the October Board agenda.

Ms. Kisser reported on the McHenry County Economic Development Corporation (MCEDC) Annual Dinner, stating that the keynote address focused on industry working with education to prepare students for the job market.

Ms. Kisser spoke about a news article recognizing Ms. Miller and Dr. Smith at a recent event; Ms. Miller explained that community leaders were honored and given an opportunity to talk about their organizations.

Mr. Adams asked that the Internal Auditor position be revisited. Ms. Miller commented that procedural documents should be in place before the internal auditor position is revisited. Dr. Smith will work with Mr.

Tenuta and return with observations about procedures to be put in place, with a timeline for accomplishing them.

FUTURE AGENDA ITEMS

Ms. Larson asked that reports be given when the College is invited to various functions. Ms. Kisser added that such a report, would inform the Board what civic groups are being attended. Ms. Liddell asked that if possible, Trustees be given advance notice to attend these events, emphasizing the importance of Board exposure to local issues.

ADJOURNMENT

Hearing no further business, Chair Adams adjourned the meeting at 7:34 p.m.

Patricia Kriegermeier, Recording Secretary

Barbara Walters, Board Secretary