

REVISED 11/12/13

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 15, 2013, in the Board Room, Room A217, of Building A on the Campus. Vice Chair Liddell called the meeting to order at 7:03 p.m.

When Secretary Jenner called the roll, the following were present:

Mr. Jenner
Ms. Kisser
Ms. Miller
Mr. Parrish
Ms. Walsh
Mr. Wilbeck
Ms. Liddell

Ms. Lambert was absent. Dr. Smith was present. Attorney Daniel Curran was present as legal counsel.

ACCEPTANCE OF AGENDA

The agenda was accepted as presented.

ACCEPTANCE OF MINUTES

The minutes of the Committee of the Whole meeting, August 13, 2013, were accepted as revised.

OPEN FOR RECOGNITION OF VISITORS AND PRESENTATIONS

Dr. Bev Dow, instructor of biology, spoke about the proposed health science education building; she stated that the current labs were built forty years ago and added that most MCC students had better labs in high school than they have here. She stated that no more than 24 students can be placed in each lab to insure sufficient space to teach safely. She stated that her past role as President of the Faculty Association paralleled that of the Trustees; she represented all faculty members, as Trustees represent the entire community, not just taxpayers or voters, but all 300,000 residents. She asked the Trustees to consider the health sciences education building business plan carefully and without bias; she asked that the Board let data guide their decision. She stated that the College could offer better, safer lab experiences to more

students with newer, state-of-the-art labs, and stated that working together, we can make it happen by planning for the future needs of all residents.

Ms. Angela Sass, instructor of nursing, stated that during the short time the nursing program has been at the College, the College has maximized the use of space. She stated that news of the nursing shortage is not new; she noted that the College is not able to maximize student learning because of space restrictions; currently eighty students share one nursing lab. She stated that if space were available, enrollment could be increased and nursing students would receive a better education. She added that the goal of the nursing program is to graduate competent, safe nurses, and noted that providing the best education available makes a difference in the lives of patients.

Mr. Joel Chapman, Coordinator of the Fitness Center, stated that the Fitness Center lab houses seven classes in the Health Fitness education department. He noted that the Fitness Center is also directly responsible for instruction and lab supervision in the popular HFE120 physical fitness class, as well as providing fitness programming for community patrons, the Special Education District of McHenry County (SEDOM) and Northern Illinois Special Recreation Association (NISRA). Mr. Chapman stated that active older adults in the community also access the Fitness Center. The Fitness Center also provides programming and continuing education for fitness professionals in the region.

Ms. Elaine Whalen stated that the Fitness Center is first and foremost education; it is not just another health club. She stated that the Fitness Center is the lab for many core courses and stated that this fall showed the largest enrollment ever in the Health and Fitness Education program.

Mr. Cal Skinner asked why the Board spent forty minutes discussing the management letter and why there was no public discussion after the closed session. He asked whether the independent auditor's management letter would be released.

Ms. Marianne Devenny, Dean of Enrollment Services, stated that she oversees the College's admissions, recruiting, registration and records areas. She commented that College staff is constantly hearing prospective students and parents ask about health professions courses so they can become nurses, occupational therapy assistants and physical therapists. Students and parents are asking why more of these

classes are not available. Ms. Devenny stated that the College needs more science lab areas, noting that this is what the community wants, and what is needed.

PRESIDENT'S REPORT

Dr. Smith announced that registration for the 2014 National Legislative Summit, Association of Community College Trustees (ACCT), is now open and asked any Trustees to indicate as soon as possible their interest in attending the summit. She noted that the College's Professional Development Day was held earlier in the day, noting that the keynote speaker, Leonard Geddes, shared with faculty, staff and administration how to turn good students into great learners.

Dr. Smith noted that Trustees are invited to the November 8 Veterans' Day ceremony.

She announced that the Illinois Community College Board (ICCB) and Illinois Board of Higher Education (IBHE) have approved two new Associate of Applied Science degrees in Engineering Technology and Web Design and Development.

Dr. Smith provided an update on Building D; equipment is still being installed in the Robotics lab, the manufacturing classroom is completed, and the floor has been poured in the manufacturing lab. Classes may be held the week after next if all goes well. Dr. Smith added that underground work for the Building E addition has begun.

Dr. Smith asked Trustee Miller and Trustee Liddell to report on the recent ACCT presentation on College and Career Readiness; Ms. Miller stated the presentation went very well and that all the presenters did a great job. Ms. Liddell added that 75 to 80 attended the presentation, and it was very well received. She noted the next ACCT Congress will be held in Chicago in 2014 and challenged the College to make a number of presentations at that event.

DISCUSSION OF PRELIMINARY SEPTEMBER FINANCIAL REPORTS

Mr. Tenuta reported that the College's sub-funds are looking bright. Mr. Tenuta added that currently there is an excess of expenditure over revenue of \$1.4 million, while Funds 01 and 02 show total revenue of over \$12 million and expenditures of about \$10 million. Ms. Liddell questioned sales and service fees, and Mr. Tenuta will look into these figures.

FIVE YEAR FINANCIAL FORECAST

Mr. Tenuta stated that the forecast shows where the trends of the College's fiscal health are going based on assumptions made. He noted that external agencies (the Higher Learning Commission, the Department of Education, and the Illinois Community College Board) look at the College's financial health to determine whether MCC can carry out its core mission. Should the College fall below specified standards, consequences can be imposed. He noted the sources of funding and the portion of the College's budget they represent: state funding (about 5%), property taxes (about 55%), tuition and fees (about 38%) and miscellaneous funding (about 2%). Dr. Smith added that to insure that the College runs as cost effectively as possible, the budget begins with a zero-based approach; nothing is put into the budget unless the need can be justified. Mr. Tenuta opened the floor for questions and comments from Trustees. Topics covered included plans to accommodate less state funding, future pension burdens, how long the levy might be flat, areas that could need to be cut and what percentage of the College budget these areas represent, attorney fees, a general overview of programs, investing in education, and adjusting to a volatile economic climate.

FEASIBILITY STUDY FOR HEALTH AND SCIENCES EDUCATION BUILDING

Ms. Liddell stated that discussion would begin with one question: "Is there a need, do we have a need for space?" Extensive discussion followed on the following points:

Mr. Jenner questioned Power Wellness's qualifications as an independent consultant; Ms. Kisser responded that there would only be a conflict if Power Wellness bid on the project, and does not believe the study was flawed merely because Power Wellness could want to become a partner.

Dr. Smith stated that the data in the feasibility study came from many sources – faculty, College departments, labor report statistics, data from an independent research company.

Mr. Parrish felt that new educational techniques should have been researched; Ms. Miller responded that the committee did not specifically ask Power Wellness to do such research.

Ms. Garrison spoke about space needs for the biology department, projections for which were made with data from the current growing programs in nursing and health sciences.

Mr. Jenner voiced doubts about the projection for students and asked what percentage of MCC students come from local K-12 districts; Dr. Miksa responded that about 1,300 out of 4,000 local high school graduates enter MCC each year.

Mr. Jenner asked why more space was being requested when population numbers in the county, both generally and for K-12 enrollment, look like they've gone down; Ms. Whalen responded that in the Health and Fitness education area, during the lowest peak enrollment, two adjunct instructors were lost. Enrollment in the Health Fitness Education department was up for FY12 and FY13. Ms. Whalen added that there are a lot of classes in the department, but only one gym and one fitness center; classes cannot be offered without a larger facility.

Ms. Walsh stated she believes there is a need for sciences; she does not know how much square footage would be needed.

Mr. Wilbeck spoke about population decline and being receptive to needs of taxpayers; Dr. Miksa responded that what must be discussed are features and benefits to the community, what would be provided to the community as a result of this additional space.

Additional discussion followed on whether online education can be incorporated into every curriculum; some programs require hands-on instruction that online cannot provide.

A consensus was taken on whether additional space was needed: Mr. Jenner, Ms. Kisser, Ms. Liddell, Ms. Walsh, Ms. Miller and Mr. Wilbeck felt that additional space was needed; Mr. Parrish stated that no additional space or space assigned was needed. This topic will continue to be discussed.

DISCUSSION ON THE TAX LEVY

Ms. Liddell asked Trustees, after listening to the five-year forecast, to look long term, not short term. She stated that what the Board does today impacts 3, 4, 5 and 10 years down the road. Mr. Tenuta stated that the final approval of the levy must be done by the last Tuesday in December. Mr. Tenuta asked for direction on the Board so that he would know how to present the levy to the Board for approval or adoption. Discussion followed; Ms. Kisser asked whether there was a break-even point if the College wanted to avoid a deficit that will be hit, and Mr. Tenuta responded that it is difficult to answer as the

levy is insufficient to cover the gap between revenues and expenditures right now. Mr. Tenuta noted that the CPI-U increase, at 1.7%, adds \$475,000 per year. If the Board decides not to increase the levy or look at inflation, that amount is lost forever, each year, for a cumulative loss of \$2.5 million over five years.

Ms. Miller asked what this equates to for a homeowner; Mr. Tenuta stated, as an estimate, based on a \$250,000 home, 1.7% would mean an increase of \$12.25 per year or \$1.02 per month. A straw poll was taken: Mr. Parrish was opposed to a tax increase, Mr. Wilbeck wants a flat levy, Ms. Miller wants the CPI-U, Ms. Walsh wants a flat levy, Ms. Liddell wants CPI-U, Ms. Kisser wanted CPI-U and the capture of new growth, and Mr. Jenner wanted a flat levy.

UPDATE ON THE AQIP SYSTEMS PORTFOLIO

This agenda item was moved to the October 24, 2013 Board meeting for discussion.

DISCUSSION OF RESTRUCTURE OF BUSINESS OFFICE

Mr. Tenuta explained his plan to restructure the Business/Finance area. He stated that the current structure is cumbersome and creates a barrier to effective operation. He proposed that the Assistant Vice President of Finance position be reinstated, which would take the place of the former Controller position. All classified staff in the area would report to the Assistant Vice President. He stated that staff in this area did a great job on the recent audit and added that there is more to do to make the area a finely tuned machine.

The Trustees were supportive of the plan.

MERIT-BASED COMPENSATION SYSTEM FOR ADMINISTRATORS

This agenda item was moved to the October 24, 2013 Board meeting for discussion.

PRESENTATION ON ISES PROJECTS

This agenda item was moved to the October 24, 2013 Board meeting for discussion.

FUTURE AGENDA ITEMS

Mr. Parrish requested that the re-establishment of the Finance Committee be discussed at a future meeting. Ms. Miller expressed her concern that this could be addressed only at the annual Organizational meeting; discussion followed about the possible formation of a subcommittee that would report to the Committee of the Whole. This item will be discussed at the November Committee of the Whole.

Future agenda items include, as stated above, a discussion of re-establishing the Finance Committee, a discussion of no debt without voter approval, a brief presentation of the College and Career Readiness presentation recently given at the ACCT convention, and an update on the results of outsourcing

SUMMARY COMMENTS BY BOARD MEMBERS

Mr. Jenner commented that October 24, the date of the next Board meeting, is Campus Sustainability Day. Ms. Liddell announced that the veterans' group will meet October 16 at 2:00 p.m. in the cafeteria. She commented also that the College is hosting a program on the issue of heroin use in the county, at 7:00 p.m. on October 16 in the Luecht Conference Center.

CLOSED SESSION

At 10:29 p.m., Ms. Kisser moved to go into Closed Session to discuss matters covered under Illinois Open Meetings Act 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*. Mr. Parrish seconded the motion. There was no discussion. The roll was called and all were in favor; the motion carried. Closed Session began at 10:29 p.m.

At 10:37 p.m., Ms. Miller moved to come out of Closed Session and Ms. Walsh seconded the motion. There was no discussion. A voice vote was taken and all were in favor; the motion carried. Closed Session ended at 10:37 p.m.

ACCEPTANCE OF CLOSED SESSION MINUTES, COMMITTEE OF THE WHOLE, September 17, 2013

Ms. Miller moved to accept the closed session minutes of the Committee of the Whole, September 17, 2013 with changes and Mr. Wilbeck seconded the motion. The roll was called. All were in favor; the motion carried.

ADJOURNMENT

Hearing no further business, Vice Chair Liddell adjourned the meeting at 10:38 p.m.