

Highland Community College
Board Retreat
September 2, 2015
Highland Community College Student/Conference Center
Room H-206
Freeport, Illinois

CALL TO ORDER/ROLL CALL

Mr. Doug Block, Board Chairperson, called the meeting to order at 8:34 a.m.

Members Present: Mrs. Diane Gallagher, Mr. David Shockey (departed 1:54 p.m.), Mr. Doug Block, Mr. Jim Endress, Dr. Steve Jennings, Ms. Whitney Zumdahl (arrived 8:44 a.m.), Mr. Blake Musser, and Ms. Alexa Buss (departed 9:02 a.m.)

Members Absent: None

Guests Present: Ms. Kim Villanueva, Illinois Community College Trustees Association; Ms. Karen Patterson, *The Journal-Standard* (departed 9:17 a.m.); Mr. Jim Berberet, Executive Director, HCC Foundation (arrived 11:09 a.m.; departed 12:01 p.m.); Mr. Art Garcia, HCC Foundation Board (arrived 11:09 a.m.; departed 12:15 p.m.); Mr. Fritz Kuhlmeier, HCC Foundation Board (arrived 11:09 a.m.; departed 12:15 p.m.); Mr. Todd Weegens, HCC Foundation Board (arrived 11:09 a.m.; departed 12:15 p.m.)

Also Present: Mr. Tim Hood, President (departed 10:00 a.m.; returned 10:55 a.m.); Ms. Chris Kuberski, Executive Vice President (departed 10:00 a.m.; returned 10:55 a.m.; departed 10:58 a.m.; returned 1:33 p.m.); Ms. Jill Janssen, Vice President, Administrative Services (departed 10:18 a.m.); Ms. Liz Gerber, Vice President, Student Development and Support Services (departed 10:18 a.m.); Mr. Pete Willging, Director, Marketing & Community Relations (departed 9:17 a.m.); Ms. Karen Patterson, *The Journal-Standard* (departed 9:17 a.m.); Dr. Misty Thruman, Director, Institutional Research (arrived 9:40 a.m.; departed 10:18 a.m.); and, Ms. Terri Grimes, Board Secretary

PUBLIC COMMENTS

There were no public comments.

OPENING REMARKS

Mr. Hood reported that there is good news about enrollments, and the new programs are moving along nicely. He expressed his appreciation for Ms. Karen Patterson of *The Journal-Standard* for joining us today. He reported that Congresswoman Cheri Bustos will be on campus today to look at our wind tech program. Work continues on the budget, and Mr. Hood has been meeting with the HCC Foundation on a regular basis. He is encouraged on many fronts by things that seem to be much better than in the past. Mr. Hood concluded his remarks by expressing his appreciation to Ms. Kim Villanueva of the Illinois Community College Trustees Association. Ms. Villanueva will conduct the Board's annual self-evaluation later in the meeting.

ADMINISTRATIVE REPORTS

FY15 and FY16 Budgets

Ms. Janssen reported that the FY15 permanent budget included a deficit of \$508,000, but it currently looks like FY15 will end the year with a surplus of \$235,000. This will bring the fund balance to \$3.5 million or 25 percent of expenditures, which is within the Illinois Community College Board's guidelines for fund balances. The increase in revenue of approximately \$370,000 more than budgeted is due to an increase in Corporate Personal Property Replacement Tax, additional tuition revenue, gifts from the Foundation, and an increase in rent from the University of Illinois for the Extension office and the YMCA for the Childcare Center. In addition, expenditures were down due to retirements, vacancies, positions being filled later than anticipated, and fewer services required from the sign language interpreter.

Ms. Janssen reported that there has been some indication on the State level that a property tax freeze might be implemented, and it will be important to have a strategy to address the issue. The property tax freeze could place limits on our ability to levy taxes. It could be approved by the State as a three-year issue originally, but ends up having a longer life. The Senate bill was postponed until September 30 and, at this time, it is unknown if it will become law. Assessed valuation has decreased since 2009, which equates to a 12 percent reduction from 2009 to the current year. If we levy the maximum we can in the Protection, Health, and Safety fund (PH&S), it would raise the rate to 52 cents. It would affect the Operations and Maintenance Restricted fund and the dollar amount we are levying in that fund. Debt service would be in effect for 2016 and would become whatever was in 2016 with the property tax freeze. The College has been in the minority of Illinois colleges that have faced declining equalized assessed valuations in Illinois.

The tentative budget includes a \$500,000 PH&S project, which would also need approval by the Board, but there is a possibility to complete a project of \$800,000 instead, replacing sensing and controls. The \$500,000 project would increase the tax rate 1.5 cents, while the \$800,000 project would increase the tax rate by 4 cents. Highland's portion of the tax bill is among the lowest of the taxing bodies. If the property tax freeze is not passed, the College could reduce the tax rate in

future years. Ms. Janssen will bring two options to the Board for the PH&S project at the September regular meeting.

The Education and Operations & Maintenance funds have been levied at the maximum, while we have not levied at the maximum in any other fund. The Tort fund is governed by the Risk Management policy, and we have structured the debt and PH&S projects to try to hit the overall tax rate.

The \$514,000 deficit in FY16 includes a \$500,000 drawdown from the Matching Grant and \$228,392 in additional revenue, and a decrease in expenditures of \$116,145, resulting in a deficit of \$169,680. This would leave the fund balance at \$3,341,824 or 23 percent of budgeted expenditures, which is within the ICCB recommended range of 20 to 25 percent.

Mr. Endress expressed a concern that the information Ms. Janssen gave to the Foundation Board showed that the College would get less funding from the Foundation. Ms. Janssen reported that the College can get five percent of unrestricted assets, which has been included in the FY16 budget. Mr. Hood requested that the College receive five percent of the Foundation's unrestricted assets by the end of the first quarter and another five percent by the end of the second quarter. He also challenged them to give 50 percent of all new unrestricted gifts directly to the College. Ms. Janssen will present the permanent budget to trustees at the September regular meeting and will include a drawdown of \$250,000 from the Matching Grant.

Employee Recognition Program

In Ms. Ferguson's absence, Ms. Grimes presented information on employee recognition. Currently the College seeks nominations each year and awards an Excellence award in each of the following categories: faculty, classified, administrative/professional, and part-time staff. In addition, the Foundation presents the Opel award each year. Service awards are presented in January to employees who have reached a five-year milestone. An ICCTA Quick Survey was conducted on employee recognition, and employees were also given the opportunity answer a survey using SurveyMonkey to gather their input. Following discussion, Ms. Grimes was asked to forward the results of the SurveyMonkey survey to trustees for review. Trustees also suggested that this topic would be a good one for Cabinet to discuss and provide input, and then their input could be brought back to the Board for further consideration.

Enrollment

Ms. Gerber reported that we are currently up about four percent in head count. There are currently 115 additional part-time students, while there are 41 fewer full-time students. Average credit hours per student are 9.66, while last year the average was 10.25, which is a trend across the state. There are 79 additional new students now than at tenth day last year, and 16 fewer continuing students. There are 21 CollegeNOW students this semester, 13 of which are new CollegeNOW students. The three new programs this Fall, as well as the part-time nursing program, will help grow enrollments. Ms. Donna Kauke, Dean of Health, Natural Science, and Mathematics, will present a

report at the September Board meeting on the new part-time nursing program. Lifelong Learning continues to grow exponentially, and Mr. Hood anticipates having two to three times the number of classes we currently have next year. In five years, with Lifelong Learning, traditional programs, and new programs, we could be serving a great deal more students and head counts could increase by 50 percent.

At 9:34 a.m., the Chairperson declared a recess; the meeting resumed at 9:40 a.m.

Personal Assessment of College Environment (PACE) Survey

Dr. Misty Thrumman reviewed the results of the PACE focus groups, reminding trustees that the survey was administered last Fall, and the results were presented to the Board, faculty, and staff in the Spring. Two issues that stood out in the report were openness and communication, and Mr. Hood is already making strides in these areas. In April of this year, faculty, administrative/professional, and classified/custodial staff were given the opportunity to attend one of two focus groups that were offered for each employee group. An outside consultant from Oakton Community College led the focus groups and then compiled a report on the results of the focus groups. Cabinet met to discuss the report and determine next steps, including ideas and suggestions, and talked about needing to acknowledge recent improvements and discussing strategies for improvements. Several ideas were generated at Cabinet, including developing relationships and building trust; developing and promoting staff events; encouraging staff to become involved in campus events; posting minutes/notes from meetings; and, developing an employee code of conduct and anti-bullying policy.

Mr. Musser suggested looking at other colleges to see what their best practices are for communication; for example, how do you make sure part-time employees get the information they need? He also suggested setting milestones and celebrating those milestones, giving semester updates about how things have changed. Ms. Villanueva also suggested that perhaps this could be tied to the employee recognition program – recognizing success. The survey will be administered again in the Fall of 2017.

At 10:18 a.m., the Chairperson declared a recess; the meeting resumed at 10:25 a.m.

CLOSED SESSION

Ms. Zumdahl moved and Dr. Jennings seconded the motion to move into Closed Session for the purposes of discussing the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged by an employee of the public body to determine its validity; collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees; and, self-evaluation, practices, and procedures or professional ethics, when meeting with a representative of a statewide association of which the public body is a member, 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: Shockey, Block, Endress, Jennings, Zumdahl, Musser, Gallagher
NAYS: None

At 10:27 a.m., the Chairperson declared the motion carried and the meeting in Closed Session. At 12:15 p.m., the Chairperson declared a recess; the meeting resumed at 12:53 p.m.

Dr. Jennings moved and Mr. Endress seconded the motion to end the Closed Session. The roll call on the motion was as follows:

AYES: Block, Endress, Jennings, Zumdahl, Musser, Gallagher, Shockey
NAYS: None

At 1:50 p.m., the Chairperson declared the motion carried and the Closed Session ended.

ACTION, IF NECESSARY

No action was necessary following the Closed Session.

BOARD UPDATES

Foundation Committee Appointments

Mr. Block appointed Mr. Endress to the Foundation Investment and Property Committee; Mr. Shockey, Dr. Jennings, and Mr. Hood to the Foundation Development and Planned Giving Committee; Ms. Zumdahl, Mrs. Gallagher, and Ms. Grimes to the Foundation Annual Giving and Special Events Committee; and Mr. Musser, Mr. Endress, and Mr. Hood to the Foundation Oversight Committee.

December Regular Board Meeting

A recommendation will be presented to trustees for approval at the September regular meeting agenda to cancel the December regular Board meeting.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Mr. Endress reported that ICCTA will meet next week in Springfield and the topic of the afternoon presentation will be ethics in higher education. Mr. Block thanked Ms. Villanueva for attending the meeting today and conducting the Board's annual self-evaluation.

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ADJOURNMENT

Mrs. Gallagher moved and Dr. Jennings seconded the motion to adjourn the meeting. At 2:02 p.m., there being no further business, the Chairperson declared the motion carried and the meeting adjourned.

Respectfully submitted,

Terri A. Grimes

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