

Highland Community College
Board Retreat
March 9, 2022
Highland Community College Student/Conference Center
Robert J. Rimington Board Room
Freeport, Illinois

CALL TO ORDER/ROLL CALL

Mr. Jim Endress, Board Chairperson, called the meeting to order at 8:00 a.m.

Members Physically Present: Mr. Doug Block, Mr. Jim Endress, Mr. Shawn Boldt (departed 8:01 a.m.; returned 9:41 a.m.), Mr. James Rhyne (arrived 8:02 a.m.), Ms. Sarah Kuhlemeier, and Mr. Craig Knaack

Members Virtually Present: Mr. Shawn Boldt (8:01 a.m.; departed virtually 9:41 a.m.)

Members Absent: Ms. Pennie Groezinger, and Ms. Hailey Johnson

Others Physically Present: Ms. Chris Kuberski, President; Mr. Pete Fink, Director, ITS; Mr. Kam Merryman, Network Administrator; and, Ms. Terri Grimes, Board Secretary

Others Virtually Present: Ms. Jill Janssen, Vice President/CFO, Administrative Services, Board Treasurer; Mr. Scott Anderson, Vice President, Business, Technology, and Community Programs; Ms. Liz Gerber, Vice President/CSSO, Student Development & Support Services; Mr. Jim Phillips, Interim Vice President/CAO, Academic Services; Ms. Danielle Walker, Coordinator, Women's Athletics; Ms. Karen Brown, Director, Human Resources; Mr. Jeff Reinke, Executive Director, HCC Foundation; Mrs. Diane Gallagher, Former Trustee; Mr. Pete Norman, Director, Athletics and Physical Education; Mr. Todd Weegens, Member, HCC Foundation Board; Ms. Vicki Warthen, Director, Annual Giving & Marketing, HCC Foundation; Mr. Ryan Jensen, Brailsford & Dunlavey; Ms. Amy Ellingson, Brailsford & Dunlavey; Mr. Mike Schneider, Brailsford & Dunlavey; Ms. Jan Behounek, Brailsford & Dunlavey; and, Mr. Evan Eleff, Sports Facilities Companies

Mr. Endress stated that Illinois continues to be under a disaster proclamation related to public health, and an in-person meeting is not practical or prudent due to the COVID-19 pandemic. This meeting was properly noticed and is accessible to the public over Zoom. He asked if trustees who were attending virtually were able to hear.

PUBLIC COMMENTS

There were no public comments.

OPENING REMARKS

Mr. Endress noted that the class he is taking will be virtual today so his time crunch has eased. He reminded trustees of the ribbon-cutting for the Mildred F. Ferguson Simulation Hospital later today. Ms. Kuberski reported that enrollment is leveling out. Based on last Spring, head count as of Monday is up 5.2 percent and credit hours are down .9 percent, which is hovering around the goal of flat. Many times, Spring enrollment is down more than Fall enrollment, so this is encouraging to know it has leveled out. A lot of this can be attributed to dual credit because last year we did not have as much dual credit. Part of the focus this year has been on “reimagine,” and this is the focus of the strategic planning process, particularly being bold and thinking about how we can take calculated risks. This is fitting for what trustees have before them today with the athletic, learning, and event center feasibility study, and how bold can we be and be sustainable, and also if we are not bold, we will probably not experience the growth that we know we need. Ms. Kuberski provided an update on masks on campus. The Emergency Operations Team (EOT) sent out a campus-wide email to let people know about the phased approach. Beginning March 21, masks will not be needed in hallways, cafeteria seating, lobbies, etc., and furniture will be returned to the areas. Masks will still be required in the Bookstore, Admissions and Records, classrooms, labs, meeting spaces, etc. This was decided before we knew what the CDC was doing. EOT talked about the next phase, which would be to only require masks in classrooms and labs. Fifteen minutes seems to be a rule of thumb for quarantining, and social distancing seems to be the critical piece in quarantining. The thought is that by Summer, we would probably not require masks at all but a decision has not been made. Many students signed up for classes believing there would be masks and social distancing for the semester. This was also in place when faculty chose their modalities. Mr. Craig Beintema of the Stephenson County Health Department will meet with EOT tomorrow to talk about the new metrics to watch. There have been no on-campus cases since the week of February 24, but that will change if there is a new variant. It is getting more difficult to impose guidelines and trying to find a middle ground continues to be challenging. Overall, campus has been supportive throughout. Parts of the Governor’s Executive Order have been extended to April 4, including the testing or vaccination mandate, and there have been discussions about when that should be modified. No word has been received on changes related to the Open Meetings Act. Summer will have its own guidelines, and in the past there had been a separate agreement.

ATHLETICS, LEARNING, AND EVENT CENTER FEASIBILITY STUDY PRESENTATION

Mr. Endress previewed the feasibility study presentations for an athletics, learning, and event center on campus. The Feasibility Study committee has narrowed down the vendors to two finalists, and each finalist has been allotted 15 minutes to present to trustees during the meeting. Following the presentations, members of the committee would have the opportunity to speak up to five minutes each. Ms. Kuberski noted that the order of the presentations was randomly selected. Representatives of Brailsford & Dunlavey and Mr. Evan Eleff of Sports Facilities Companies provided an overview of what their respective feasibility study would entail. Following the two presentations, committee members and trustees shared their thoughts. Ms. Kuhlemeier expressed concerns that the process feels rushed and asked if the proposals expire. Ms. Kuberski responded that the request for proposal (RFP) covered the project, and Ms. Gerber noted that in the RFP, there was a timeline for a presentation at the June Board retreat but the proposal was for the scope of the work. Mr. Block reminded trustees that there have been discussions on this project at least since the December 2020 Board retreat and it needs

to keep moving. It was also noted that the Brailsford & Dunlavey proposal was for \$65,784 and the Sports Facilities Companies proposal was at \$60,500, both including travel.

At 9:30 a.m., the Chairperson declared a recess; the meeting resumed at 9:40 a.m.

Mr. Boldt returned to the meeting in person and shared his thoughts, as a member of the Feasibility Study committee. Following discussion, it was determined that Ms. Kuberski and Ms. Grimes will send the proposals from the two vendors to trustees for review.

ADMINISTRATIVE UPDATES

FY22 and FY23 Budgets

Ms. Janssen provided an update on the FY22 and FY23 budgets. The College was awarded \$7.2 million in Higher Education Emergency Relief Funds (HEERF) and, as of March 1, 2022, almost all of the funds have been used, with the majority of the funds covering lost tuition revenue and emergency grants to students. The remainder of the funds will be used to cover lost revenue in the bookstore and cafeteria, as well as any adjustments needed to the tuition revenue calculation. Last week, the final distribution of the HEERF emergency grants to students was mailed. There were 1,034 checks of \$200 each sent to dual credit students enrolled for the Fall or Spring semesters. The FY22 budget was balanced with approximately \$13.8 million in revenues and expenses, resulting in an ending fund balance of \$5.7 million. As of March 1, revenue is projected as slightly higher than budgeted and expenses around four percent or \$600,000 less than budgeted due to employee turnover and vacant positions being open for most of the fiscal year. The projection would result in a fund balance of about \$6.4 million, which is about 45 percent of expenses, not including the offset of HEERF funds. FY23 revenue includes a 2.5 percent increase in equalized assessed valuation (EAV), a five percent increase in State funding, flat enrollment, and an increase in tuition. For FY23 expenses, FY22 projections were considered, and estimates of salaries and benefits were made using information of an overall increase of three percent for salaries and two percent for benefits. The College received \$900,000 in HEERF funds in FY22, which were accounted for as an offset to expenses. The FY23 projection results in a deficit of about \$320,000, which would reduce the fund balance. The FY23 budget-building process will begin soon. Several key pieces of information will impact the budget, including salary increases, health insurance premiums, State funding, and enrollment. In building the FY23 budget, Ms. Janssen also considers future years. The Resource Allocation and Management Plan (RAMP) uses various assumptions, and based on this, revenue could be expected to increase between one and 3.5 percent annually through FY25. Property taxes account for over 50 percent of revenue, while students make up around 30 to 35 percent, State around 10 percent, and "other" revenue accounting for the remainder. Based on assumptions in the RAMP document, expenditures appear to increase between one and three percent from FY22 to FY25 with the HEERF lost tuition removed. Salaries and benefits are the majority of the budget.

Brainstorming on Revenue Generation

Ms. Janssen noted that the Resource Allocation and Management Plan includes several options for revenue generation. As discussed at the December retreat, a referendum could be considered to increase the Operation Funds tax rate. Overall, it appears that the State funding model has changed permanently, but there may be some ways to maximize the funding formulas. Tuition and fees increases are another

option, as well as allocating resources toward activities and programs that increase enrollment and retention. Every one percent in enrollment equates to around \$45,000. The State reimbursement rate is the highest for health courses, so we may want to prioritize resources to this area. Another option to influence the State funding formula is to increase the number of full-time equivalent students, which could result in increased Equalization funding. The College offers many dual credit courses at a discounted rate or free and may want to review this. Grants are another source of potential revenue, but are typically for new programs or capital items, which may indirectly impact unrestricted revenue. The College may also want to increase the draw downs from the Matching Grant to fund operations or invest in specific projects or programs. The College is in the top one-third of colleges in the State for Performance funding, but the total amount distributed through the community college system is \$360,000, so the College could consider lobbying for an increase in Performance funding. The strategic plan update includes ideas for revenue generation, and, as discussed earlier, the College is looking into the feasibility study for a potential athletic, learning, and event center to determine the impact on the College. The process has begun to issue bonds in 2023 using a group from across campus to prioritize potential projects, with the group prioritizing projects that impact students and enrollment very high. The College could also look at revisiting assessing a fee for using credit cards to pay for tuition, which would cover the processing fees that the College pays. Ms. Janssen recently attended a Higher Learning Commission webinar focusing on a formal strategic alliance between Iowa Wesleyan University and Southeastern Community College, and Highland may benefit from exploring deepening the partnership with Columbia College or other partners. The alliance would provide students with clear pathways to a bachelor's degree, boost the college experience, and share costs and facilities between the institutions. Ms. Janssen reviewed budget stabilization measures that were discussed at the December retreat, noting that we are probably reaching the point when we need to reimagine revenue sources. With measures that have been taken, the College has kept the tax rate in the same range, at around .56 for the past six years. In addition, the College eliminated the internet fee for students, distributed \$2.5 million in student emergency grants, implemented a student debt forgiveness plan, and reduced the cost of textbooks, while still remaining a comprehensive community college. Ms. Janssen reviewed the College's tax rates from 2015 to 2020 for each of the four types of tax rates, noting that historically the total rate has been at the same level of around .56 for the past six years, and she is aiming for it to be at .56 for the 2021 and 2022 tax year. The levies have a statutory maximum that the College was able to increase through a referendum in 2004, which generated \$1.5 million, and future increases would need to go through the same ballot referendum process. The amount of bonds that can be issued is regulated by the state legal debt margin, which is 2.875 percent of assessed valuation. When we issue bonds, it requires taxpayer approval, which can be achieved through ballot referendum or backdoor referendum. After discussion at the Board retreat in December, it was decided to issue bonds and maintain the debt service portion of the tax levy at .09. The College still has the flexibility to consider a referendum. If trustees would like to pursue an Education Fund referendum for FY24, the process would need to begin no later than Spring 2023, and there are a lot of steps that would mirror what the feasibility study is planning to do. Mr. Block asked about the current status of a grant writer. Ms. Janssen stated that a small work group is formed when grant opportunities become available, and we have also contracted with a grant writer in the past on specific grants. Ms. Kuberski reported that Freeport School District has approached the College about sharing a grant writer, and Ms. Karen Brown, Director of Human Resources, is working with Mr. Chris Shockey at Freeport School District on this possibility. Mr. Block noted that he would like to see about the feasibility to hire a dedicated grant writer. After Mr. Boldt attended ACCT's Rural Day, he reported that there were a fair amount of grants available for

community colleges and a competent grant writer is needed to get on the list. It was noted, however, that many times grants are to fund programs and not for operations. Ms. Kuberski stated that the College has been cautious about grants that were “add ons” but looked for things that were already in the works. There were grants available through the Illinois Community College Board for Transitional English and Reading and, in some cases, the College has been successful. Currently, the College does not have someone to seek out grants. Ms. Kuhlemeier noted that the amount of time and effort necessary to write a grant, do it well, and be competitive is an actual job. Ms. Kuberski will get more information from Ms. Brown on the possibility of sharing a grant writer and report back at the March Board meeting. Ms. Janssen also stated that there is a lot of work needed to complete the required reports and the money has to be paid back if you do not meet what you said you would do. Mr. Knaack asked how the College’s tax rate compares with other community colleges, and Ms. Janssen stated that Highland is in the top 10. Mr. Block reminded trustees that, although we are toward the top with the tax rate, the College is at the bottom with State reimbursement. Ms. Kuberski stated that the College still has opportunities, which were identified through the Stamats research, that have not come to fruition, and she and the Deans will discuss which opportunities to tackle in the next year. As the College sees shifts in enrollment, we are also shifting use of employees to make sure of the use of their skill sets. Ms. Janssen explained that the Illinois Community College Board has \$180 million to disseminate among community colleges for Base Operating Grants, and if the College got a bigger piece of the pie, others would get a smaller piece. She showed a chart listing the ICCB reimbursement rates by type, noting that health care credit hours are reimbursed at \$68.64 per credit hour. She explained that Equalization funding is determined by the district’s EAV and full-time equivalent students, and we would need 100 more students to move to the higher Equalization tier. Mr. Block noted the need to put a dollar value behind dual enrollment. CollegeNOW is a great program, and Ms. Gerber explained that a couple schools still pay for CollegeNOW and some reimburse students for a certain portion. Ms. Kuhlemeier asked if there were possibilities to expand health care programs, and Ms. Kuberski responded that Stamats included health care in their report. A new sports facility might also create an opportunity for Physical Assistant or Occupational Assistant programs. Mr. Block cautioned to be sure the College is doing well in all areas before looking to expand.

DIVISION FOCUS: HUMANITIES, SOCIAL SCIENCES, AND FINE ARTS

Mr. Phillips provided an overview of the Humanities, Social Sciences, and Fine Arts division, which houses Humanities, Social Sciences, Fine Arts, and the Leadership Programs. This year Highland hosted the Highland Cougar Classic virtual forensics tournament, with 20 teams participating, including the University of California – Santa Barbara, University of West Florida, Missouri Valley College, and others. Ms. Julia Wells recently won the tournament championship in Persuasive Speaking at the College of DuPage tournament in January, and Mr. Rhys Love was a semi-finalist in IPDA Debate at the IIFA State Tournament. The national forensics tournament will take place in St. Louis April 2 – 10. Mr. Phillips highlighted several division areas, noting that that the College offers two courses in Criminal Justice that lead to a certificate in cyber security. A Death Café was held today via Zoom, and the College offers a “Death and Dying” class, which is usually full, taught by Dr. Julie Hartman-Linck. Summerset Theatre is coming back this summer, and Mr. Phillips noted that Highland is one of a few community colleges in the northern part of the state with a comprehensive fine arts program outside of Chicago. He believes the College can grow and strengthen enrollment in this area. The Leadership programs have been offered for 30-plus years, and are currently facilitated by Mr. Evan Talbert and

Mr. Kirk Pearson. A revision to a series of courses has been completed to meet the needs of education majors through a partnership with Western Illinois University. In addition, there are several new courses including Cybercrime and Computer Forensics, Introduction to Children's Literature, Ethnic Literature from the US, Western Civilization I and II, Film History I and II, and Intro to Social Work. There are a number of big projects in the division totaling over \$1.157 million that were made possible through federal relief funds, bonds, protection, health, and safety funds, and donors. The Foundation's Legacy Campaign also includes several items totaling \$835,000, of which \$55,000 has been funded to date, with another \$35,000 that the College requested from the Legacy Campaign for Summerset Theatre and the Madrigal Dinner. The division continues to look at curriculum development and is looking for full- and part-time faculty in several areas. There are recruitment events upcoming, including resuming the Experience Fine Arts event, a Criminal Justice and Mass Communication open house, a division open house that is in the initial stages, and participation in college and career fairs. Retention efforts in the Humanities, Social Sciences, and Fine Arts division include a Writing Center expansion, Speaking Center, Reading Center, study groups, embedded tutoring, supplemental instruction and mentoring, Diversity, Equity and Inclusion curriculum to support the DEI initiative, Safe Zone training in the Fall for faculty and staff, and inclusive teaching. Outside of the Legacy Campaign, Mr. Phillips is looking for additional funds to support Forensics tuition waivers and/or additional scholarships, Fine Arts tuition waivers, as well as Humanities and Social Sciences scholarships. Mr. Endress asked Mr. Phillips for his thoughts on expanding the Leadership Institute or Leadership Forum to Carroll County, and Mr. Phillips noted several years ago there was a grant that funded the first class but there were not enough interested to run a second class. Carroll County residents may participate in the Leadership Forum or the Leadership Institute. Corporations are still funding their employee's attendance at the Leadership Institute and Leadership Forum, and nonprofit employees usually pay a portion of the tuition. Mr. Phillips concluded his report by explaining that there is a crossover between his division and other divisions on campus, including cyber security and Business & Technology, Spanish for healthcare workers, theatre for nursing students, and Mass Communication supports athletics by recording the basketball games. He is always open to other partnerships.

BOARD UPDATES

President's Annual Evaluation

Mr. Endress explained that a survey was sent to Cabinet for feedback on Ms. Kuberski's performance. In the past, the results of this survey were provided to trustees, along with an update on the President's goals to use in the evaluation process. Mr. Knaack drafted a document last year for trustees to provide their feedback. Following discussion, it was determined that Ms. Kuberski will update her goals and progress. Ms. Grimes will email the evaluation form to trustees, which should be completed and returned to her by next Tuesday. Once the results are compiled, they will be sent to trustees next week along with the results of Cabinet's survey on Ms. Kuberski's performance, and an update on her goals in preparation for discussion at the March regular meeting.

CLOSED SESSION

Mr. Block moved and Ms. Kuhlmeier seconded the motion to move into Closed Session for the purposes of discussing the appointment, employment, compensation, discipline, performance, or dismissal of specific employees, specific individuals who serve as independent contractors in an

educational setting, or specific volunteers of the public body, or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee, a specific individual who serves as an independent contractor in an educational setting or a volunteer 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, Boldt, Rhyne, Kuhlemeier, Knaack, Block
NAYS: None

Whereupon the Chairperson declared the motion carried.

Mr. Endress explained that the public attendees through Zoom would remain in the meeting, with the video and audio muted, while the Board was in Closed Session. After the Closed Session is complete, the video stream and meeting would resume.

At 11:32 a.m., the Chairperson declared the meeting in Closed Session.

Mr. Boldt moved and Mr. Knaack seconded the motion to end the Closed Session. The roll call on the motion was as follows:

AYES: Boldt, Rhyne, Kuhlemeier, Knaack, Block, Endress
NAYS: None

At 11:38 a.m., the Chairperson declared the motion carried and the Closed Session ended.

ACTION, IF NECESSARY

No action was necessary following the Closed Session.

ATHLETICS, LEARNING, AND EVENT CENTER FEASIBILITY STUDY PRESENTATION (Continued)

Trustees continued the discussion on the feasibility study for an athletics, learning, and event center. Mr. Knaack expressed his concern about where the YMCA is in the process. Following discussion, it was determined that Ms. Kuberski will reconvene the Feasibility Study committee and make a recommendation to the Board at the April regular meeting.

OLD BUSINESS

There was no old business

NEW BUSINESS

There was no new business.

ADJOURNMENT

Mr. Boldt moved and Mr. Rhyne seconded the motion to adjourn the meeting. The roll call on the motion was as follows:

AYES: Rhyne, Kuhlemeier, Knaack, Block, Endress, Boldt
NAYS: None

At 11:54 a.m., there being no further business, the Chairperson declared the motion carried and the meeting adjourned.

Respectfully submitted,



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