

**BOARD OF TRUSTEES**  
**McHENRY COUNTY COLLEGE DISTRICT #528**

Tuesday, November 8, 2016  
6:30 p.m.

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

COMMITTEE OF THE WHOLE MEETING

**AGENDA**

1. Call to Order
2. Roll Call
3. Acceptance of Agenda
4. Acceptance of Minutes: Committee of the Whole, October 18, 2016
5. Open for Recognition of Visitors and Presentations  
***Three (3) minutes per person or less.***
6. President's Report: Enrollment Management Presentation
7. Capital Campaign Update: Dr. Clint Gabbard and Ms. Christina Haggerty
8. Discussion of Board Retreat
9. Preliminary October Financial Statements: Mr. Bob Tenuta
10. Continued Discussion on Board Policy for Reimbursement of Travel, Meal, and Lodging Expenses and a Board Policy for Approval of Travel, Meal, and Lodging Expenses
11. Board Policy: 1.9 Reimbursement for Expenses
12. Memorandum of Agreement Between the Board of Trustees of McHenry County College and McHenry County College Faculty Association
13. Future Agenda Items
14. Summary Comments by Board Members
15. Closed Session
  - A. 120/2(c), Exception #1, Personnel (*President's Evaluation*)
  - B. 120/2(c), Exception #11, Litigation
  - C. 120/2(c), Exception #21, Review of Closed Session Minutes
  - C. Other matters as pertain to the exceptions of the Open Meetings Act.
16. Acceptance of Closed Session Minutes: Committee of the Whole, October 18, 2016
17. Adjournment



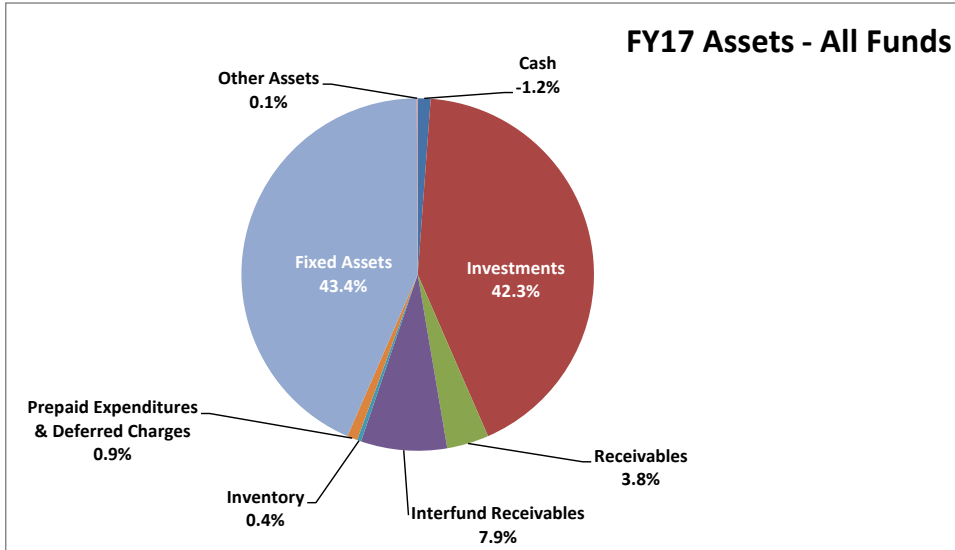
Linda Liddell  
Chair

All Funds Statement of Net Position (Balance Sheet)  
October 31, 2016

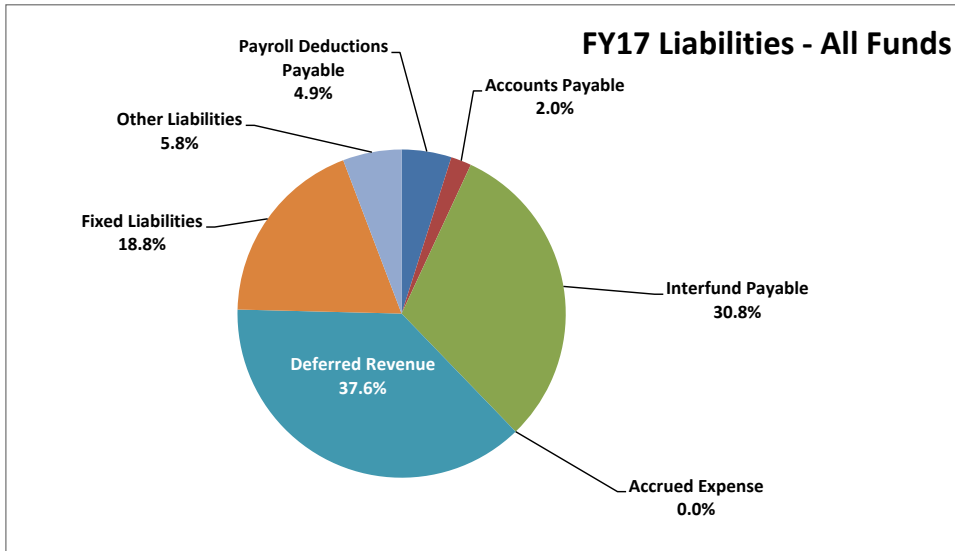
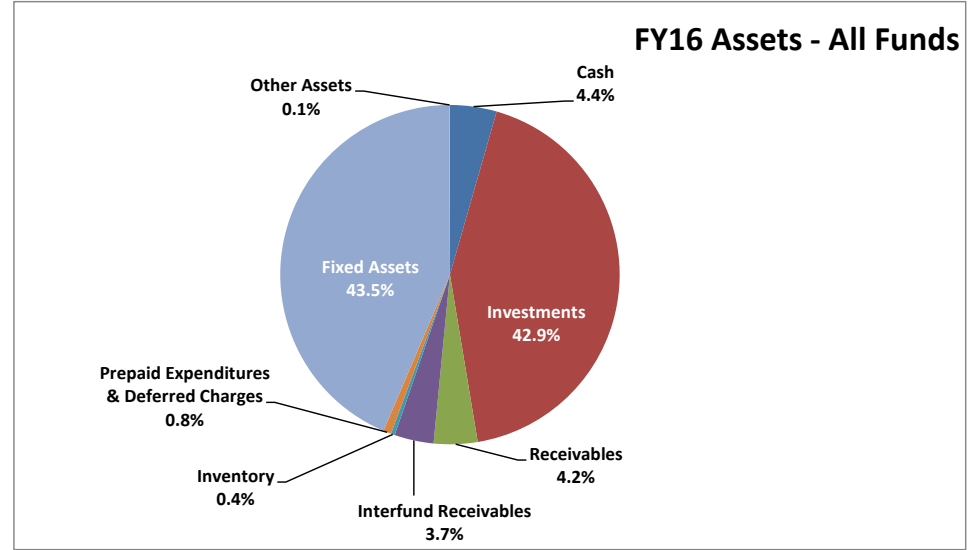
	01	02	03	05	06	07	08	09	10	11	12	
All Funds	Education Fund	Operations & Maintenance Fund	Operations & Maintenance (Restricted) Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	General Fixed Asset Fund	General Long-Debt Fund	Trust & Agency Fund	Audit Fund	Liability Protection & Settlement Fund	
<b>Assets</b>												
Cash	(1,310,935)	-	(2,329,850)	-	140,493	238,329	95,646	-	-	421,689	122,757	-
Investments	47,190,232	29,551,711	940,920	11,998,552	-	-	2,759,330	-	-	-	-	1,939,718
Receivables	4,295,142	3,680,940	384,382	-	15,547	180,359	-	-	-	1,744	-	32,171
Accrued Revenue	140,440	66,922	4,415	52,468	-	-	9,064	-	-	-	-	7,571
Interfund Receivables	8,807,973	2,652,080	8,578,549	-	122,855	(2,488,238)	-	-	(18,370)	(50,500)	-	11,598
Inventory	423,521	-	-	-	423,521	-	-	-	-	-	-	-
Prepaid Expenditures & Deferred Charges	1,052,463	747,436	39,516	-	24,908	-	-	34,875	-	-	-	205,728
Fixed Assets	48,395,855	-	-	-	-	-	-	48,395,855	-	-	-	-
Other Assets	99,509	-	-	-	-	-	-	99,509	-	-	-	-
<b>Total Assets</b>	<b>109,094,200</b>	<b>36,699,090</b>	<b>7,617,933</b>	<b>12,051,019</b>	<b>727,324</b>	<b>(2,069,550)</b>	<b>2,864,041</b>	<b>48,395,855</b>	<b>134,384</b>	<b>403,318</b>	<b>74,001</b>	<b>2,196,785</b>
<b>Liabilities</b>												
Payroll Deductions Payable	1,401,166	1,220,582	42,396	-	100,296	-	-	-	15,093	-	-	22,799
Accounts Payable	577,018	583,882	-	-	4,726	(11,591)	-	-	-	-	-	-
Interfund Payable	8,807,973	6,487,202	-	1,290,543	-	-	-	-	-	-	-	1,030,228
Accrued Expense	(0)	(0)	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	10,742,182	9,505,124	831,901	-	-	41,206	-	-	-	18,752	-	345,199
Fixed Liabilities	5,372,050	-	-	-	-	-	-	5,372,050	-	-	-	-
Other Liabilities	1,653,728	69,270	-	-	9,222	-	-	1,187,011	388,226	-	-	-
<b>Total Liabilities</b>	<b>28,554,118</b>	<b>17,866,061</b>	<b>874,297</b>	<b>1,290,543</b>	<b>114,244</b>	<b>29,616</b>	<b>-</b>	<b>6,559,061</b>	<b>403,318</b>	<b>18,752</b>	<b>1,398,226</b>	<b>1,398,226</b>
<b>Designated Fund Balance</b>	<b>80,540,083</b>	<b>18,833,029</b>	<b>6,743,636</b>	<b>10,760,476</b>	<b>613,080</b>	<b>(2,099,166)</b>	<b>2,864,041</b>	<b>48,395,855</b>	<b>(6,424,677)</b>	<b>-</b>	<b>55,249</b>	<b>798,559</b>
<b>Assigned Fund Balance</b>												
33% Unassigned for annual budgeted expenditures	17,260,902	14,922,205	2,338,697	-	-	-	-	-	-	-	-	-
Other Designated Reserves	0	-	-	-	-	-	-	-	-	-	-	-
Capital Improvement/Investment in Capital Assets	59,156,331	-	-	10,760,476	-	-	48,395,855	-	0	-	-	-
Liabilities, Protection, and Settlement	-4,573,491	-	-	-	-	-	-	-5,372,050	-	-	-	798,559
Working Cash/Other Restricted	-293,917	-	-	-	-2,099,166	1,750,000	-	-	-	55,249	-	-
<b>Remaining Unassigned Balance</b>	<b>8,990,257</b>	<b>3,910,825</b>	<b>4,404,939</b>	<b>0</b>	<b>613,080</b>	<b>0</b>	<b>1,114,041</b>	<b>0</b>	<b>-1,052,627</b>	<b>0</b>	<b>0</b>	<b>0</b>

All Funds Statement of Net Position (Balance Sheet)  
October 31, 2016

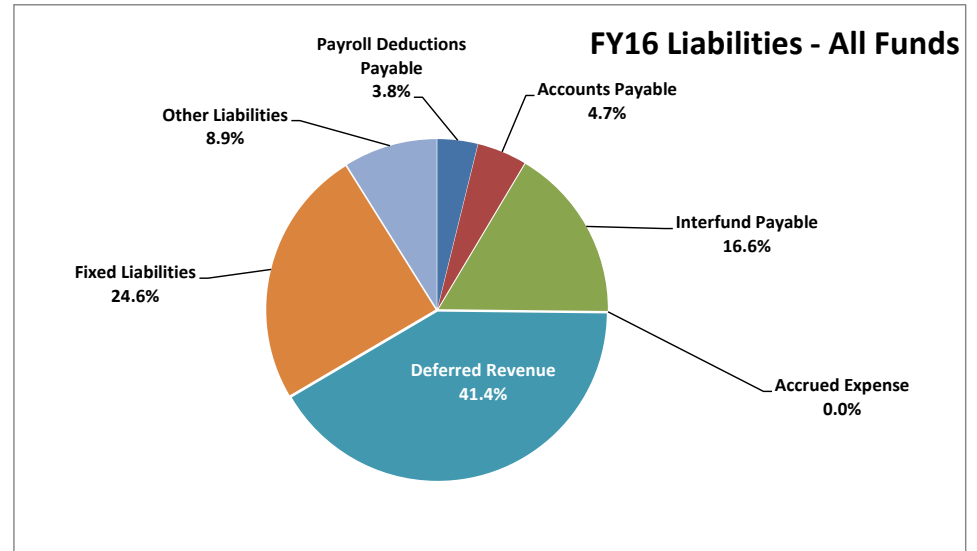
Total Assets = \$ 109,094,200



Total Assets = \$ 108,690,135



Total Liabilities = \$ 28,554,118



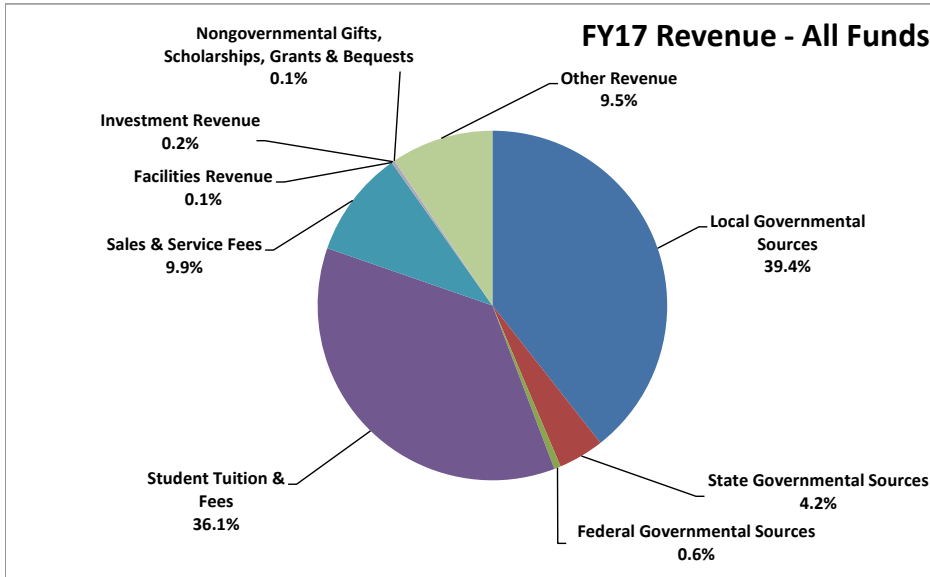
Total Liabilities = \$ 24,424,829

All Funds Statement of Activities (Income Statement)  
October 31, 2016

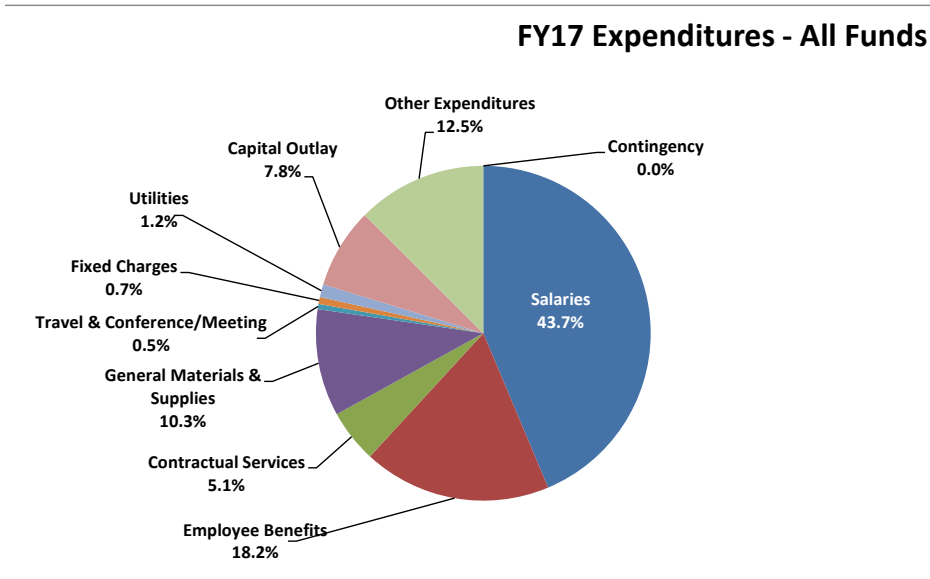
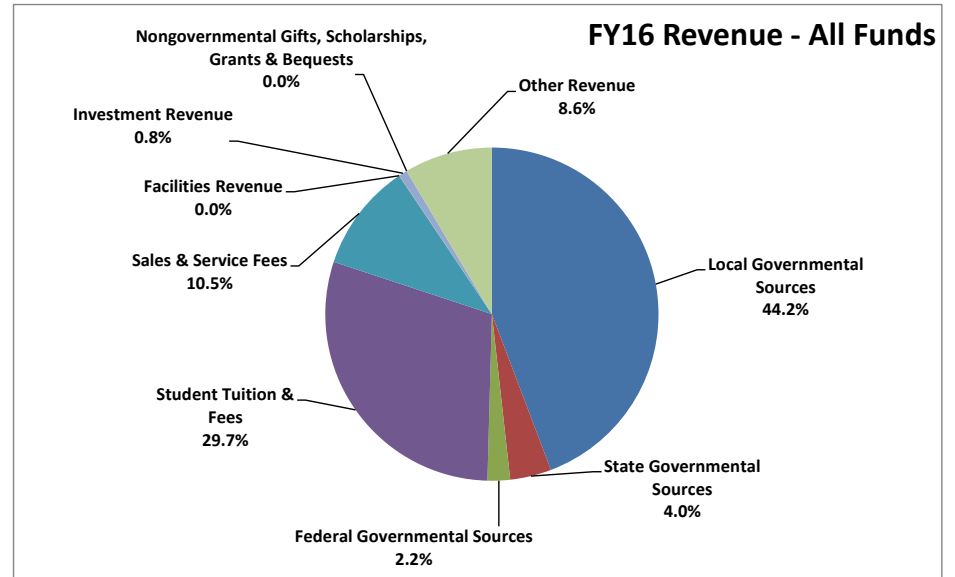
	01	02	03	05	06	07	08	09	11	12
All Funds	Education Fund	Operations & Maintenance Fund	Operations & Maintenance (Restricted) Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	General Fixed Asset Fund	General Long-Debt Fund	Audit Fund	Liability Protection & Settlement Fund
<b>Revenue</b>										
Local Governmental Sources	7,055,837	5,995,265	696,621	-	-	-	-	-	18,752	345,199
State Governmental Sources	757,601	439,355	160,915	-	-	157,330	-	-	-	-
Federal Governmental Sources	109,921	-	-	-	-	109,921	-	-	-	-
Student Tuition & Fees	6,462,818	5,673,906	702,209	-	86,703	-	-	-	-	-
Sales & Service Fees	1,774,936	109,761	-	-	1,665,175	-	-	-	-	-
Facilities Revenue	9,413	-	-	-	9,413	-	-	-	-	-
Investment Revenue	36,230	18,676	1,055	12,529	-	-	2,163	-	-	1,806
Nongovernmental Gifts, Scholarships, Grants & Bequests	12,913	-	-	-	-	12,913	-	-	-	-
Other Revenue	1,692,801	1,685,400	7,300	-	100	-	-	-	-	-
<b>Total Revenue</b>	<b>17,912,469</b>	<b>13,922,364</b>	<b>1,568,100</b>	<b>12,529</b>	<b>1,761,391</b>	<b>280,164</b>	<b>2,163</b>	<b>-</b>	<b>18,752</b>	<b>347,005</b>
<b>Expenditures</b>										
Salaries	8,185,728	7,166,596	150,833	-	508,522	235,481	-	-	-	124,295
Employee Benefits	3,404,740	3,009,136	33,775	-	83,944	21,644	-	-	-	256,241
Contractual Services	962,221	472,638	267,122	-	147,139	15,076	-	-	50,500	9,747
General Materials & Supplies	1,937,518	521,501	56,981	-	1,336,882	17,512	-	-	-	4,642
Travel & Conference/Meeting	94,138	80,031	2,984	-	7,719	2,554	-	-	-	850
Fixed Charges	123,962	332,071	5,148	-	10,534	-	-	(238,126)	-	14,335
Utilities	232,982	49,138	182,227	-	855	-	-	-	-	762
Capital Outlay	1,453,632	107,475	1,714,889	-	-	-	(368,732)	-	-	-
Other Expenditures	2,349,306	219,974	-	-	6	2,129,326	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>18,744,225</b>	<b>11,958,560</b>	<b>2,413,959</b>	<b>-</b>	<b>2,095,600</b>	<b>2,421,593</b>	<b>-</b>	<b>(368,732)</b>	<b>(238,126)</b>	<b>410,871</b>
<b>Excess/(deficit) of revenues over expenditures</b>	<b>(831,757)</b>	<b>1,963,804</b>	<b>(845,859)</b>	<b>12,529</b>	<b>(334,209)</b>	<b>(2,141,429)</b>	<b>2,163</b>	<b>368,732</b>	<b>238,126</b>	<b>(31,748)</b>
Operating transfers in	-	-	-	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-	-	-	-
Beginning Fund Balance	81,371,841	16,869,224	7,589,495	10,747,947	947,291	42,263	2,861,877	48,027,123	(6,662,802)	86,998
Ending Fund Balance	80,540,084	18,833,028	6,743,636	10,760,476	613,082	(2,099,166)	2,864,040	48,395,855	(6,424,676)	798,559

All Funds Statement of Activities (Income Statement)  
October 31, 2016

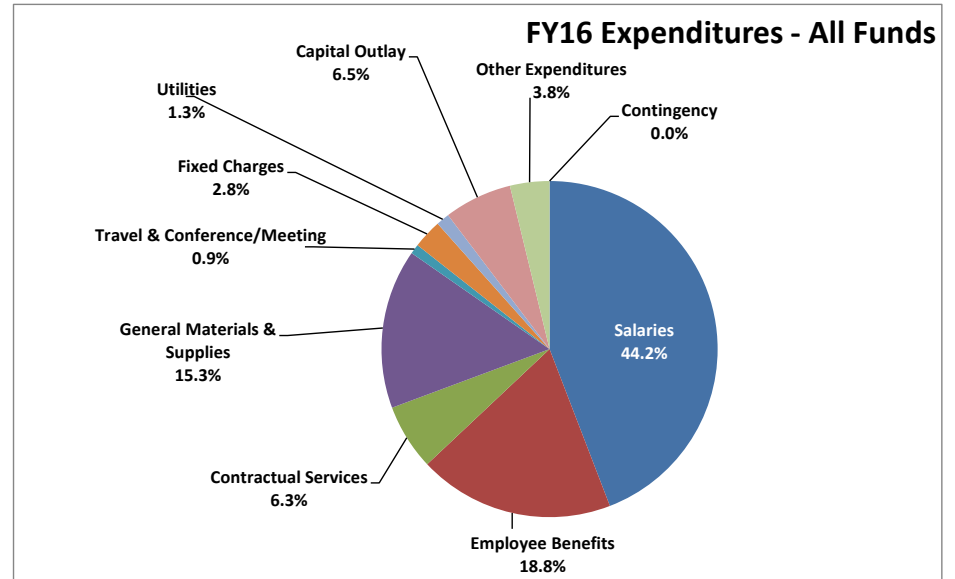
Total Revenue = \$ 17,912,469



Total Revenue = \$ 15,952,352



Total Expense = \$ 18,744,225



Total Expense = \$ 13,478,385

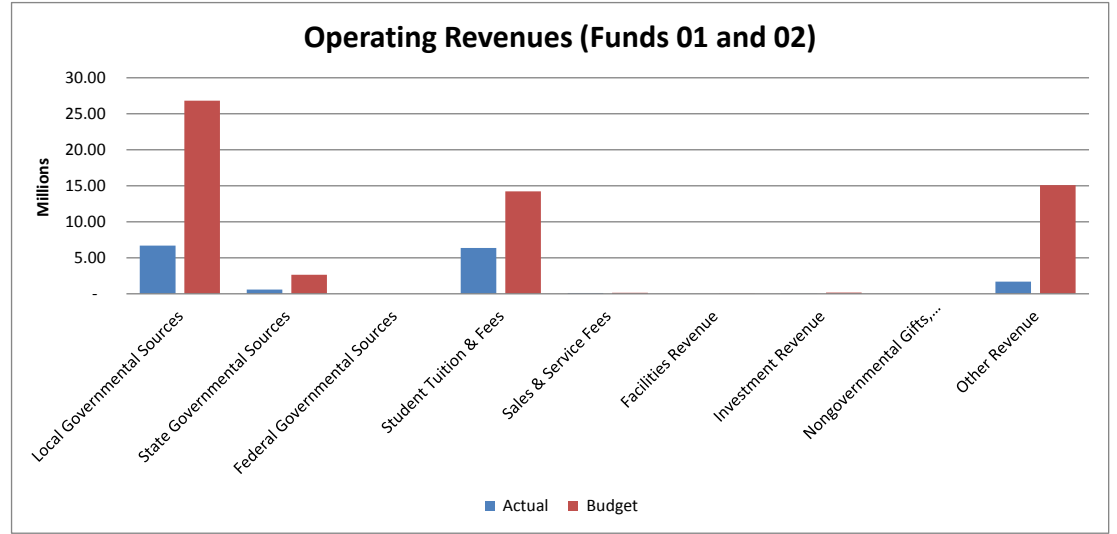
**Operating (Funds 01 & 02) Statement of Activities**  
**October 31, 2016**

	FY17			FY16			FY17 Change Over FY16	% Change
	Actual	Budget		Actual	Budget			
<b>Revenue</b>								
Local Governmental Sources	\$ 6,691,886	\$ 26,818,195	25.0%	\$ 8,959,878	\$ 26,879,739	33.3%	\$ (2,267,992)	-25.3%
State Governmental Sources	600,270	2,654,715	22.6%	846,506	2,705,892	31.3%	\$ (246,236)	-29.1%
Federal Governmental Sources	-	-	0.0%	-	-	0.0%	\$ -	0.0%
Student Tuition & Fees	6,376,115	14,229,788	44.8%	6,082,873	14,589,696	41.7%	\$ 293,242	4.8%
Sales & Service Fees	109,761	150,400	73.0%	101,865	170,000	59.9%	\$ 7,896	7.8%
Facilities Revenue	-	11,000	0.0%	-	18,000	0.0%	\$ -	0.0%
Investment Revenue	19,731	185,712	10.6%	60,241	243,487	24.7%	\$ (40,510)	-67.2%
Nongovernmental Gifts, Scholarships, Grants & Bequests	-	-	0.0%	-	-	0.0%	\$ -	0.0%
Other Revenue	1,692,701	15,102,534	11.2%	1,915,144	14,380,465	13.3%	\$ (222,443)	-11.6%
<b>Total Revenue</b>	<b>\$ 15,490,464</b>	<b>\$ 59,152,344</b>	<b>26.2%</b>	<b>\$ 17,966,507</b>	<b>\$ 58,987,279</b>	<b>30.5%</b>	<b>\$ (2,476,043)</b>	<b>-13.8%</b>
<b>Expenditures</b>								
Salaries	\$ 7,317,430	\$ 26,514,982	27.6%	\$ 8,097,575	\$ 27,545,553	29.4%	\$ (780,146)	-9.6%
Employee Benefits	3,042,911	19,113,381	15.9%	2,876,690	17,723,016	16.2%	\$ 166,221	5.8%
Contractual Services	739,760	4,599,114	16.1%	1,007,087	4,952,313	20.3%	\$ (267,327)	-26.5%
General Materials & Supplies	578,483	2,943,160	19.7%	655,479	2,880,307	22.8%	\$ (76,997)	-11.7%
Travel & Conference/Meeting	83,015	662,769	12.5%	182,228	723,477	25.2%	\$ (99,213)	-54.4%
Fixed Charges	337,219	1,849,310	18.2%	392,403	1,834,662	21.4%	\$ (55,184)	-14.1%
Utilities	231,365	1,027,945	22.5%	244,095	1,032,670	23.6%	\$ (12,731)	-5.2%
Capital Outlay	1,822,364	3,939,844	46.3%	329,993	5,706,522	5.8%	\$ 1,492,371	452.2%
Other Expenditures	219,974	882,200	24.9%	235,387	854,700	27.5%	\$ (15,413)	-6.5%
Contingency	-	500,000	0.0%	-	1,450,000	0.0%	\$ -	0.0%
<b>Total Expenditures</b>	<b>\$ 14,372,519</b>	<b>\$ 62,032,705</b>	<b>23.2%</b>	<b>\$ 14,020,937</b>	<b>\$ 64,703,220</b>	<b>21.7%</b>	<b>\$ 351,582</b>	<b>2.5%</b>
<b>Excess/(deficit) of revenues over expenditures</b>	<b>\$ 1,117,946</b>	<b>\$ (2,880,361)</b>		<b>\$ 3,945,571</b>	<b>\$ (5,715,941)</b>		<b>\$ (2,827,625)</b>	<b>-71.7%</b>
Net Transfers Out/(In)	\$ -	\$ -		\$ -	\$ 1,429,000		\$ -	0.0%
<b>Net Operating Funds Surplus/(Deficit)</b>	<b>\$ 1,117,946</b>	<b>\$ (2,880,361)</b>		<b>\$ 3,945,571</b>	<b>\$ (7,144,941)</b>		<b>\$ (2,827,625)</b>	<b>-71.7%</b>
<i>Operating Fund Balance Unassigned @33% based on Total Budgeted Expenditures*</i>		<i>20,677,568</i>			<i>21,567,740</i>			
<i>Less : Adj. for budgeted SURS Pass Thru (\$9.75m &amp; \$9.00m, respectively) *.3334</i>		<i>3,250,000</i>			<i>3,000,000</i>			
<i>Adj. for Contingency (\$0.5m &amp; \$1.45m, respectively) x .3334</i>		<i>166,667</i>			<i>483,333</i>			
<i>Unassigned Fund Balance needed @ 33% of adjusted budgeted expenditures (a)</i>		<i>17,260,902</i>			<i>18,084,407</i>			
<i>Unaudited Beginning Fund Balance</i>	<i>24,458,719</i>	<i>24,458,719</i>		<i>25,479,514</i>	<i>25,479,514</i>			
<i>Net Operating Funds Surplus/(Deficit)</i>	<i>1,117,946</i>	<i>(2,880,361)</i>		<i>3,945,571</i>	<i>(7,144,941)</i>			
<i>Add back Contingency (assumption is it is not used)</i>		<i>500,000</i>			<i>1,450,000</i>			
<i>Calculated YTD Ending Fund Balance (budget estimate) (b)</i>	<i>\$ 25,576,665</i>	<i>\$ 22,078,358</i>		<i>\$ 29,425,085</i>	<i>\$ 19,784,573</i>			
<i>Amount Over/(Under) Fund balance reserve (b)-(a)</i>		<i>4,817,456.33</i>			<i>1,700,166</i>			

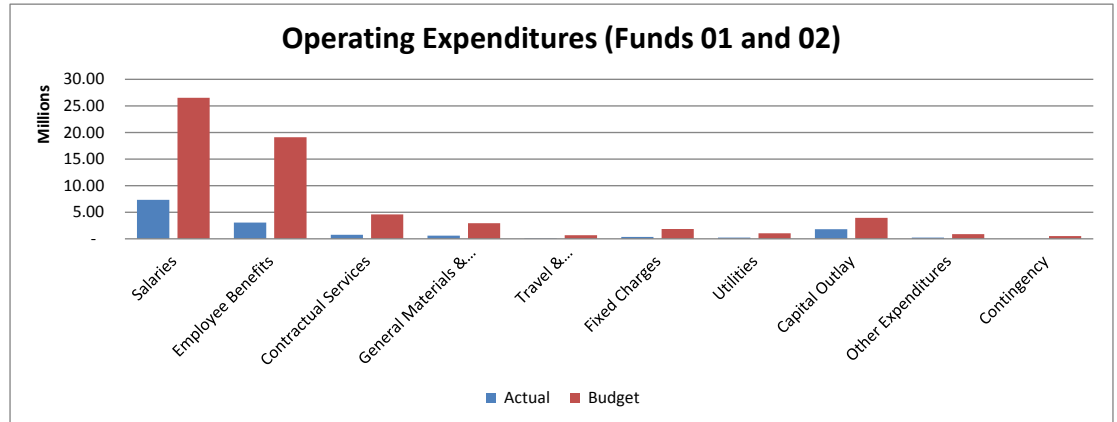
\*Net of Transfers Out/(In) and contingency

**Operating Funds - Statement of Activities**  
**October 31, 2016**

	Actual	Budget
<b>Revenue</b>		
Local Governmental Sources	6,691,886.18	26,818,195.00
State Governmental Sources	600,270.17	2,654,715.00
Federal Governmental Sources	-	-
Student Tuition & Fees	6,376,115.41	14,229,788.00
Sales & Service Fees	109,760.50	150,400.00
Facilities Revenue	-	11,000.00
Investment Revenue	19,731.30	185,712.00
Nongovernmental Gifts, Scholarships, Grants & Bequests	-	-
Other Revenue	1,692,700.80	15,102,534.00
<b>Total Revenue</b>	<b>15,490,464.36</b>	<b>59,152,344.00</b>



<b>Expenditures</b>		
Salaries	7,317,429.53	26,514,982.00
Employee Benefits	3,042,910.63	19,113,381.00
Contractual Services	739,759.82	4,599,114.00
General Materials & Supplies	578,482.66	2,943,160.00
Travel & Conference/Meeting	83,014.72	662,769.00
Fixed Charges	337,218.99	1,849,310.00
Utilities	231,364.89	1,027,945.00
Capital Outlay	1,822,363.90	3,939,844.00
Other Expenditures	219,973.72	882,200.00
Contingency	-	500,000.00
<b>Total Expenditures</b>	<b>14,372,518.86</b>	<b>62,032,705.00</b>
<b>Excess/(deficit) of revenues over expenditures</b>	<b>1,117,945.50</b>	<b>(2,880,361.00)</b>



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.

On January 2, 2017 the *Local Government Travel Expense Control Act* becomes effective. The proposed changes to the policy will required Trustees to seek approval from the Board to travel as well as approval for reimbursement for any expenses that may occur and in accordance with the new policy 2.15 Reimbursement of Travel, Meals, and Lodging Expenses (pending Board approval).

Approved as presented on \_\_\_\_\_  Approved with noted changes on \_\_\_\_\_  Under advisement



---

**Current policy**

**1.9 REIMBURSEMENT FOR EXPENSES**

Members of the Board of Trustees may apply for reimbursement for travel, sustenance meals, lodging, and other direct expenses incurred while engaged in the performance of board duties.

---

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

**1.9 REIMBURSEMENT FOR EXPENSES**

Members of the Board of Trustees may apply for reimbursement for travel, ~~sustenance meals, lodging, and other direct~~ expenses incurred while engaged in the performance of board duties.

All Board travel, meals, and/or lodging, subject to reimbursement or paid for by the College on behalf of a Board member(s), shall be approved by the Board of Trustees and in accordance with the Reimbursement of Travel, Meals, and Lodging Expenses policy.

All Board reimbursement/on-behalf payments for Board member(s) shall be posted on the College's website.

Board member(s), requesting reimbursement or on-behalf payments, shall submit to the full Board of Trustees a summary written report describing the benefit(s) of the event attended or the reason for the travel.

**Final policy**

**1.9 REIMBURSEMENT FOR EXPENSES**

Members of the Board of Trustees may apply for reimbursement for travel expenses incurred while engaged in the performance of board duties.

All Board travel, meals, and/or lodging, subject to reimbursement or paid for by the College on behalf of a Board member(s), shall be approved by the Board of Trustees and in accordance with the Reimbursement of Travel, Meals, and Lodging Expenses policy.

All Board reimbursement/on-behalf payments for Board member(s) shall be posted on the College's website.

Board member(s), requesting reimbursement or on-behalf payments, shall submit to the full Board of Trustees a summary written report describing the benefit(s) of the event attended or the reason for the travel.

Approved as presented on \_\_\_\_\_  Approved with noted changes on \_\_\_\_\_  Under advisement

Memorandum of Agreement  
Between the Board of Trustees of McHenry County College  
and  
McHenry County College Faculty Association

Information

A Memorandum of Agreement for the MCC Faculty Association Contract is recommended for approval. This memorandum refers to the Family Medical Leave Act (FMLA) whereas the College and the Faculty Association are parties for a Collective Bargaining Agreement (CBA), which provides that a faculty member eligible for FMLA leave may use available accrued sick leave, or otherwise request to take unpaid FMLA leave, when such leave is for a purpose that the employee otherwise would be eligible to use accrued sick days.

The MCC Faculty Association has request permission to use accrued and unused sick leave days during the time when a faculty member is on FMLA leave, following the birth or adoption of a child (parental bonding), regardless of whether the faculty member or the child has a serious illness, as stated in Section 14.1 of the CBA. However, a faculty member may not use Faculty Association Sick Leave Pool days for this purpose. This agreement is not intended to reopen or amend the current CBA.

Recommendation

It is recommended that the Board of Trustees approves the Memorandum of Agreement between the Board of Trustees of McHenry County College and McHenry County College Faculty Association.



Clinton E. Gabbard  
President