

MINUTES
COMMITTEE OF THE WHOLE
OF McHENRY COUNTY COLLEGE

A meeting of the Committee of the Whole was held on Tuesday, April 19, 2016, in the Board Room, Room A217, of Building A on the Campus. Vice Chair Liddell called the meeting to order at 6:31 p.m.

When Secretary Jenner called the roll the following were present:

Mr. Sacramento
Mr. Jenner
Ms. Kisser
Mr. Parrish
Mr. Smith
Ms. Tirio
Ms. Walsh
Ms. Liddell

Dr. Gabbard was present.

ACCEPTANCE OF AGENDA

The agenda was accepted as amended; Exception #21, Review of Closed Session Minutes, was added to item #14, Closed Session.

ACCEPTANCE OF MINUTES

The minutes were accepted as presented.

OPEN FOR RECOGNITION OF VISITORS AND PRESENTATIONS

No one addressed the Board.

PRESIDENT'S REPORT

Dr. Gabbard reported on the recent Career Fair, which had 400 participants including middle and high school students, and industry leaders in professional and technical fields, providing career direction to a significant group of families. Dr. Gabbard noted also that a group of MCC staff attended the Higher Learning Commission conference on accreditation. He noted that the Office of Human Resources now reports directly to the President's Office.

PRELIMINARY MARCH FINANCIAL STATEMENTS

Mr. Tenuta noted that the College is 75% through the budget year. He noted that after a preliminary meeting with the College's auditors state revenue, which had been accrued in anticipation of receipt, will be taken out. Next week's statements will include a negative amount in the state government line item, about \$2 million below last year, for overall excess and deficit.

Mr. Tenuta announced that Moody's Investors Services has provided their final report, in which the College's credit rating was maintained at Aa1. The service is giving the College a negative outlook, which is due to the state's financial crisis, which is beyond the College's control. Mr. Tenuta noted two factors that could lead to an upgrade: 1) reduced exposure to the state's financial situation, and 2) improvements in tax base evaluations and/or state money. He received comments and questions from the Trustees, who thanked him for this news.

PREVIEW OF THE ENROLLMENT DASHBOARD

Dr. Humke gave an overview of the Office of Institutional Research and a snapshot of the newly developed dashboards. She noted that her office is working with several campus departments to create a culture of data-informed decision making, allowing the College to focus on high-impact solutions that will save time and money. A technical problem was encountered during the presentation, and Dr. Humke will present at the April 28 Board of Trustees meeting. Dr. Humke's presentation is available at www.mchenry.edu/board/index.

FUND RAISING UPDATE

Dr. Gabbard noted that the renovation project has undergone several iterations; the initial study looked at needs of the entire campus. The project has had several revised cost totals, and the latest plan at \$34 million included remodeling of student affairs space, right-sizing health careers space, and science space. A funding plan was proposed in February, consisting of a \$15 million commitment from students, \$4 million from College funds, and \$15 million from a capital campaign, with a deadline of December,

2016 to pull funding together. Dr. Gabbard noted the Board voted 4 to 3 in favor of moving forward with the building project. Capital campaign plans were launched in March and April, the contingency fee percentage of the project the Board had approved was reduced, and Dr. Gabbard began to have conversations with two donors; both have said no to the project for now. One donor shared his concern that without full Board support or unified Board leadership for fundraising, he felt he was doing the Board's job and would rather be part of a group effort. Dr. Gabbard stated the funding proposal is no longer realistic; brief talks with a well-respected capital campaign firm resulted in the opinion there must be unified support for the project before a campaign could begin.

Dr. Gabbard stated he believes the College still has a good plan. The current lab footprint cannot be pushed out; in the health science program, the College has more demand for space than there is room for with the current student population. Dr. Gabbard felt discussion must be held on whether the College is going to grow or not. He noted the average age of health science program students is close to 30 years of age; the K-12 population is not funneling into these careers. He stated the Board must decide where to go from here and extensive discussion followed.

Mr. Jenner stated that he agrees the science labs must be upgraded and agrees that the College needs a little more space, but thinks the scope of what has been presented is too big. He asked if a way could be found to do this on a smaller scale and still get done what needs to be done.

Ms. Kissler stated she wanted to apologize to the College community, students present and future, and faculty and administration who make the College work so hard. She stated the plan failed because the Board failed to understand the reality. She does not know if this Board will be able to come up with a solution to this problem.

Ms. Walsh stated there can be no capital campaign unless all are on the same page. Ms. Walsh felt the Board should not give up the plan but figure out how to modify it in some way; she stated too much time has been spent on this and the need is there.

Mr. Sacramento reiterated Ms. Kisser's point; he was not sure this Board would be able to move forward as one with this project. He sees the need to expand, but doesn't see that is possible now. He stated a way should be found to refund current students who have paid the infrastructure fee.

Ms. Tirio stated she was still hopeful that something would come along; the solution may not be on campus. She asked if repairs could be done to the current labs.

Mr. Parrish proposed re-convincing major donors to support the College; he added that the Board has to agree on something. He asked that the Board take another look at the facility in Crystal Lake, which was discussed in the past.

Ms. Liddell asked others to elaborate on the plan in front of the Board; is it the cost, or size they do not want to support.

Mr. Smith complimented Dr. Gabbard and the administration for their due diligence in the last ninety days. He supports rescinding the infrastructure fee, and said there appears to be a genuine consensus on the science labs. He asked if the College could take the intellectual capital already paid for and get opinions from other architectural firms to validate the plan or provide alternatives.

Mr. Tenuta replied that in order to get the current architectural firm, a quality-based selection process was followed and took three to five months to complete. He asked if a local firm didn't make the cut in that process, why the Board would want to use them now.

Dr. Gabbard stated that to redo the science labs would mean putting those labs somewhere else; he noted that the students in health careers are suffering just as much as the biology students.

Ms. Kisser noted that the study used national standards that must be adhered to; she could not see paying for another study. She suggested using the study and finding a cheaper way to build.

Mr. Jenner stated he had a problem with the fact that demographics were not taken into account in the study, and that no assumptions were made that any programs would be eliminated. Dr. Gabbard replied that the College makes educated guesses about what programs would be needed in the future; the

College is currently best in practice for health career training. He noted that the College administration consistently evaluates programs to determine which programs to retain and which to drop.

Mr. Tenuta suggested bringing in a construction manager to evaluate what the architect has proposed to see if those costs are in line. Ms. Kisser felt that until the Board agrees the study is accurate, there was no point in having a construction manager look at it.

Mr. Parrish suggested a private meeting between Dr. Gabbard and the architect; he would be confident in Dr. Gabbard's assessment after such a meeting.

Mr. Jenner stated he has asked a number of times whether there is something that can be done quickly to upgrade the science labs; he has always been told no. Dr. Gabbard replied he would be willing to have that conversation; if the science labs require an extended footprint, they cannot be put in the same space. Mr. Jenner asked whether something could be done with half the amount of space; Dr. Gabbard stated he would be happy to find out the answer to that question.

A straw poll was taken: Ms. Liddell asked if Dr. Gabbard does all the extra work, whatever his answer is, is the Board willing to get to the bottom line? If not, what else is needed to make sure the Board goes out with one voice. Ms. Walsh stated she was good with this proposal, as did Mr. Parrish and Mr.

Sacramento. Mr. Smith was good with this as long as the funding approach remains the same. Ms. Kisser was ready to approve a plan that meets student needs with a well-put together financial plan. Ms. Tirio stated that depends on what the plan is, she wants something reasonable and not so grandiose. Mr. Jenner wanted an opportunity to review whatever additional analysis comes out of this.

Mr. Tenuta stated that the quality-based selection process had adequate checks and balances; he stated there was no way the process could have been tainted.

CAPITAL CAMPAIGN PLAN AND TIMELINE OVERVIEW

Dr. Gabbard noted that this presentation would be put on hold.

ARCHITECTURAL DESIGN SERVICES

Dr. Gabbard noted that this presentation would be put on hold.

FUTURE AGENDA ITEMS

Future agenda items included a request for a presentation on Pell Grants at MCC and how the College guards against fraud. Dr. Gabbard replied this would be placed on the agenda, and spoke about the loan default rate as well. Mr. Sacramento noted that tonight's meeting featured discussion on rescinding the infrastructure fee; Dr. Gabbard replied that it can be brought to the Board for a vote. Mr. Tenuta noted this could be done; he added that a tuition increase was waived in support of the infrastructure fee. Ms. Liddell asked about discussing MCC presentations for the October, 2016 ACCT Leadership Congress.

SUMMARY COMMENTS BY BOARD MEMBERS

During summary comments, Mr. Parrish noted he would be happy to send his master's thesis to Trustees who are interested. Ms. Walsh worked on a College service project recently, noting there was a good group of students participating in this service learning. Ms. Walsh asked for information on the student food bank; Ms. Kriegermeier will follow up. Mr. Sacramento spoke about the service learning project. Mr. Jenner asked about the document provided; Dr. Gabbard replied that information was gathered to respond to claims made on a local blog. Ms. Liddell stated she appreciated tonight's conversation; she stated she is hopeful that the Board will have something to collectively agree on and go out with one voice to the community.

CLOSED SESSION

At 8:32 p.m., Ms. Kissler moved to go into closed session under the Illinois Open Meetings Act, 120/2(c), Exception #1, *The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity*, and 120/2(c), Exception #2, *Collective negotiating matters between the public*

body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees, and 120/2(c), Exception #21, Discussion of minutes of meetings lawfully closed under this Act, whether for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06. Ms. Walsh seconded the motion. There was no discussion. The roll was called and all were in favor; the motion carried. A brief break was taken and Closed Session began at 8:40 p.m.

At 8:46 p.m., Ms. Walsh moved to come out of closed session and Ms. Kisser seconded the motion. There was no discussion. A voice vote was taken and all were in favor; the motion carried. Closed Session ended at 8:47 p.m.

ACCEPTANCE OF CLOSED SESSION MINUTES

Ms. Kisser moved to accept the closed session minutes of the Committee of the Whole Meeting, March 15, 2016 and Mr. Sacramento seconded the motion. There was no discussion. The roll was called and all were in favor; the motion carried.

ADJOURNMENT

Hearing no further business, the meeting was adjourned at 8:48 p.m.

Pat Kriegermeier, Recording Secretary

Chris Jenner, Board Secretary