

BOARD OF TRUSTEES
McHENRY COUNTY COLLEGE DISTRICT #528

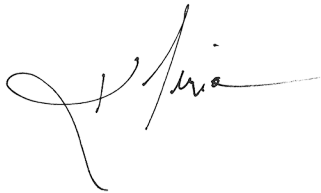
Tuesday, January 15, 2019
5:00 p.m.

Board Room
8900 U.S. Highway 14
Crystal Lake, IL 60012

EVALUATION AND POLICIES COMMITTEE

AGENDA

1. Call to Order
2. Roll Call
3. Acceptance of Agenda
4. Acceptance of Minutes: Evaluation and Policies Committee Meeting, September 19, 2017
5. Open for Recognition of Visitors and Presentations
Three (3) minutes per person or less
6. Items for Review
 - A. Existing – 2.1.1 Investments
 - B. New – 2.18 Tuition
 - C. New – 3.10 Consensual Romantic or Sexual Relationships
 - D. New – 3.11 Nepotism
7. Comments by Committee Members
8. Set Agenda for Next Meeting
9. Closed Session
 - A. Other matters as pertain to the exceptions of the Open Meetings Act
10. Adjournment



Karen Tirio
Chair

Informational background regarding the current policy listed above and the reasons for suggesting no changes; making changes to current policy; addition of new policy or deletion of current policy.

The College suggest changing the policy to reflect recent changes in State law.

Approved as presented on _____ Approved with noted changes on _____ Under advisement

Current policy

2.1.1 Investments

H. Authorized Investments

The College may invest its funds in any investments allowed by Section 2 of the *Public Funds Investment Act*, (30 ILCS 235/2) including, without limitation, the following:

1. Notes, bonds, certificates of indebtedness, treasury bills, or other securities, which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
2. Bonds, notes, debentures or other similar obligations of the United States of America, its agencies, and its instrumentalities.
3. Interest bearing accounts, interest-bearing certificates of deposit or interest bearing time deposits or any other investments constituting direct obligations of any bank as defined by the *Illinois Banking Act*.
4. Short term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at the highest general short-term classification established by at least 2 standard rating services and is on the approved list of the College's contracted SEC registered Investment Advisor and which mature not later than 270 days from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations and (iii) no more than one-third of the College's funds may be invested in short term obligations of corporations.
5. Interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law. The bonds shall be registered in the name of the municipality or county or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the 3 highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.
6. Money market mutual funds registered under the *Investment Company Act of 1940*, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraph (1) or (2) of this subsection and to agreements to repurchase such obligations.
7. Mutual funds that invest primarily in corporate investment grade short term bonds. Purchases of mutual funds in short term bonds shall be limited to funds with assets of at least \$100 million and that have an average credit quality of at least a single A rating established by a recognized rating service. No more than 25% of the College's funds may be invested in these mutual funds.
8. Investment options offered by the Illinois Trust, IIIT Class
9. Investment options offered by the Treasurer of the State of Illinois (i.e. Illinois Funds).
10. Investment options offered by the Illinois School District Liquid Asset Fund Plus.
11. Investment Options offered by the Illinois Metropolitan Investment Fund.

Any percentage limits, rating requirements, or other investment parameters identified throughout this investment policy will be calculated and/ or evaluated based on the original cost of each investment at the time of purchase of the security in determining compliance with the investment policy.

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Proposed changes (Items added are in bold and items to be removed are in struck through)

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2. Bonds, notes, debentures or other similar obligations of the United States of America, its agencies, and its instrumentalities.
3. Interest bearing accounts, interest-bearing certificates of deposit or interest bearing time deposits or any other investments constituting direct obligations of any bank as defined by the *Illinois Banking Act*.
4. ~~Short term~~ Obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at the highest general short-term classification established by at least 2 standard rating services and is on the approved list of the College's contracted SEC registered Investment Advisor and which mature not later than ~~270 days~~ **3 years** from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations and (iii) no more than one-third of the College's funds may be invested in short term obligations of corporations.
5. Interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law. The bonds shall be registered in the name of the municipality or county or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the 3 highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.
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cost of each investment at the time of purchase, based on settlement date, of the security in determining compliance with the investment policy.

Final policy

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2. Bonds, notes, debentures or other similar obligations of the United States of America, its agencies, and its instrumentalities.
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4. Obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at the highest general short-term classification established by at least 2 standard rating services and is on the approved list of the College's contracted SEC registered Investment Advisor and which mature not later than 3 years from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations and (iii) no more than one-third of the College's funds may be invested in short term obligations of corporations.
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ADJOURNMENT

Hearing no further business, the meeting was adjourned at 5:24 p.m.

Patricia Kriegermeier, Recording Secretary

Informational background regarding the current policy listed above and the reasons for suggesting no changes; making changes to current policy; addition of new policy or deletion of current policy.

Trustee Mike Smith suggested creating a new policy to cover the objectives and the process of setting tuition.

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Proposed new policy**2.18 TUITION****A. Scope of Policy**

The guidelines in this Tuition Policy Statement are intended to assist, but not bind, the Board of Trustees in their continuous pursuit to implement a prudent process, free of political agendas, special interests and conflicts of interest, that consistently addresses the financial needs of the institution while maintaining fair and equitable tuition and fee adjustments that impact the student population in any given academic calendar year.

The Board of Trustees has important responsibilities and is subject to a code of ethics that includes but is not limited to the following:

- That the primary function of the Board is to establish policies for governance of the institution
- To consider the viewpoint of citizens, organizations, businesses, senior administration, faculty, adjunct faculty, staff council, and the student body with respect to establishing policy on current college operations and proposed future developments

B. Objectives

The Board of Trustees has a number of core responsibilities that include but are not limited to the following:

- Approve long-range plans
- Ensure the well-being of students, faculty, staff, and administration
- Ensure strong financial management
- Ensure adequate financial resources

MCC demonstrates a commitment to valuing employees through a dedicated strategic goal: *Attract, develop, and retain quality instructors who are outstanding scholars/teachers and an excellent, diverse staff who are committed to the mission of McHenry County College.*

Mission-critical factors in determining a prudent process for tuition and fee increases begin with the collective bargaining agreements of the Faculty, Adjunct Faculty, and Staff Council, as these are contractual obligations approved by the Board of Trustees. Such contractual obligations will inevitably lead to increases in the variable costs and, as a result, it would be fiscally prudent, at a minimum, to adjust revenue streams to meet those obligations.

C. Process

Three main indexes and/or processes will be used to implement an annual Tuition Per Credit Hour increase. The three indexes/processes are listed below:

1. Consumer Price Index – Urban (CPI-U)
 - a. The exact increase used will be the December to December increase in the same manner as determined under the Property Tax Extension Limitation Act (PTELA).
2. Higher Education Price Index (HEPI)
 - a. This index is similar to the CPI-U but is specifically related to institutions of higher education. The index used will be the most current available as of January 15 of each year.
3. Collective Bargaining Agreements (CBA)
 - a. The highest average annual increase of all existing CBA's over the life of each agreement will be used to establish the index.

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Upon the determination of each index by January 31 of the current fiscal year, the highest index calculated will be used to adjust annually the rate of Tuition Per Credit Hour. The rate adjustment will then be applied to the summer term of the following fiscal year.

If it is determined that the adjustment identified under this section is insufficient to meet the critical needs of the College in any given year, the administration will bring to the Board a recommendation for approval for a different amount to be applied beginning with the summer term of the following fiscal year or a different time as may be needed in the recommendation.

Changes in Fees Per Credit Hour will be brought to the Board annually as may be needed for a separate approval by the Board of Trustees.

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Informational background regarding the current policy listed above and the reasons for suggesting no changes; making changes to current policy; addition of new policy or deletion of current policy.

College administration suggests that the College establish a policy to prohibit consensual romantic or sexual relationships between employees and between faculty/employees and students.

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Proposed New Policy**3.10 Consensual Romantic or Sexual Relationships**

The College is committed to the highest standards of conduct. The College's mission is promoted by and dependent upon professionalism exhibited by all employees, particularly concerning relationships between employees and between employees and students. Romantic or sexual relationships, even consensual, can undermine such professionalism and adversely affect the College's mission. As such, the College desires to establish expectations for such relationships in order to mitigate risks and reduce liability for the involved parties and for the College.

Within this policy, the term "supervisory authority or relationship" refers to situations when one employee has direct or indirect influence on decisions concerning selection and hiring, which makes recommendation for hiring, assignment or review of work, providing input on employee performance evaluations, transfer, promotion, grievance review, or other terms and conditions of employment over another employee, including supervisors and coordinators. It also pertains to academic personnel who have a direct or indirect influence over a student's academic performance, including tutors, advisors, faculty, and other related positions.

Within this policy, the term "member of the College community" includes any college employee, student, volunteer, or other individual engaged in any college activity or program.

Within this policy, "faculty/staff" is defined as any college employee who has an educational or supervisory responsibility for the student, including but not limited to faculty members, tutors, advisors, coaches, administrators, and staff.

Relationships Between Employees

Co-workers who enter into a consensual romantic or sexual relationship, including marriage, should be mindful of laws, statutes, and college policies related to sexual harassment, sexual misconduct, sexual discrimination, and retaliation. Special care should be taken by each partner in the relationship to exhibit professionalism and to guard against any behavior, both at work and otherwise, that could result in a complaint of sexual harassment, sexual misconduct, sexual discrimination, or retaliation, which will be addressed in accordance with college policies and applicable state/federal regulations.

Any employee of the College with supervisory authority over another college employee (including student workers) shall not engage in a romantic/sexual relationship with such employee, even if the relationship appears to be consensual. There are inherent risks in any romantic or sexual relationship between individuals in unequal positions of authority. These relationships may be less consensual than perceived by the individual whose position confers power. The power differential inherent in such relationships may compromise free choice, produce conflicts of interest, or encourage favoritism and/or exploitation, and consensual relationships can turn into quid pro quo harassment. The relationship also may be viewed in different ways by each of the parties, particularly in retrospect. Furthermore, circumstances may change, and conduct that was previously welcome may become unwelcome. Even when both parties have consented at the outset to a romantic/sexual involvement, this past consent may not remove grounds for a later charge of a violation of applicable college policies.

If a college employee has a pre-existing consensual romantic/sexual relationship, including marriage, with another college employee, he/she should not enter into work situations in which he/she would be supervised by the other college employee.

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Relationships between Faculty/Staff and Students

Faculty/staff shall not enter into a romantic/sexual relationship with a student, even if the relationship appears to be consensual to prevent real, potential, or perceived conflicts of interest, exploitation, or bias. Faculty/staff in pre-existing relationships must immediately notify their supervisor of the relationship.

If a faculty/staff member has a pre-existing consensual romantic/sexual relationship, including marriage, with a student, the student should be discouraged from enrolling in courses taught by the instructor or entering into work situations in which he/she would be supervised by the faculty/staff member.

Compliance

Violation of any of the romantic/sexual guidelines may be grounds for immediate action, up to and including termination. Where employees are potentially subject to violation of this policy, they must immediately notify their supervisor and/or the Office of Human Resources of the potential violation. The College will then take all action possible to avoid policy violation. Such action may include transfer or movement of one of the parties. However, where less extreme correction is not possible, one of the affected employees may be asked to leave employment with the College.

If there is any uncertainty about a relationship, the employee should consult with the Office of Human Resources to determine if the relationship violates this policy.

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College administration suggests that the College establish a policy to prohibit nepotism in employment.

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Proposed New Policy**3.11 Nepotism**

The College is committed to the highest standards of conduct and expects all members of its community to adhere to them. Members of the College community must avoid conflicts of interest, situations that might be perceived as conflicts of interest, or situations that might impair objective judgment. A college employee may not directly influence issues relating to employment, or the terms and conditions of employment of a person who is a member of the employee's immediate family, with whom he/she shares a household, or with who he/she has a personal relationship.

Within this policy, the term "nepotism" shall mean actions by a college member that directly influence college employment (e.g. hiring, promotion, supervision, evaluation, and salary determination) or academic progress (e.g. grading and advising) of any other college member with whom he/she has a relationship.

Within this policy, the term "immediate family" includes mother, father, children, sister, brother, spouse, any step-relation, domestic partner, grandparent, uncle, aunt, cousin and in-laws of the same relation as any of the foregoing. The term "personal relationship" includes marital or other committed relationship, or consensual sexual/romantic relationship. The term "household" includes anyone with whom the employee shares a house, apartment, or other living arrangement.

Within this policy, the term "member of the College community" includes any college employee, student, volunteer, or other individual engaged in any college activity or program.

Within this policy, the term "supervisory relationship" means when one employee has direct or indirect influence on decisions concerning employment terms and conditions, which includes making recommendations for hiring, assignment or review of work, providing input on employee performance evaluations, transfer, promotion, grievance review, or other terms and conditions of employment over another employee, including supervisors and coordinators. It also pertains to academic personnel who have a direct or indirect influence over a student's academic progress/performance, including tutors, advisors, faculty, and other related positions.

The employment of members of the same immediate family, of those who share a household or those with other types of personal relationships may create conflicts of interest or the perception of conflicts of interest. The College will use sound judgment in the placement of such employees in accordance with the following guidelines:

- Members of the same immediate family, same household, or those involved in a personal relationship are permitted to work in the same college department, provided that no direct reporting or supervisor-to-subordinate relationship exists. That is, no individual should have decision-making or supervisory authority, or significant influence over the hiring, work responsibilities, wages, hours, career progress, benefits, or other terms and conditions of employment of a related party.
- Individuals who become a related party to a college employee while already employed at the College should promptly report that fact to each employee's supervisor and the Office of Human Resources, and both employees will be treated in accordance with this policy. If in the opinion of the College leadership that this relationship creates a conflict of interest, one of the employees may be transferred at the earliest practicable time, or other arrangements shall be promptly implemented.

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- If an applicant is otherwise qualified and might be selected for an available position but is a related party to an existing employee in the same department, the selecting authority should consult with the Office of Human Resources on the applicability of this policy.

Compliance

Any exceptions to this policy must be approved in writing by the Associate Vice President of Human Resources or his/her designee.

A person recommending, or considering the acceptance of, an appointment to a position that would lead to nepotism is to report the facts to the Office of Human Resources so that a determination may be made prior to the actual appointment.

Violations of this policy may result in disciplinary action, up to and including, termination of employment.

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