# BOARD OF TRUSTEES MCHENRY COUNTY COLLEGE DISTRICT #528

Tuesday, April 19, 2022 6:00 p.m.



MCC Board Room, A217 8900 US Highway 14 Crystal Lake, IL 60012

# COMMITTEE OF THE WHOLE MEETING

## AGENDA

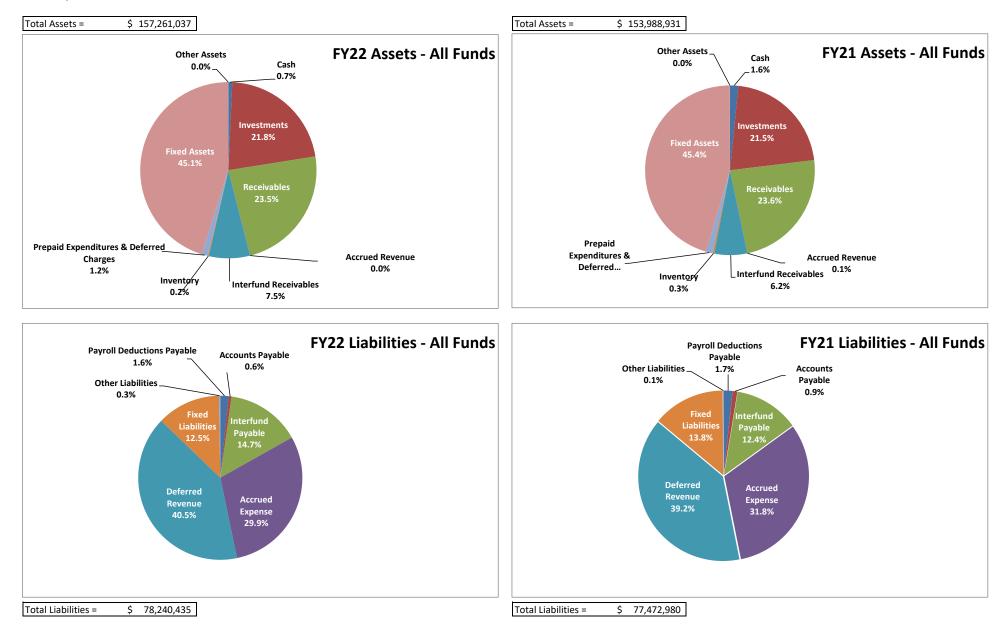
- 1. Call to Order
- 2. Roll Call
- 3. Acceptance of Agenda
- 4. Acceptance of Minutes: Committee of the Whole, March 15, 2022
- 5. Open for Recognition of Public Comments
- 6. President's Report
- 7. March Financial Statements: Mr. Bob Tenuta
- 8. Policy Changes- First Reading
  - A. 2.13 Records Retention (Appendix C)
  - B. 3.2.2 Administrative Contracts and 3.2.4 Classified and Professional Employees
- 9. Future Agenda Items/Summary Comments by Board Members
- 10. Closed Session
  - A. 120/2(c) Exception #21, Review of Closed Session Minutes
  - B. Other matters as pertain to the exceptions of the Open Meetings Act
- 11. Acceptance of Closed Session Minutes of February 15, 2022 Committee of the Whole Meeting
- 12. Adjournment

game toba

Suzanne Hoban Chair

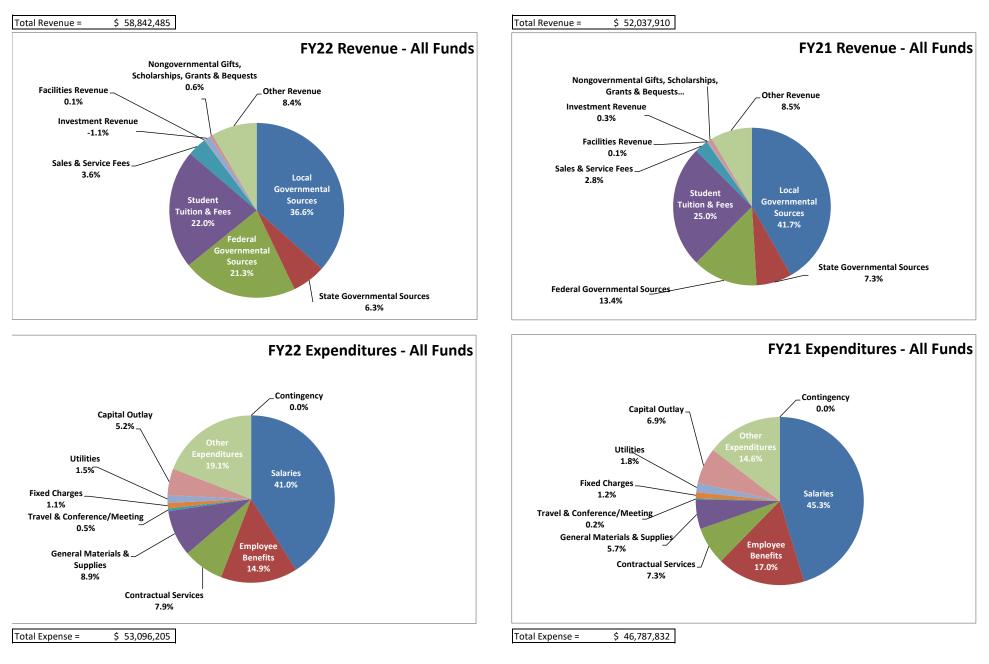
All Funds Statement of Net Position (Balance Sheet)		01	02	03	04	05	06	07	08	09	10	11	12	17
March 31, 2022	All Funds	Education Fund	Operations & Maintenance Fund	Operations & Maintenance (Restricted) Fund	Bond & Interest Fund	Auxilliary Entrerprises Fund	Restricted Purposes Fund	Working Cash Fund	General Fixed Asset Fund	General Long Debt Fund	Trust & Agency Fund	Audit Fund	Liability Protection & Settlement Fund	OPEB Fund
Assets														
Cash	1,119,209	-	-	-	382,893.84	(0)	0	95,646	-		- 416,972	41,822	-	181,875
Investments	34,248,211	13,488,868	1,018,545	14,749,289	) –	-	-	2,918,690	-				2,072,819	-
Receivables	36,967,666	33,648,535	2,571,487	-		10,691	(40,490)	-	-			75,000	702,444	-
Accrued Revenue	73,250	17,184	1,575	48,555		-	-	3,234	-			-	2,701	-
Interfund Receivables	11,837,676	4,648,205	6,596,829	1,715	16,005	695,595	(579,532)	-	-		- (2,629)	(6,637)	0	468,125
Inventory	247,431	-	-	-		247,431	-	-	-			-	-	-
Prepaid Expenditures & Deferred Charges	1,840,101	943,310	16,668	-		22,816	83,365	-	-	119,18	3 -	-	61,078	593,681
Fixed Assets	70,903,135	-	-	-		-	-	-	70,903,135			-	-	-
Other Assets	24,358		-		-	-	-	-	-	24,35	8 -		-	-
Total Assets	157,261,037	52,746,101	10,205,104	14,799,559	398,899	976,533	(536,657)	3,017,571	70,903,135	143,54	1 414,344	110,185	2,839,042	1,243,681
Liabilities														
Payroll Deductions Payable	1,279,180	1,126,424	33,297	-		119,460	-	-	-				-	-
Accounts Payable	443,060	430,457	-	-		354	12,248	-	-				-	-
Interfund Payable	11,464,840	-	-	9,336,378		216,987	192,760	-	-			-	1,718,715	-
Accrued Expense	23,381,826	-	-	-		-	-	-	-			-	-	23,381,826
Deferred Revenue	31,657,686	23,216,423	1,982,686	6,873	64,148	14,233	-	-	-			56,250	526,833	5,790,240
Fixed Liabilities	9,809,907	-	-	-		-	-	-	-	9,809,90	7 -	-	-	-
Other Liabilities	203,937	45,853	-	-	-	158,084	-	-	-				-	-
Total Liabilities	78,240,435	24,819,158	2,015,982	9,343,251	. 64,148	509,118	205,008	-	-	9,809,90	7 -	56,250	2,245,548	29,172,066
Designated Fund Balance	79,020,601	27,926,943	8,189,122	5,456,308	334,751	467,416	(741,665)	3,017,571	70,903,135	(9,666,366	6) 414,344	53,935	593,494	(27,928,385)
Assigned Fund Balance														
33% Unassigned for annual budgeted expenditures Other Designated Reserves	19,160,136 0	16,938,640	2,221,497											
Capital Improvement/Investment in Capital Assets	76,359,443			5,456,308	. 0				70,903,135					
Liabilities, Protection, and Settlement	-37,144,798									-9,809,90	7		593,494	-27,928,385
Working Cash/Other Restricted	1,476,613						-741,665	1,750,000			414,344	53,935		
Remaining Unassigned Balance	19,169,207	10,988,303	5,967,625	0	334,751	467,416	0	1,267,571	0	143,54	1 0	0	0	0

All Funds Statement of Net Position (Balance Sheet) March 31, 2022



All Funds <u>Statement of Activities</u> (Income Statement)		01	02	03	04	05	06	07	08	09	10	11	12 Liability	17
March 31, 2022	All Funds	Education Fund	Operations & Maintenance Fund	Operations & Maintenance (Restricted) Fund	Bond and Interest	Auxilliary Entrerprises Fund	Restricted Purposes Fund	Working Cash Fund	General Fixed Asset Fund	General Long- Debt Fund	Trust & Agency Fund	Audit Fund	Protection & Settlement Fund	OPEB Fund
Revenue														
Local Governmental Sources	22,049,624	19,476,146	1,990,912	-	-	-	-	-	-	-	-	56,224	526,342	-
State Governmental Sources	3,767,800	2,378,121	648,848	-	-	-	740,831	-	-	-	-	-	-	-
Federal Governmental Sources	12,833,392	1,328	-	-	-	-	12,832,064	-	-	-	-	-	-	-
Student Tuition & Fees	13,267,714	10,426,442	1,347,534	79,191	739,138	675,408	-	-	-	-	-	-	-	-
Sales & Service Fees	2,155,121	37,443	-	-	-	2,117,679	-	-	-	-	-	-	-	-
Facilities Revenue	33,672	17,166	-	-	-	16,506	-	-	-	-	-	-	-	-
Investment Revenue	(683,636)	(334,388)	(19,011)	(258,610)	-	-	-	(39,029)	-	-	-	-	(32,598)	-
Nongovernmental Gifts, Scholarships, Grants &														
Bequests	351,721	21,559	-	-	-	2,855	194,523	-	-	-	132,784	-	-	-
Other Revenue	5,067,078	4,434,393	35,081	481,005	-	-	-	-	533,761	(481,005)	63,842	-	-	-
Total Revenue	58,842,485	36,458,210	4,003,364	301,586	739,138	2,812,447	13,767,418	(39,029)	533,761	(481,005)	196,626	56,224	493,744	-
Expenditures														
Salaries	21,759,553	19,032,120	401,311	-	-	1,301,330	1,024,792	-	-	-	-	-	-	-
Employee Benefits	7,904,120	6,986,467	87,024	-	-	222,498	158,039	-	-	-	-	-	450,092	-
Contractual Services	4,200,477	2,160,048	1,030,484	18,773	-	346,788	590,384	-	-	-	-	54,000	-	-
General Materials & Supplies	4,726,372	1,877,537	804,427	-	-	956,970	1,087,438	-	-	-	-	-	-	-
Travel & Conference/Meeting	273,425	179,096	10,212	-	-	39,517	44,601	-	-	-	-	-	-	-
Fixed Charges	573,490	1,351,650	32,442	-	626,200	9,836	-	-	-	(1,515,544)	-	-	68,906	-
Utilities	776,949	162,062	614,888	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	2,740,724	77,756	999,401	481,005	-	12,699	1,291,010	-	(121,148)	-	-	-	-	-
Other Expenditures	10,141,095		-	-	-	5,527	9,337,324	-	-	-	190,604	-	-	-
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	53,096,205	32,434,375	3,980,189	499,778	626,200	2,895,164	13,533,589	-	(121,148)	(1,515,544)	190,604	54,000	518,998	-
Excess/(deficit) of revenues over expenditures	5,746,280	4,023,835	23,175	(198,192)	112,938	(82,717)	233,830	(39,029)	654,909	1,034,539	6,022	2,224	(25,254)	
Operating transfers in	-	-	-	-		-	-	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-		-		-	-	-	-	-
	_		_				_	_						
Beginning Fund Balance	74,469,295	24,117,766	8,193,267	5,654,508	221,886	522,810	(4,525)	3,056,600	70,248,226	(10,700,905)	410,950	58,348	618,749	(27,928,385)
Ending Fund Balance	80,215,575	28,141,601	8,216,442	5,456,316	334,824	440,093	229,305	3,017,571	70,903,135	(9,666,366)	416,972	60,572	593,495	(27,928,385)

All Funds Statement of Activities (Income Statement) March 31, 2022



# Operating Funds Net of SURS/Investments

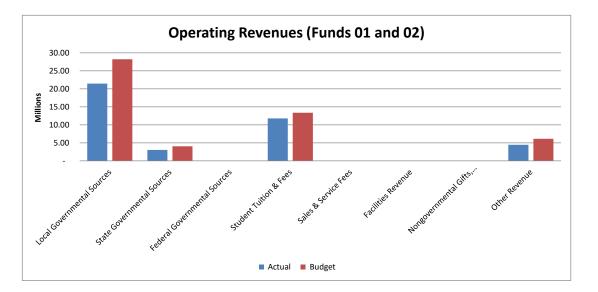
# Operating (Funds 01 & 02) Statement of Activities (Net of SURS/Investments)

March 31, 2022							FY2	21				FY22 Act.
		FY22						ual to:	FY21		Change Over	
	Y	TD Actual	١	TD Budget		ull Budget	YTD Bud.	Full Bud.	1	YTD Actual	_	FY21 Act.
Revenue												
Local Governmental Sources	\$	21,467,058	\$	21,096,347	\$	28,225,058	101.8%	76.1%	\$	20,790,019	\$	677,039
State Governmental Sources		3,026,968		3,031,914		4,056,435	99.8%	74.6%		2,889,867	\$	137,101
Federal Governmental Sources		1,328		-		-	0.0%	0.0%		50,261	\$	(48,933)
Student Tuition & Fees		11,773,976		10,885,694		13,350,427	108.2%	88.2%		11,581,663	\$	192,313
Sales & Service Fees		37,443		39,427		52,750	95.0%	71.0%		2,709	\$	34,733
Facilities Revenue		17,166		14,176		18,966	121.1%	90.5%		17,166	\$	-
Nongovernmental Gifts		21,559		8,222		11,000	262.2%	196.0%		2,291	\$	19,268
Other Revenue		4,469,475		4,575,674		6,121,850	97.7%	73.0%		4,400,380	\$	69,095
Total Revenue	\$	40,814,973	\$	39,651,455	\$	51,836,486	102.9%	78.7%	\$	39,734,358	\$	1,080,615
Expenditures												
Salaries	\$	19,433,431	\$	21,076,104	\$	28,197,974	92.2%	68.9%	\$	18,921,732	\$	511,699
Employee Benefits		7,073,491		7,895,683		10,563,730	89.6%	67.0%		6,993,431	\$	80,060
Contractual Services		3,190,532		3,102,841		4,151,328	102.8%	76.9%		2,878,979	\$	311,553
General Materials & Supplies		2,681,963		2,364,688		3,163,744	113.4%	84.8%		1,756,513	\$	925,450
Travel & Conference/Meeting		189,308		205,470		274,901	92.1%	68.9%		85,495	\$	103,812
Fixed Charges		1,384,092		1,208,268		1,616,557	114.6%	85.6%		1,468,432	\$	(84,340)
Utilities		776,949		906,264		1,212,502	85.7%	64.1%		834,626	\$	(57,676)
Capital Outlay		1,077,157		2,070,577		2,770,250	52.0%	38.9%		450,029	\$	627,129
Other Expenditures		607,640		678,525		907,807	89.6%	66.9%		705,493	\$	(97,853)
Contingency		-		112,115		150,000	0.0%	0.0%		-	\$	-
Total Expenditures	\$	36,414,564	\$	39,620,535	\$	53,008,793	91.9%	68.7%	\$	34,094,730	\$	2,319,833
Surplus/(deficit)	\$	4,400,409	\$	30,920	\$	(1,172,307)			\$	5,639,628	\$	(1,239,218)
Net Transfers Out/(In)	\$	-			\$	1,000,000			\$	700,000	\$	(700,000)
Net Operating Funds Surplus/(Deficit)	\$	4,400,409	\$	30,920	\$	(2,172,307)			\$	4,939,628	\$	(539,218)
Beginning Fund Balance		32,311,033		32,311,033		32,311,033		<u> </u>		29,109,315		
Net Operating Funds Surplus/(Deficit)		4,400,409		30,920		(2,172,307)				4,939,628		
Add: Contingency (assumption is it is not used)						150,000						
Calculated YTD Ending Fund Balance (b)	\$	36,711,442	\$	32,341,953	\$	30,288,726			\$	34,048,943		

#### **Operating Funds - Statement of Activities**

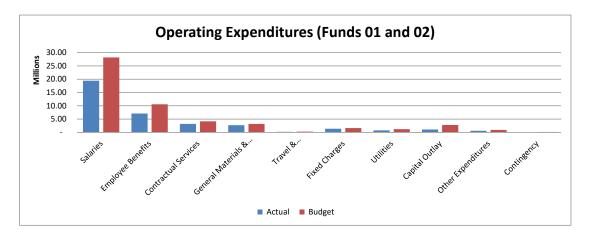
March 31, 2022

	Actual	Budget
Revenue		
Local Governmental Sources	21,467,058.01	28,225,058.00
State Governmental Sources	3,026,968.32	4,056,435.00
Federal Governmental Sources	1,328.00	-
Student Tuition & Fees	11,773,976.41	13,350,427.00
Sales & Service Fees	37,442.50	52,750.00
Facilities Revenue	17,166.00	18,966.00
Nongovernmental Gifts, Scholarships, Grants & Bequests	21,559.08	11,000.00
Other Revenue	4,469,474.66	6,121,850.00
Total Revenue	40,814,972.98	51,836,486.00



36,414,563.58	53,008,793.00
-	150,000.00
607,640.08	907,807.00
1,077,157.25	2,770,250.00
776,949.43	1,212,502.00
1,384,091.79	1,616,557.00
189,307.57	274,900.85
2,681,963.45	3,163,744.00
3,190,532.38	4,151,328.15
7,073,490.69	10,563,730.00
19,433,430.94	28,197,974.00
	7,073,490.69 3,190,532.38 2,681,963.45 189,307.57 1,384,091.79 776,949.43 1,077,157.25 607,640.08

\*#N/A or "-" indicates that there is no activity to record for this category in Fund 01 or 02.





College administration suggests that the College revise Appendix C of the Records Retention Policy to better reflect current backup processes and technologies. The revision also removes extraneous information.

Current Policy (Appendix C)

## APPENDIX C – Electronic Data Backup Routines and Record Storage

McHenry County College performs two forms of periodic electronic data backups. One form pertains to the file system where users and applications store data to on-premises file servers in a variety of formats such a PDF's, Microsoft Office, text files, binary system files, and a number of other formats. etc.

MCC Information Technology policies require all users to store their files on College MCC servers or MCC-provided hosted locations. Storage of files on local computer hard drives is not allowed. The other form of backup regards-pertains to the College's virtualized computer systems running on VMware in the College's Data Center. Data Center servers are primarily virtualized, where a few large physical servers each run a large number of many virtual servers withineach physical server. One physical server may run as many as 30-50 virtual servers on one single physical system. As of this writing, there are over 200 virtual servers in the College's Data Center. This virtual environment requires a different form of backup which is "virtual-aware" and is performed usinga well-known industry and regarded data backup product. called Commvault.

The schedule of backups for each of the two forms of backup are is noted below:

## File system backups:

- Run daily on a scheduled basis to assure the data is secure and will not be lost in the event of a file server resourcefailure:
  - Full backups (all data) are run on Friday evenings/Saturday mornings. Weekly.
  - Incremental backups (e.g. only data changed since the last full backup) are run on Saturday evenings provided the targeted system's Friday/Saturday full backup job hascompleted. These incremental backups continue to run through Thursday evening. at least daily.
- Data from the above backups are stored on online disk storage for thirty days in a manner to allow for fast recovery. This online disk storage is These backups are replicated to a separate Data Center located nine milesaway from the main campus at another College owned facility, an off-site location for redundancy purposes.
- Monthly copies/snapshots of the disk-based backups are written to tape starting the first Fridayof the month also created on a scheduled basis and are kept for three years.
  - Tapes for the previous month's backups are sent offsite to Iron Mountain, otherwisetapes are kept in a fireproof safe on the main campus.
  - o These backups are stored in approved locations for the duration of retention.

## Virtual System (VM) Backups:

• VM full backups are run on a weekly basis on Friday evenings and Saturday mornings and are

kept for 30 days with the exception of except for some highly used volatile server resources that are backed up on a daily basis. This includes the ERP system, which is backed up on a daily basis. Incremental backups of the virtual environment are not necessary because incremental backups are already run for file system backups (see above).

- Data from the above backups are stored on online disk storage for thirty days in a manner to allow for fast recovery. This online disk storage is These backups are replicated to a separate Data Center located nine milesaway from the main campus at another College owned facility an off-site location, for redundancy purposes.
- Monthly copies/snapshots of the disk-based backups are written to tape starting the first Fridayof the month also created on a scheduled basis and are kept for three years.
  - Tapes for the previous month's <u>These</u> backups are sent offsite to Iron Mountain, stored in approved locations for the duration of retention. Otherwise tapes are kept in a fireproof safe on the main campus.

Proposed Policy (Appendix C)

# APPENDIX C – Electronic Data Backup Routines and Record Storage

McHenry County College performs two forms of periodic electronic data backups. One form pertains to the file system where users and applications store data to on-premises file servers in a variety of formats such a PDF's, Microsoft Office, text files, binary system files, etc. MCC policies require all users to store their files on MCC servers or MCC-provided hosted locations. Storage of files on local computer hard drives is not allowed. The other form of backup pertains to the College's virtualized computer systems in the College's Data Center. Data Center servers are primarily virtualized, where a few large physical servers each run many virtual servers within each physical server. One physical server may run as many as 30-50 virtual servers on one single physical system. This virtual environment requires a different form of backup which is "virtual-aware" and is performed using a well-known and regarded data backup product.

The schedule for each of the two forms of backup is noted below:

# File system backups:

- Run on a scheduled basis to assure the data is secure and will not be lost in the event of a file server resource failure:
  - Full backups (all data) are run weekly.
  - Incremental backups (only data changed since the last full backup) are run at least daily.
- Data from the above backups are stored in a manner to allow for fast recovery. These backups are replicated to an off-site location for redundancy purposes.
- Monthly copies/snapshots of the backups are also created on a scheduled basis and are kept for three years.
  - $\circ$   $\;$  These backups are stored in approved locations for the duration of retention.



Policy Number/Title: 2.13 MCC Records Retention Policy and Procedures (Appendix C)

## Virtual System (VM) Backups:

- VM full backups are run on a weekly basis and are kept for 30 days except for some highly used volatile server resources that are backed up daily. This includes the ERP system, which is backed up daily. Incremental backups of the virtual environment are not necessary because incremental backups are already run for file system backups (see above).
- Data from the above backups are stored in a manner to allow for fast recovery. These backups are replicated to an off-site location for redundancy purposes.
- Monthly copies/snapshots of the backups are also created on a scheduled basis and are kept for three years.
  - $\circ$  These backups are stored in approved locations for the duration of retention.



College administration suggests that the College revise two (2) Board policies within the Human Resources section of the Board Policy Manual to update language to current terminology and practice. Revised policies include:

3.2.2. ADMINISTRATIVE CONTRACTS (Revised 09/27/12, 8/25/16) 3.2.4 CLASSIFIED AND PROESSIONAL EMPLOYEES (Revised 9/27/12, 8/25/16)

# **Current Policy with Edits**

# 3.2.2. ADMINISTRATIVE CONTRACTS (Revised 09/27/12, 8/25/16, and 04-28-22)

The Board approves all full-time administrative notification of assignments on a fiscal year contractual basis. Employment of administrative employees is at-will.

# **Proposed Policy**

# 3.2.2. ADMINISTRATIVE CONTRACTS (Revised 09/27/12, 8/25/16, and 04-28-22)

The Board approves all full-time administrative notification of assignments on a fiscal year basis. Employment of administrative employees is at-will.

## **Current Policy with Edits**

# 3.2.4. CLASSIFIED AND PROFESSIONALHOURLY AND SALARIED STAFF EMPLOYEES (Revised 09/27/12, 8/25/16, and 04-28-22)

The Board-Staff Council Contract and any applicable law shall provide the <u>bases\_basis</u> for College employment practices for all <u>classified and professionalhourly and salaried staff</u> employees. The Board of Trustees retains the prerogative of adopting additional policies relating to <u>classified and professional hourly and salaried staff</u> employment which are determined to be necessary for the effective operation of the College and which do not conflict with provisions contained within the Board-Staff Council Contract and applicable law.

## **Proposed Policy**

# 3.2.4. HOURLY AND SALARIED STAFF EMPLOYEES (Revised 09/27/12, 8/25/16, and 04-28-22)

The Board-Staff Council Contract and any applicable law shall provide the basis for College employment practices for all hourly and salaried staff employees. The Board of Trustees retains



the prerogative of adopting additional policies relating to hourly and salaried staff employment which are determined to be necessary for the effective operation of the College and which do not conflict with provisions contained within the Board-Staff Council Contract and applicable law.