

MINUTES
REGULAR BOARD MEETING
of McHENRY COUNTY COLLEGE

The Regular Meeting of the Board of Trustees of McHenry County College was held on Thursday, November 21, 2013, in the Board Room, Room A217, in Building A on the Campus. Chair Parrish called the meeting to order at 6:45 p.m. When Secretary Jenner called the roll, the following were present:

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

Ms. Miller and Ms. Walsh were absent at roll call and arrived at 6:47 p.m. Dr. Smith was also present.

Attorney Daniel Curran was present as legal counsel.

PLEDGE OF ALLEGIANCE

Chair Parrish led the group in the Pledge of Allegiance.

COLLEGE MISSION STATEMENT

Chair Parrish read the Mission Statement.

ACCEPTANCE OF AGENDA

The agenda was accepted as presented.

ACCEPTANCE OF MINUTES

The minutes of the Budget Hearing, September 26, 2013, were accepted as presented.

The minutes of the Special Board Meeting, October 15, 2013, were accepted as corrected.

The minutes of the Regular Board Meeting, October 24, 2013, were accepted as corrected.

OPEN FOR RECOGNITION OF VISITORS AND PRESENTATIONS

No one signed in to address the Board.

CHAIRMAN'S REPORT

Mr. Parrish stated he was impressed by the tour of the Fitness Center which illustrated what can be done with imagination and creative thinking, and stated he believes there should be a plan to expand what the center is

doing, and provide space required to do more. Mr. Parrish stated he believes the College needs more physical space for initiatives such as fitness and health care, but stated that a different kind of feasibility study would take into account new information technology and training equipment, advances in learning technology, revised teaching and learning techniques, subcontracting team courses, mentored web courses, and online videos. He believes it is the Board's responsibility to investigate, promote and provide the newest college-level learning guidance and counseling processes as a step before determining a need for building and construction. Mr. Parrish wants to promote an idea that came from a class he completed at Northern Illinois University, a traditional three credit hour class, which only met four times on campus in a classroom. The class was a combination of online communication and online presentations, with a chat room mentored by the professor. Mr. Parrish provided copies of an article from *The Economist*, and would like to show a video from Northern Illinois University at a future meeting.

PRESIDENT'S REPORT

Dr. Smith provided an update on custodial contractual services. She noted that the new firm has been in place for five months. After a disappointing start, the onsite project manager was replaced and things improved; the custodial staff is on top of everything. Dr. Smith confirmed that the number of calls related to custodial service has dropped significantly. Dr. Smith added that RJB was having difficulty finding employees to fill these positions and has assigned more resources to the College to meet expectations outlined in the contract.

Following Dr. Smith's report, Mr. Tenuta spoke on tuition and fees. Mr. Tenuta stated that the Board has done the first step in looking at the levy. Another component is setting compensation and benefits for employees covered by the Collective Bargaining Agreements as well as administration. Following that is setting tuition rates. Mr. Tenuta stated that he comes to the Board today not for a decision or direction, but for contemplation over the next few months. He stated that tuition is the College's second largest revenue stream, adding that tuition rates must be set by February to allow financial aid packages to be put together. Mr. Tenuta stated that average tuition per credit hour in Illinois is \$112.75; McHenry County College's tuition is \$102.00, and is the 24th lowest in the state. The maximum rate that can be set is 33% of the per

capita cost, or \$131.15. Mr. Tenuta noted that the College has identified \$41 million in deferred maintenance projects. He noted that part of a tuition increase is to add an infrastructure fee to address deferred maintenance, adding that current fund balances do not allow for coverage of deferred maintenance costs. He stated that no inflationary increase in the tax levy forces the College to cover operating increases through a tuition increase. He stated that significant cuts have already occurred; he noted that \$800,000.00 annually could be saved by eliminating some departments. Mr. Tenuta recommends looking at a minimum increase of \$5.00 per credit hour with the consideration of adding an infrastructure fee. He stated that a \$5.00 increase in tuition would result in \$1,000,000.00 in additional revenue and added that current forecast and projections show a \$4.6 million operating shortfall that must be addressed. He stated there is still work to do to preserve the fund balance or to make sure the College strives for a very balanced budget.

Mr. Jenner asked what percentage of students come from out of the district and pay out of district tuition; Mr. Tenuta will ask Dr. Miksa for that information. Mr. Jenner asked whether the College would attract more out of district students and therefore gain revenue if the out of district rate were lowered. Ms. Walsh noted that an Information Report this month discussed chargebacks, out of district students and joint agreements.

Mr. Parrish asked what the infrastructure fee would be; Mr. Tenuta replied a figure had not yet been established. Ms. Kisser added that the Evaluation and Policies Committee will eventually bring to the Board a policy on fees and recommended that any input be brought to the committee.

Mr. Wilbeck asked for a presentation on where cost cuts would be suggested if tuition is not increased. Mr. Tenuta stated he could provide some information. Dr. Smith stated that over the last three years the budget has been tightened through cost effectiveness and energy efficiencies; she noted that fat has been cut from the budget. She stated all that remains is to cut programs and departments.

Dr. Smith spoke about the December 14 winter graduation ceremony and the nurses' pinning ceremony on the same day. She noted that over 1,000 parents and prospective students attended MCC Night on November 13 and over 350 students completed applications. She complimented faculty members for their displays and demonstrations at the event.

PRESENTATION: The Multidisciplinary Approach to Applied Technology: Catapults and Egg Armor; Courses: IMT 103, Materials of Industry, EGR 151, Engineering Graphics, and AET 171, SolidWorks I

Ms. Heather Zaccagini, Mr. Robert Mihelich, and students from the classes listed above gave a presentation which contained a video of the intercollegiate catapult competition held at Harper College. The presentation can be viewed on the Board website at <http://www.mchenry.edu/board/index.asp>.

COMMUNICATIONS

A. Faculty Report

Ms. Anne Humphrey and Ms. Elaine Whalen presented the faculty report, listing faculty accomplishments throughout the College divisions.

B. Adjunct Faculty Report

There was no adjunct report.

C. Staff Council Report

Ms. Tawnja Trimble spoke about former student José Avila, who arrived at McHenry County College in 1994; Mr. Avila received his associate degree in 2002, going on to earn his bachelor's degree in 2010 and his master's degree in psychology. Mr. Avila worked in social services and also as a mentor to the Latino community. He recently passed away and on display were his diplomas, regalia and photos. Ms. Trimble thanked the college staff for helping students to achieve their dreams and thanked the Board for allowing staff to change lives and enrich the community in many ways. She wished all a happy Thanksgiving.

D. Comments from the Board

Ms. Walsh stated that a lot of good things are happening at McHenry County College. She expressed her thanks to Ms. Amy Carzoli, who has tendered her resignation effective December 4, 2013, noting that Ms. Carzoli has been a valuable member of the College community for 22 years.

Mr. Wilbeck questioned costs for temporary help; he asked that there be a discussion on this issue.

Mr. Jenner noted that the student newsletter, "The Flush," contains information on everything going on, and would like an electronic copy. Dr. Smith will follow up to provide the electronic copy.

E. Attorney Report

There was no report.

APPROVAL OF CONSENT AGENDA

Ms. Kissler moved to accept the Consent Agenda as presented and Ms. Liddell seconded the motion. Mr. Wilbeck asked to remove two items, A. 3., Ratification for Accounts Payable Check Register, Board Report #13-217, and item B. 2., Engineering Firm Selection Shah Center Solar Project, Board Report #13-219. Mr. Jenner noted that items do not have to be removed from the agenda just for discussion. Mr. Wilbeck voiced his concern with costs for temporary workers; Mr. Tenuta responded that the College uses temporary agencies to fill short-term employment gaps without having to hire a permanent employee with benefits. He noted that the current interim Director of Facilities constitutes a significant portion of the figure in the Board Report. He added that initially, the Controller was employed as a temporary worker, and Mr. Tenuta was able to vet her skills, which is so much better than an interview would have provided. He stated that using temporary help is a strategic decision.

Ms. Walsh questioned why a position in the Human Resources department is filled by a temporary worker; Ms. Castillo confirmed that this position is in transition, undergoing a unit clarification process, noting that the Staff Council is aware of this fact.

Dr. Smith asked Mr. Tenuta what the College's monthly payroll is; Mr. Tenuta replied that it is around \$1.8 million. She noted that temporary employee costs represent a small percentage of this total.

Mr. Wilbeck questioned what the other bids for engineering for Shah Center solar power came in at and Dr. Smith noted this was not bid out. Mr. Tenuta explained that the College had to look for a firm that was qualified, who can handle this project and act as the College's liaison to make sure that what goes out in the eventual Request for Proposals will satisfy IGEN's grant requirements. Four firms were contacted; one withdrew because they wanted to do it all. J. T. Katrakis was the most responsible engineering firm that came forward. Mr. Tenuta noted the other firms were good, stating that J. T. Katrakis was head and shoulders above the rest. Mr. Wilbeck agreed there was no need to pull this item from the agenda.

The roll was called and all were in favor; the motion carried.

For Approval

- A. Financial Statements
 - 1. Executive Summary, Board Report #13-215
 - 2. Treasurer's Report, Board Report #13-216
 - 3. Ratification for Accounts Payable Check Register, Board Report #13-217
- B. Requests to Purchase/Renew
 - 1. EBSCO Periodicals Subscription Services, Board Report #13-218
 - 2. Engineering Firm Selection Shah Center Solar Project, Board Report #13-219
- C. Adoption of 2013 Tax Levy, Board Report 13-220
- D. Insurance Renewal Workers' Compensation Insurance Premium Audit for 2012-2013, Board Report #13-206, Amended
- E. Personnel
 - 1. Workforce and Community Development Personnel Considerations for Fall 2013, Board Report #13-152, Addendum
 - 2. Appointment of Replacement Director of Resource Development, Board Report #13-221
 - 3. Appointment of Replacement Director of Financial Aid, Board Report #13-222
 - 4. Salary Adjustment/Advanced Placement, Board Report #13-223

ACTION ON ITEMS REMOVED FROM THE CONSENT AGENDA

No action was needed.

ADMINISTRATIVE MERIT COMPENSATION SYSTEM, Board Report #13-224

Ms. Kisser moved to accept Board Report #13-224, Administrative Merit Compensation System, and Ms. Walsh seconded the motion. There was no discussion; the roll was called and all were in favor. The motion carried.

APPROVAL OF IDOT ACQUISITION OF PARCELS, Board Report #13-225

Ms. Walsh moved to approve Board Report #13-225, Approval of IDOT Acquisition of Parcels, and Mr. Wilbeck seconded the motion. During discussion, Mr. Parrish questioned whether this would encroach upon the College's property by 25 feet and wipe out plantings and light poles, and whether this would be better done on the ten acres just purchased. Dr. Smith explained that this is a temporary easement for five years, and that property is not being donated. The roll was called and all were in favor; the motion carried.

BOARD COMMITTEE REPORTS

A. Evaluation and Policies Committee

Ms. Kisser reported on the details of the November 11, 2013 meeting. The Committee continues to review Section 2 of the Board Policy Manual and held a detailed discussion presented by Ms. Haggerty about her communication with the Illinois Policy Institute about their transparency audit. The review process for MCC

vendors continues to be discussed. The committee will hear discussion on a policy relating to concealed carry weapons, and will hear a presentation on sustainability. The committee is also looking at Mr. Jenner's request regarding Board communication with the College and various staff, administration and Dr. Smith and has asked the Committee of the Whole to take up more detailed discussion of possible policy on incurring significant or long-term debt.

B. Committee of the Whole

Ms. Liddell reported on the November 12, 2013 meeting. Key items discussed included the Illinois Department of Transportation Right of Way, monthly financial reports, continued discussion on the feasibility study, and a tour of the Fitness Center. The Committee discussed issuing debt, the purchasing and bidding process, and discussed hiring affected annuitants. The Committee also discussed whether to re-establish the Finance and Negotiations Committee. Ms. Liddell noted that several items were pushed to the Board meeting because of time constraints. Mr. Parrish and Ms. Miller complimented Ms. Liddell on the well-run Committee of the Whole meetings.

ICCTA REPORT

Ms. Liddell reported on the November 9 ICCTA regional meeting, Legal and legislative updates were provided, as well as discussions on the Affordable Care Act, the Open Meetings Act, the Freedom of Information Act, and State Officials Employment and Ethics Act. Two round table discussion sessions were held, and Ms. Walsh reported that the topics were timely and appropriate, noting that it was interesting to see how different colleges work at issues, as they struggle with the same issues McHenry County College does. Ms. Liddell stated that the National Legislative Summit will be held in February, in Washington, D. C. and the next regional meeting will be held in March.

FRIENDS OF MCC FOUNDATION REPORT

Ms. Miller attended the recent Foundation Finance Committee and noted they want to form an Internal Audit committee; Ms. Miller provided tools for them to use. She noted that a new memorial scholarship has been put in place for former psychology instructor Bob Popovich, adding that donations are being accepted. Ms. Walsh stated that a new Memorandum of Agreement between the Foundation and the College has been

drafted and will be brought to the December Committee of the Whole meeting for discussion. Both Ms. Miller and Ms. Walsh have been on the committees working on the memorandum which helps to define the relationship and helps with joint conversations. Mr. Wilbeck asked how the hiring process for a new Executive Director is progressing; Ms. Walsh stated that progress is slow. Ms. Brown noted that three searches have been conducted with over 33 candidates; the search committee relies on the expertise of two Foundation Board members for guidance. A qualified candidate was found; but financially the College could not afford to hire the person and the search continues. Ms. Walsh noted that the recent round table discussions emphasized the importance of the Executive Director position, as it is a driver for leadership. Ms. Liddell spoke about the discussions that happen at the Education to Empowerment breakfast meetings; the meetings feature good presenters and show mentoring with students as well as strong supporters for the College. Ms. Miller added that Education to Empowerment so far has raised \$42,000.00; she added that the men on the Foundation Board have asked for a men's event as well, since they have seen success and want a scholarship. A core committee from the Foundation Board is reaching out to past Board members and will meet soon to form their next event. Ms. Brown noted that forty-two influential women are very committed and are moving forward. She added that 100% of the contributions go to scholarships.

FOR INFORMATION

- A. Resignation
- B. Retirement
- C. Chargeback and Joint Agreement Summary Report For Fiscal Years 2009-2013
- D. Graduation Auto Completers
- E. Office of Marketing and Public Relations Update
- F. Office of Resource Development Update
- G. Office of Sustainability Center Update

Dr. Smith pointed out item C., about chargeback and joint agreements. She noted that this report is provided to give Trustees information about students from other districts who attend McHenry County College and MCC students who attend other community colleges. Dr. Smith explained that chargeback allows MCC students to take courses out of district at the in-district tuition rate, then that community college charges MCC for the difference between the two fees. She noted that 239 students went to other colleges for courses not offered here, for a total cost of \$271,000.00 in chargebacks. She noted that this number used to be a lot

higher, and added that since Dr. Miksa arrived in 2009 he and his Executive Deans have looked into this issue and begun to offer programs on campus that our district residents were going to community colleges to take and which MCC did not have.

Dr. Smith then explained that joint agreements with other community colleges offer MCC students the opportunity to enroll in specific programs at other schools without paying higher out-of-district tuition rates. She noted that if the programs listed had been offered here, and students were charged \$100.00 per credit hour, revenue of \$2.9 million would have resulted. She noted that it is not always prudent to add these programs; but the information provided shows what programs students are choosing to get a degree in, which then prompts the question whether this program should be offered at MCC.

Dr. Smith spoke about graduation auto completers as well; at a recent conference sponsored by Lt. Gov. Sheila Simon, attendees heard how community college students may take classes and transfer to a four-year school, but do not receive the degree to which they are entitled. The College has started the process of automatically granting the degree or certificate, which is a way to give students their credential.

SUMMARY COMMENTS BY BOARD MEMBERS

Mr. Jenner commented that he must need to do some self-evaluation, as he voted yes on all three items tonight. Ms. Kisser asked whether handouts were available from the recent Northern Illinois Community College Human Resources conference; Ms. Castillo will make sure the notes are sent. Ms. Liddell asked about the Shah Center solar project; Ms. Hankins replied that there is no hope that Plan B will be funded, but added there may be another round. Ms. Liddell spoke about a new \$100 million grant; Dr. Smith noted that the College is aware of it and is reading the fine print; Ms. Brown added that a high school must be the lead agency and noted that meetings will be held to discuss the grant. Mr. Wilbeck wished all a happy Thanksgiving. Ms. Kisser stated that she continues to be very impressed with the administrative and support people behind them in terms of the information they are able to provide at Board meetings in answer to Trustees' questions.

FUTURE AGENDA ITEMS

Future agenda items proposed include Ms. Liddell's request for an update on the Shah Center and its programs; Mr. Parrish asked for time at the Committee of the Whole meeting or at the Board meeting for presentation of the video he spoke about earlier in the meeting. Ms. Kisser asked for an update on evaluation forms for the Board and the President and will speak to the Vice Chair about this topic.

CLOSED SESSION

At 8:54 p.m., Ms. Liddell moved to go into Closed Session to discuss matters covered under the 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. Wilbeck seconded the motion. There was no discussion. The roll was called and all were in favor; the motion carried. A break was taken at 9:00 p.m.; Closed Session began at 9:06 p.m.

At 9:33 p.m., Ms. Liddell moved to come out of Closed Session and Mr. Wilbeck seconded the motion. There was no discussion. A voice vote was taken and all were in favor; the motion carried. Closed Session ended at 9:33 p.m.

ACCEPTANCE OF CLOSED SESSION MINUTES

Mr. Wilbeck moved to accept the closed session minutes of the Special Board Meeting, October 15, 2013 and the Regular Board Meeting, October 24, 2013 and Ms. Walsh seconded the motion. There was no discussion. The roll was called, all were in favor and the motion carried.

Further discussion followed on the video Chair Parrish referenced; Ms. Miller stated her feeling that the video should be placed on a website where it can be viewed and Mr. Jenner asked that a link be sent.

ADJOURNMENT

Hearing no further business, the meeting was adjourned at 9:38 p.m.

Patricia Kriegermeier, Recording Secretary

Chris Jenner, Board Secretary