ROLL CALL/CALL TO ORDER

Mr. Shockey called the meeting to order at 8:31 a.m.

Members Present: Mr. Steve Kroeger, Mrs. Maurita Scharman, Mrs. Diane Gallagher, Mr. David Shockey, Mr. Rob Urish, Mr. Jim Endress, and Mr. Dan Dick (departed 10:33 a.m.)

Members Absent: Mr. Doug Block

Guests Present: Mr. Joe Mattingley, General Manager, the Galena Territory Association (departed 9:07 a.m.); Mr. Tony Miller, Ward, Murray, Pace & Johnson, Ltd. (arrived 10:07 a.m.; departed 11:10 a.m.)

Also Present: Dr. Joe Kanosky, President; Dr. Jeff Davidson, Vice President, Academic Services; Ms. Jill Janssen, Vice President, Administrative Services; Ms. Liz Gerber, Associate Vice President, Student Services; Ms. Rose Ferguson, Associate Vice President, Human Resources; and Ms. Terri Grimes, Board Secretary

OPENING REMARKS

Mr. Shockey opened the meeting and expressed his appreciation to Mr. Joe Mattingley, General Manager of the Galena Territory Association, for allowing us to use the Owner’s Club for today’s retreat.

PUBLIC COMMENTS

There were no public comments.

THE GALENA TERRITORY ASSOCIATION

Dr. Kanosky introduced Mr. Joe Mattingley, who is an alum of the Jo Daviess Leadership Forum. Mr. Mattingley stated that he and his staff are responsible for managing all the green space for the property owners in the Association. One-third of the Territory is set aside as green space. The Galena Territory provides 24% of the tax base in Jo Daviess County, and currently Highland receives $750,000 in taxes from the Association. Mr. Mattingley stated that currently
there are 12 students who live at the Galena Territory who attend River Ridge, Scales Mound, and Galena school districts.

**NATIONAL SCIENCE FOUNDATION GRANT**

Dr. Davidson provided an update on the National Science Foundation grant. Mr. Phil Pilcher has been hired as the Assistant Project Director, National Science Foundation (NSF) Wind Turbine Remote Laboratory Grant. Dr. Davidson is working on the subcontract agreement with Northern Illinois University. Video equipment will be purchased to use to create videos to be used in the project.

**OPENING DAY**

Dr. Davidson reported that 75 people responded to the Opening Days survey. One hundred percent (100%) of those responding believed that Dr. Kanosky’s and Mr. Shockey’s remarks were helpful or very helpful, and 85% of the updates were helpful or very helpful. Almost 80% of those who responded rated the Civic Reflections exercise as helpful/very helpful, and the Bigfoot and 911 presentation was also well received. Dr. Davidson stated that the Opening Days Committee is always looking for ideas for presentations, and encouraged suggestions from the Board, faculty and staff. The Civic Reflections presentation was suggested by Donna Tufariello, English instructor. Overall the comments on food during the two days were positive.

**FY’10 AND FY’11 BUDGETS** (Handouts #1 and #2)

Ms. Janssen distributed the debt certificate schedule, noting that the January 1, 2011 and July 1, 2011 payments have been budgeted in the FY’11 budget; however, she has been assured by Ms. Susan Atherton that at least the January payment is covered by the Foundation. There is also $640,000 remaining in the restricted fund that could pay one payment, if necessary. In addition, there is $4.4 million in the Matching Grant fund that has been informally designated for the payments in the event that the fundraising campaign does not reach its goal. Dr. Kanosky stated that there is currently a concerted effort toward obtaining a significant corporate donation for the wind building.

Ms. Janssen reported that in FY’09, she budgeted for a $280,000 deficit, and the actual deficit ended up at $58,000. In FY’10, she projected a $93,000 deficit and the preliminary indications are that we will end the year with a $259,000 surplus, basically due to changes in salaries and benefits, and the relationship between part-time and summer overload and tuition. The Health Insurance Fund ended with a balance of $2,060,000. If we had six months of costs in reserves, based on our current experience, we would need to have $1.2 million in the fund. Ms. Janssen reminded trustees that the College decreased insurance premiums by 3% last October and by 2% this past July, which will result in an estimated reduction in the FY’11 Health Insurance Fund balance of $300,000.
The FY’11 tentative budget projected a $135,350 deficit and included a $460,000 reduction in State funding. Ms. Janssen noted that the budget also includes a projected 1.5% increase in Equalized Assessed Valuation (EAV), the faculty step, and reductions in travel expenses of 10% across the board, and a decrease in capital of 50%. She believes that, based on information received from the county assessors, she may need to adjust the increase in EAV down to 1%, which will reduce revenue by about $18,000. Mr. Endress stated that he believes farmland EAVs statewide will increase by 10%. Dr. Kanosky distributed a handout showing that our Equalization funding from the State has decreased by $836,099 since FY’02, and is down $344,555 in FY’11.

Tuition revenue is currently coming in at a higher percentage, and Ms. Janssen is comfortable increasing tuition revenue in the permanent budget by about $300,000. Increased tuition also results in an increase in part-time and overload salaries so the net increase in revenue will be $200,000. In FY’11, some salaries will be able to be allocated to the Student Success grant. At the September Board meeting, trustees will also be presented with a recommendation to purchase a new phone system using Protection, Health & Safety funds.

Ms. Janssen provided a brief overview of the bond projects that will be funded through the technology bonds. In particular, she noted that by including the copier leases in the technology bonds, it will free up approximately $68,000 in the operating funds. A meeting was recently held with several biology instructors, as well as Mr. Kurt Simpson, Dr. Jeff Davidson, Mr. George Goldsworthy, architect Mr. Scott Johnson, and several other staff to discuss the proposed greenhouse. Mr. Johnson will prepare an estimate and present it to Ms. Janssen and Mr. Simpson for review.

**TAX LEVY**

Ms. Janssen presented information on the tax levy, which trustees will approve in November. If the amount we levy is 5% greater than the amount we collected last year, we must publish a Truth in Taxation notice in the newspaper. We have published the notice each year to ensure we levy enough to capture all of the EAV. This year we should be at about the same rate as last year. The levy is presented at the November Board meeting. We anticipate keeping the overall tax rate in the .48 range as in prior years. Some funds such as the Protection, Health & Safety (PH&S) Fund and Tort Fund were decreased to accommodate the new funding bond. The deadline for filing the tax levy with the county clerks is the last Tuesday in December.

Dr. Kanosky noted that, without a referendum, we can only increase the Bond and Tort Fund levies and suggested that somewhere down the road we might need to consider another referendum. Mrs. Gallagher expressed her belief that we need to add value to what the taxpayers are currently paying taxes to Highland for before we talk about increasing taxes.
ADP SOFTWARE

In the summer of 2009, HR began the transformation process of upgrading the HR/payroll system to a web-based product that includes time and attendance, employee self-service, including online W2s and check viewing capabilities, as well as a recruitment module. To date five modules have been implemented: HR Benefits Solution, ADP Reporting, Pay eXpert, eZ Labor Time and Attendance, and iPay. HR and Payroll staff has been trained on these systems. Approximately 170 regular employees (hourly and supervisors of hourly) have been trained on the eZ Labor system and iPay. This gives the employees the opportunity to look at their pay stubs and W2s online. Employees are being trained on the self-service module of the HR Benefits section and will be able to submit their time off requests online. This will be electronically connected to the timesheets, which saves the Payroll Specialist’s time and also reduces paper and postage costs.

Highland currently uses a manual system for tracking applicants. In FY'10, the College implemented an ADP applicant tracking system, but after completing one search with the system, it became apparent that there were several key components necessary for the search process that were not offered by the system. In the latter part of FY’10, HR staff participated in three webinars with top applicant tracking vendors — NeoGov, Interview Exchange and AppliTrack. After reviewing the product content, checking references and completing a cost comparison analysis, AppliTrack emerged as the best fit and cost for our institution. They are a vendor that has a strong customer base in K-12 education throughout Illinois, and currently provide services for Freeport School District #145.

At 9:56 a.m., the Chairperson declared a recess; the meeting resumed at 10:05 a.m.

CLOSED SESSION

Mr. Urish moved and Mr. Endress seconded the motion to move into Closed Session for the purposes of discussing the appointment, employment, compensation, discipline, performance or dismissal of specific employees; and, collective negotiating matters between the public body and its employees or their representatives, pursuant to the Open Meetings Act, and to return to Open Session for possible action. The roll call on the motion was as follows:

AYES: Scharman, Gallagher, Shockey, Urish, Endress, Kroeger, Dick
NAYS: None

At 10:07 a.m., the Chairperson declared the motion carried and the meeting in Closed Session.

Mr. Kroeger moved and Mrs. Gallagher seconded the motion to end the Closed Session. The roll call on the motion was as follows:
AYES: Gallagher, Shockey, Urish, Endress, Kroeger, Scharman, Dick
NAYS: None

At 11:20 a.m., the Chairperson declared the motion carried and the Closed Session ended.

**FIRST YEAR EXPERIENCE**

Ms. Gerber reported that in November, the College Council will look at what other colleges are doing with their First Year Experience Seminar (FYES). All first-time, full-time students are strongly advised to take FYES, a free 16-week, two-credit course. FYES is designed to allow students to assess their learning styles and strengths, and improve critical thinking, time management, and motivational skills. Survey results of FYES students show that 94% of the students completing the course agree that it meets its purpose, while 98% believed that it enhanced their skills and they became better students. Additional data shows that 75% of the First Year Experience completers were retained. The retention rate for successful completers of FYES is 73% compared to 48% for unsuccessful completers. Dr. Kanosky stated that we believe this is an important course for students that helps students to orient to college and teaches them how to be successful students.

**ENROLLMENT** (Handout #3)

Ms. Gerber stated that headcount is currently at 2,455. This is down 1% from last year, but up 10.9% from FY’08, 18.2% from FY’07, and 13.4% from FY’06. Enrollments for the High School Servant-Leadership Program and some dual credit courses still need to be entered. Credit hours currently stand at 27,700. She noted that drops and no shows were fewer this year than last. There is a 3% increase in credit hours from this time last year, which equates to a 15.3% increase over FY’08, 18.4% increase over FY’07, and 18.5% increase over FY’06. The increase in credit hours has also impacted several areas on campus, including instructional, advising, and financial aid.

**TOP SCHOLARS** (Handout #4)

Ms. Gerber reported that 21 Top Scholars are enrolled this fall. Last year the College invited Top Scholars to assist with recruitment by developing a Facebook page and requesting their participation and inviting students to join in high school recruiting visits. Five students assisted with these visits. A “Pizza with the President” was held to discuss opportunities for involvement and engagement at HCC, emphasizing the Top Scholars’ role in recruitment and involvement. This year the Top Scholars have been invited to “Pizza with the President” on September 15. Ms. Gerber noted that Top Scholars students tend to be active on campus and historically have been involved in the Royal Scots, Chamber Choir, Phi Theta Kappa, and the Honors Program. She reported that last year the Foundation provided over $40,000 to fund the Top Scholars, and this year we have learned we will only receive $22,000. Mr. Shockey suggested that the College
might want to consider discounting tuition for the Top Scholars, rather than offering one year free. Mr. Endress also recommended getting the word out to parents of high school juniors early on in an effort to recruit more Top Scholars.

**STUDENT SERVICES GRANT**

The College has received a State Student Success grant of $100,000. The grant will be used for a variety of items, including purchasing software for an early alert system, and for staff development, ADA staff salaries, ADA equipment, a reading and math assistance lab, and a Success Center tutor to work in the Adult Ed. program.

**BOARD UPDATES**

Ms. Janssen provided background on Mr. Jim Bondi, the presenter for the Northwest Regional ICCTA meeting on October 8. Mrs. Gallagher suggested that each college also be asked to share one best practice of something good that is going on at their college. She reminded trustees that the ICCTA regional meetings were originally set up as a process to educate trustees because many people from the Northwest Region don’t attend ICCTA meetings.

**NEW BUSINESS** (Handout #5)

Mr. Shockey stated that Mrs. Scharman will not run for reelection in the April 2011 elections. Several people have expressed an interest in running, in addition to our two incumbents (Mr. Kroeger and Mr. Block). Ms. Grimes reminded trustees that candidates need to get at least 50 signatures on the nominating petitions. The first day to pick up and circulate petitions is September 21, 2010. The filing dates will be December 13 – 20, 2010.

Dr. Kanosky reminded trustees of the Highland volleyball match tonight. The volleyball team held a fundraiser at Diamond Dave’s last week.

Dr. Kanosky also announced that Adult Ed. GED services have been cut and the process for accepting students has been changed.

Ms. Grimes distributed a memo from Ms. Susan Atherton announcing the dates of the Foundation’s scholarship awards ceremony and annual meeting. Ms. Grimes noted that the Foundation annual meeting will be held on Tuesday, October 26, 2010, not Thursday, as indicated in the memo.

**ADJOURNMENT**

Mrs. Gallagher moved and Mr. Urish seconded the motion to adjourn the meeting. At
12:16 p.m., there being no further business, the Chairperson declared the motion carried and the meeting adjourned.

[Signature]
Terri A. Grimes, Board Secretary
Illinois Community College District No. 519