

*Highland Community College*  
*Board Retreat*  
*June 5, 2019*  
*Highland Community College Student/Conference Center*  
*Room H-206*  
*Freeport, Illinois*

**CALL TO ORDER/RLL CALL**

Mr. Jim Endress, Board Chairperson, called the meeting to order at 8:30 a.m.

***Members Present:*** Mr. David Shockey, Mr. Doug Block, Mr. Jim Endress, Dr. Steve Jennings, Mr. Blake Musser, Ms. Pennie Groezinger (arrived 8:31 a.m.), Mr. Shawn Boldt (departed 10:47 a.m.), and Ms. Payton DeMichele

***Members Absent:*** None

***Guests Present:*** Mr. Jeff Reinke, Executive Director, HCC Foundation (departed 9:30 a.m.); and, Ms. Marilyn Smit, M45 Marketing Services (departed 9:26 a.m.)

***Also Present:*** Mr. Tim Hood, President; Ms. Chris Kuberski, Executive Vice President (departed 11:49 a.m.; returned 12:38 p.m.); Ms. Jill Janssen, Vice President, Administrative Services (departed 11:49 a.m.; returned 12:38 p.m.); Mr. Scott Anderson, Vice President, Business, Technology and Community Programs (departed 11:49 a.m.); Ms. Liz Gerber, Vice President, Student Development & Support Services (departed 11:49 a.m.; returned 12:38 p.m.); Ms. Rose Ferguson, Associate Vice President, Human Resources (departed 11:49 a.m.; returned 12:38 p.m.); Ms. Leslie Schmidt, Director, Marketing & Community Relations (departed 11:38 a.m.); Mr. Steve Mihina, Faculty (arrived 8:31 a.m.; departed 10:08 a.m.); Ms. Alyssa Stevens, Digital Marketing & Creative Specialist (departed 9:26 a.m.); Ms. Jen Grobe, Associate Dean, Nursing & Allied Health (arrived 9:26 a.m.; departed 10:08 a.m.); and, Ms. Terri Grimes, Board Secretary

**PUBLIC COMMENTS**

There were no public comments.

**OPENING REMARKS**

Mr. Endress welcomed the guests who were in attendance, noting that it was his first attempt to run a retreat and it was also Mr. Boldt's first retreat. He expressed his appreciation for the confidence the Board placed in him, and he encouraged trustees to reach out and contact him at any time if they had an issue.

Mr. Hood welcomed Ms. Marilyn Smit of M45 Marketing Services to the meeting. He then asked for a moment of silence in memory of Mr. Randy Powell, a former custodian at Highland for over 40 years, who passed away recently.

Mr. Hood thanked Mr. Endress and those who attended the solar array ribbon cutting ceremony. The project has become a model for how the PH&S process should work.

### ADMINISTRATIVE UPDATES

#### *Foundation*

Mr. Hood reported that he had a lunch meeting with a couple who had offered a generous gift to the College. He previewed with them that he would be hearing the results from the M45 marketing study today. They reassured Mr. Hood during the discussion that the College name change was not as important as moving the marketing efforts forward, and they remain as supportive as before and are moving forward with the agreement. Mr. Hood also noted that the College has had preliminary communication with an outside marketing and public relations firm.

#### *Branding and Marketing Update (Handout #1)*

Ms. Marilyn Smit of M45 Marketing Services presented the findings of the marketing survey and where the College is at in the process. Ms. Smit reported that they reviewed a collection of materials and the overall brand for consistency and use of the College logos. They were also later asked to look at the idea of a name change and how that would work.

Ms. Smit reported that 265 community members completed the online survey, and approximately 50 students attended a student focus group. Fourteen (14) interviews were conducted by phone, and those who could not be reached after three attempts were sent a link to a modified version of the survey, with nine completing the survey via the link. Overall, the results showed that students do not like the idea of dropping “community” from the College name. Ms. Smit noted that a name change is not easy to do, and there should be a compelling reason to do so. She also noted that “community” resonates differently than “junior” college. With a name change, there is the potential for confusion, it would cost a lot of money, and people would still refer to Highland as Highland Community College. Ms. Schmidt was surprised at how much students resonated with “community”, noting that they felt a sense of belonging and openness. Ms. Gerber reported that sometimes colleges reposition themselves due to distinct product changes. Things that jumped out at her were that there is an opportunity for more visibility in general, and to have a more consistent use of the images. Ms. Smit reported that the College has an outstanding reputation and needs reputational ambassadors. Mr. Boldt also expressed the need to market and reach out to other areas.

Ms. Groezinger asked what the top three emphases are that the College needs to do better, and Ms. Smit reported that she believes the College should do a lot with high school students in the area; look at influencers in the area, i.e., people who have had good experiences with Highland and let them play that role; and, do something in the community to show Highland’s support for the community, i.e., something to get the College’s name out. The College needs do a better job of



bringing people on campus, having more partnerships, and perhaps a clearer connection on signage. For example, perhaps there could be a sign in the nursing area showing the partnership with FHN, or more signage for the partnership with the YMCA. The College needs to find ways to partner and bring people to campus, such as the proposed bike path.

Ms. Groezinger asked how we get buy-in from businesses to develop programs, and Ms. Smit suggested showing the business leaders what is in it for them. It was suggested perhaps opening up the facilities, such as the gymnasiums, for others to use, and preparing an outline of what is expected in return from those using the facilities. Dr. Jennings suggested talking to the people who own the soccer field south of town and seeing if it could be moved to the College. The College could offer the fields for regular soccer tournaments. Mr. Hood noted that it was good to see how often Lifelong Learning was mentioned in the survey, and that Lifelong Learning generates revenue and connections.

Mr. Hood reported that the donors still believe the name change is a good idea, but the goal was to make the name change not as much a guiding incentive, but to do research, have a marketing campaign for the College and the Foundation that goes hand-in-hand, provide professional marketing messages, and use high profile Highland alums to tell their stories.

#### *FY19 and FY20 Budgets*

Revenues are up by \$95,000 due to increased equalized assessed valuations (EAVs), which impact the overall tax rate. Expenses have decreased due to a decrease in insurance premiums. Currently the FY20 budget has a projected deficit of \$92,000. At this point, it appears that Ms. Janssen will not need to transfer as much money from the Restricted Fund to cover expenses, and she is currently projecting a fund balance of 25 percent of expenses at the end of FY19. The FY19 budget includes a \$279,000 draw down from the Matching Grant (also known as the Challenge Grant or Endowment Grant), which currently has a balance of \$7.3 million. The State budget includes a five percent increase in Operating grants and Adult Education funding, although that may not equate to a five percent increase in the College's funding because funding is based on a formula. Current projections for Fall enrollments would indicate that the College will be down in enrollment, not flat as projected. The overall State budget includes \$1 million for transitional math and English, as well as a Bridge program, but at this point Ms. Janssen is unsure how that funding will be allocated. Our transitional classes will be new this Fall, so the College would qualify if the program has to be new. The State budget also includes an increase of \$50 million for Monetary Award Program (MAP) funding, \$479 million for capital projects, and an allocation of \$172 million for ICCB capital projects. The House and Senate have voted to revert back to the SURS six percent rule from three percent.

Ms. Janssen is currently compiling budget managers' requests for FY20 and will meet with budget managers again. Trustees will have a budget work session prior to the July regular meeting, where Ms. Janssen will present additional information. She noted that faculty steps are currently budgeted at \$54,000, and there is also \$60,000 in the FY20 budget for nonunion salary adjustments. Utilities were also able to be reduced due to the lighting replacement project and the solar array. As soon as

the energy savings from the solar array are known, Ms. Janssen will provide the information to trustees. She also has not heard anything yet about the SRECs (Solar Renewable Energy Credits).

#### *Variable Tuition*

Ms. Janssen and Ms. Jen Grobe have looked at variable tuition for the nursing program after Core Cabinet agreed it should be considered. Variable tuition is usually for courses that cost more, so the per credit hour tuition for a course would be different, while the activity and technology fees would remain the same. Course fees may also apply. If approved, there would be a phased-in approach, with one course in the nursing program having variable tuition in Spring 2020. Tuition could later be adjusted if there was negative feedback or an enrollment drop. At this point, Ms. Janssen and Ms. Grobe are looking at variable tuition being 125 percent of current tuition and would continue to be tied to the student's residency. The College should have a competitive advantage from a cost standpoint over other institutions. Ms. Grobe would also like to adjust the course fees down to provide a little relief for students. She hopes to be able to add another nursing instructor, which would increase enrollment and generate additional State reimbursement. The current plan is for the tuition to cover existing costs, but this has the opportunity to generate additional tuition revenue in the future. At this point, only the nursing courses are being targeted. Ms. Grobe reported that an unintended consequence may be a drop in enrollment, although there are scholarships and employee tuition assistance programs that could help students cover their tuition. Ms. Gerber noted that increasing the amount of student scholarships is important, and the Foundation has been encouraged to continue to work on the dollar amount of scholarships. Ms. Janssen explained that ideally she would like to bring the first reading of the variable tuition recommendation to trustees at the June regular Board meeting, with the second reading at the July regular meeting. Mr. Musser reported that there are colleges that give students a tablet or laptop with course materials and books preloaded, and Ms. Grobe stated that she is open to looking at options.

Prior to declaring a recess, Mr. Endress noted that a Summer Institute for area teachers is on campus this week and next week, and Ms. Groezinger suggested having a Highland team member make a five-minute presentation to those in attendance at the Summer Institute.

At 10:08 a.m., the Chairperson declared a recess; the meeting resumed at 10:17 a.m.

Mr. Endress requested that trustees move on to Board updates before Mr. Boldt needed to leave shortly before 11:00 a.m.

#### **BOARD UPDATES**

##### *Board Retreat Dates*

Trustees discussed future retreat dates and what days would work best moving forward. Following discussion, trustees will alternate meeting on the second Thursday in the morning or the second Wednesday in the afternoon in March, June, September, and December.



*Committee Assignments*

Mr. Endress will continue as ICCTA representative, and Ms. Groezinger agreed to be the alternate representative. Mr. Endress will serve on the administrative team for faculty negotiations, and Foundation committee appointments will be made at a later date.

**NEW BUSINESS**

*Gymnasium Floors (Handout #2)*

Ms. Janssen reported that a PH&S air quality project was completed that tested the air quality of campus buildings for a variety of potential issues including radon, mold, asbestos, and mercury. The results were recently received and the main and auxiliary gymnasiums tested high for mercury vapors. Ms. Janssen is looking at steps to communicate the information out and has already discussed the issue with the YMCA. At this point, the fans are running at the highest capacity to provide maximum ventilation in the gymnasiums, and fresh air will be brought in at night. The gymnasiums will be retested again in a few weeks. A new PH&S project will be proposed to replace both floors. Ms. Janssen noted that the risk goes up for every nine degrees the temperatures increase, so the risk could increase in the summer, but with the steps mentioned, she believes the risk can be mitigated until the floors can be replaced. A message needs to be sent out soon, and Ms. Janssen wants to make sure the College stays transparent throughout the process. All information has been shared with the YMCA and they are making suggestions for their programming.

**ADMINISTRATIVE UPDATES (Continued)**

*Discussion of Future Bond Options*

Ms. Janssen reported that overall the tax rate has been kept at about 0.56, and the goal is to continue to keep the tax rate the same. This is important given the continued discussions on the State level of a property tax freeze.

Ms. Janssen reported that the College could issue bonds with a four-year repayment, which would provide \$5.9 million, or a five-year repayment, which would provide \$7.5 million. Typically the bonds have been used to replace technology, including computers, and for capital projects. The working cash bonds will be paid off in 2020, and the 2014 bonds will be paid off in 2021. The 2012 debt certificates currently have a balance of \$2.2 million. Trustees discussed the possibility of changing the debt certificates to bonds. Ms. Janssen reviewed the timing for issuing the bonds, noting that she will need guidance from trustees at the June regular Board meeting so she can move ahead with meetings with Full Cabinet and others. She also noted that the PH&S levy will be kept level, and she reiterated that the goal is to keep the overall tax rate the same. Trustees requested a copy of the PowerPoint slide with the College's tax levy information. Mr. Block would also like the Board to think about the level at which trustees would like the Matching Grant to remain, and Mr. Shockey reminded trustees that the Matching Grant has been used as a "safety net." Mr. Rob Urish, former trustee and current Board President of the HCC Foundation, has suggested the College consider using the Matching Grant to make the debt certificate payments, and

Mr. Endress noted that he believes there will come a time when the fund has a negative investment. Mr. Hood reported that the Foundation is raising more money with him working with Mr. Reinke than in previous years, and he noted that there is currently \$2 million in pledges that were not there before. Mr. Block suggested having a monthly report prepared for the Board regarding Foundation scholarships, capital items, and their operating fund, including the dollar amounts given in 2018 and 2019. It was also noted that the Foundation's investment in new programs would bring additional students, which would bring in additional dollars. Mr. Shockey suggested that the College needs a new Memorandum of Understanding (MOU) with the Foundation, which must be a living, breathing document, and that perhaps a formal request needs to be made to the Oversight Committee. Mr. Endress recently learned that at Kishwaukee College, two college trustees have full board membership on their foundation board, and the executive director is an employee of the college.

#### *Salary Study Discussion*

Mr. Hood reported that, if approved, the salary study recommendations will be effective July 1, 2019. Ms. Ferguson reviewed the key points of the study, including that employees should be paid competitively and fairly; there could be ramifications to the College if compensation salary adjustments are not acted on now or if a plan is not introduced in the future; it is sometimes hard to find applicants for open positions, and paying competitively will help; the classification and compensation system is a good system for the College and the results indicate it is working well; improvements have been made to processes, and supervisors from the top down will need to be accountable for following system processes; all employees in the system were active participants in the process by completing their Position Analysis Questionnaires and providing input into job description drafts; the budget had included an estimated cost for adjustments in FY18 and FY19, and it remains in the FY20 projected budget; the cost of implementation was lowered by adding Vice President benefits into their salary total, which reduced the adjustment total; benefits offered at HCC are on par with other community colleges – the benefits are good but not richer; this group of employees has had benefits lowered or eliminated and have received minimal or no salary increases during this time period; the President is recommending the lowest cost recommendation from the consultant; and, minimum wage increases will cause deeper compression of salaries if some adjustments are not started now.

#### **MAIN MOTION (ACTION)** (Handout #3)

A. **Implementation of Salary Range Table, Placement of Positions, and Implementation and Adoption of Salary Study Recommendations**

Dr. Jennings moved and Mr. Musser seconded the motion to approve the recommended Permanent Salary Range Table for grant and non-grant administrative, professional and support staff (non-union) positions, as presented in Addendum A; placement of positions on the salary range table, as presented in Addendum B; and implementation of salary study results from Public Sector Personnel Consultants' recommended salary range placement of job classifications for administrative, professional and support staff (non-



union), as presented, with adjustments effective July 1, 2019. The total amount of the adjustments based on a calculation by the consultant (see Addendum C) will not exceed \$67,016, for FY20, for employees listed in Addendum D (Handout), including the increase for those whose responsibilities were significantly changed as a result of the reduction in force in 2016, but were not changed through the calculation. This amount is within the amount included in the FY20 budget for study adjustments. Support of adjustments for eligible grant employees will be determined following a review of grant funds. Adoption of the annualized salary placement changes set forth in Addendum D (Handout) is recommended, effective July 1, 2019. The roll call on the motion was as follows:

AYES: Block, Endress, Jennings, Musser, Groezinger, DeMichele  
NAYS: Shockey

The vote being six ayes and one nay, the Chairperson declared the motion carried.

Ms. Groezinger asked where the College is at in having employees complete required training. Ms. Ferguson will bring a list of those employees who have not completed the training to the June regular meeting.

### CLOSED SESSION

Mr. Musser 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 against an employee of the public body or against legal counsel for the public body to determine its validity; and, 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, 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: Endress, Jennings, Musser, Groezinger, Shockey, Block, DeMichele  
NAYS: None

At 11:40 a.m., the vote being unanimous, the Chairperson declared the motion carried and the meeting in Closed Session.

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

AYES: Jennings, Musser, Groezinger, Shockey, Block, Endress, DeMichele  
NAYS: None

At 12:24 p.m., the Chairperson declared the motion carried and the Closed Session ended.

### ACTION, IF NECESSARY

No action was necessary following the Closed Session.

At 12:24 p.m., the Chairperson declared a recess for lunch; the meeting resumed at 12:38 p.m.

### OLD BUSINESS

#### *Review of Bills*

Mr. Endress began a discussion of the monthly review of bills. Several years ago, the Audit & Finance Committee members decided that they would rotate the monthly review of bills.

Mr. Endress stated that if the committee members believe it is a good practice, the practice will stand. Any trustee who is not in the rotation is welcome to join a committee member when they do the review. Mr. Endress will invite Ms. Groezinger to join him the next time he reviews bills with Ms. Janssen.

#### *Committee Assignments*

Mr. Endress appointed the Audit & Finance Committee members at the May regular Board meeting, and, as mentioned earlier, he will continue as the ICCTA representative. The Foundation committee assignments are currently on hold. Mr. Block asked to revisit and review the duties of the Foundation Oversight committee, noting that the Memorandum of Understanding clearly states that the committee takes the oversight role.

#### *Higher Learning Commission*

Ms. Kuberski reported that the College received the final report from the Focused Visit, and the College received the highest marks in every category. The reviewers recommended no follow-up. The evidence that the team put in the report was extremely sound. The report now goes to the Institutional Action Council, and College representatives and the chair of the review committee will attend a hearing in August to verify and clarify what is in the report. At this point, Ms. Kuberski assumes that the College will take a team of five, including at least one faculty member, although there will be a conference call next Wednesday with our Higher Learning Commission liaison to gather more information. The fee for the hearing is \$5,500 plus expenses. The College needs to respond to the report 30 days prior to the hearing. The report will also be posted on the College website. Ms. Grimes will send out the report and letter that explains the process.



**NEW BUSINESS (Continued)**

*Total Compensation Statements (Handout #4)*

Ms. Ferguson distributed a sample of the employee Total Compensation Statement. She noted that Ms. Christie Lewis will update the statements and send them out to employees following the end of the fiscal year. It was noted that the cost of life insurance also went down this year.

*Prevailing Wage Rates*

Ms. Grimes reported that, due to a new State law, the Board no longer needs to approve the Prevailing Wage Rates on an annual basis effective this month. There are additional parts of the law that will also take effect at a later date.

*International Preservation Studies Program*

Ms. Groezinger requested to look at the International Preservation Studies Program, specifically she would like to see the return on investment, enrollment, and financial impact. Mr. Hood will review the information at the June regular meeting.

*Bike Trail*

Mr. Hood reported that an interesting concept will be entertained this year. The proposed new location of the bike path will be much better than previously proposed with a path and sidewalk on the outside of the College's loop road. The Foundation will need to go back and look at the commitments they made previously. Mr. Hood noted that the College Board and administration have not been involved nearly enough, and Mr. Musser suggested that trustees take a vote of support for the bike path at the June regular meeting.

*Highland Apparel*

Mr. Endress asked trustees to think about whether there was any interest in ordering zip-up jackets or nice shirts with the Highland logo. He noted that at the Saturday ICCTA sessions, he has suggested those attending wear their college gear. Mr. Shockey also suggested asking the bookstore to have more large sizes in stock.

*Foundation Mission Statement*

Ms. Ferguson asked if the Foundation has a mission statement, and it was thought that perhaps they do not have a separate mission statement.

*Solar Array Ribbon Cutting*

Mr. Endress complimented Ms. Gerber and Ms. Schmidt for working with M45, noting that the presentation given earlier in the meeting showed solid results. Ms. Gerber also noted that the marketing team put quite a bit of work into the presentation.

*Job Fair*

Ms. Groezinger talked to many participants at Highland's job fair and they had some really good suggestions.

*College Ambassadors*

Mr. Endress suggested having ambassadors for the College who could go out into the schools, such as graduates who have done well. Dr. Jennings suggested the name of Chris Atten, who Dr. Jennings believes would be a good College ambassador.

**ADJOURNMENT**

Ms. Groezinger moved and Mr. Musser seconded the motion to adjourn the meeting. At 1:08 p.m., there being no further business, the Chairperson declared the motion carried and the meeting adjourned.

Respectfully submitted,



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