

WILLIAM RAINEY HARPER COLLEGE
Algonquin & Roselle Roads
Palatine, Illinois

BOARD MEETING

AGENDA

July 14, 1977

8:00 p.m.

- I. Call to Order
- II. Roll Call
- III. Approval of Minutes
- IV. Citizen Participation
- V. Approval of Disbursements
 - A. Bills Payable
 - B. Payroll - June 15 and June 30, 1977
 - C. Estimated Payroll July 1 through July 31, 1977
 - D. Financial Statement
 - E. Budget Transfers
 - F. Bid Awards
 - G. Construction Change Orders
- VI. Communications
- VII. Unfinished Business
- VIII. New Business
 - A. RECOMMENDATION: Budget Hearing and Adoption of 1977-78 Budget Exhibit A
 - B. RECOMMENDATION: Staffing
 1. Faculty
 - a. Resignation, Philosophy Exhibit B-1a
 - b. Resignation, Hearing Impaired Exhibit B-1b
 - c. Resignation, Economics Exhibit B-1c
 - d. Appointment, Data Processing Exhibit B-1d
 - e. Appointment, Accounting Exhibit B-1e
 - f. Appointment, Librarian Exhibit B-1f
 - g. Appointment, Business Exhibit B-1g
 2. Administration
 - a. Resignation, Director - Food Services Exhibit B-2a
 - b. Administrative Contracts Exhibit B-2b
 - C. RECOMMENDATION: Contract Rider Exhibit C

- D. RECOMMENDATION: Local 11 Contract Approval Exhibit D
- E. RECOMMENDATION: Audit Action for Harper Foundation Exhibit E
- F. RECOMMENDATION: Board Policy Revision, Sec. 3.0.2 Exhibit F
- H. RECOMMENDATION: New Program Approvals
 - 1. Exercise Leader Exhibit H-1
 - 2. Horticulture Exhibit H-2
 - 3. CETA Exhibit H-3
- I. DISCUSSION: Harper College RAMP Planning Document Exhibit I
(Handcarried)
- J. RESOLUTION OF APPRECIATION: Frank Hines Exhibit J
- IX. President's Report
- X. Adjournment.

WILLIAM RAINEY HARPER COLLEGE
BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT 512
COUNTIES OF COOK, KANE, LAKE, AND McHENRY, STATE OF ILLINOIS

Minutes of the Regular Board Meeting of Thursday, July 14, 1977

CALL TO ORDER:

The regular meeting of the Board of Trustees of Community College District No. 512 was called to order by Chairman Munson on Thursday, July 14, 1977, at 8:03 p.m., in the Board Room of the Administration Building, Algonquin and Roselle Roads.

On behalf of the Board, Chairman Munson welcomed the new Student Board Member, John Demmert.

ROLL CALL:

Present: Members Janet Bone, Joan Klussmann, Robert R. Moats, Shirley A. Munson, Jessalyn M. Nicklas, David Tomchek, Natalie C. Weber, and Student Member John Demmert

Absent: None

Also present: Robert E. Lahti, M. Bartos, Joseph Bauer, John Birkholz, Frank Borelli, Bob Chantry, Frank Christensen, Bob Cormack, Anton A. Dolejs, Dennis Dunton, Guerin Fischer, John Gelch, Jean Goodling, W. R. Howard, Robert J. Hughes, Fred Inden, John Januszko, C. Patrick Lewis, Jack Lucas, William J. Mann, T. R. McCabe, Liz McKay, M. Scott McMannis, Jerry Mellenthin, William E. Miller, Don Misic, John Morrow, Joann Powell, Henry Roepken, Donn Stansbury, Gilbert Tierney, Pete Vander Haeghen, Fred Vaisvil, Wil Von Mayr, Gordon Wallace, Dave Williams, and R. Zilkowski--Harper College; Allen Schwartz--Robbins, Schwartz, Nicholas & Lifton, Ltd.; Rena Cohen--Paddock Publications; Verna Parker--Countryside News; and Dorothy McCabe and Paul Scott.

MINUTES:

Member Moats moved, Member Klussmann seconded, approval of the minutes of the regular Board meeting of June 9, 1977, and the special Board meeting of June 29, 1977.

Member Bone requested that the last line, on page six of the June 29 minutes, be corrected to read, "...that the meeting be adjourned at 10:00 p.m." Member Tomchek asked that the June 29 minutes be corrected on page five, in the reference to the legal firm, to show that the name Robbins is spelled with an "s".

As there were no further additions or corrections, the minutes were accepted as corrected.

CITIZEN PARTICIPATION:

Dennis Dunton, Administrative Intern in the President's Office for the past seven months, informed the Board this would be his last official meeting. He thanked the Board, the administration, and the faculty for the fine professional cooperation and tremendous

CITIZEN
PARTICIPATION:
(cont.)

experience he had received at Harper. He stated Harper was professionally a quality institution. Chairman Munson thanked Mr. Dunton for the help he has given the Board. Member Moats suggested taking a voice vote of appreciation for Mr. Dunton for his efforts over the past seven months. With the consensus of the Board, Chairman Munson directed Dr. Lahti put this in the form of a resolution for Board signature.

DISBURSEMENTS:
Bills Payable

Member Nicklas moved, Member Weber seconded, approval of the bills payable of July 14, 1977, as follows:

Educational Fund	\$209,795.57
Building Fund	114,009.08
Site and Construction Fund	63,455.52
Auxiliary Fund	85,848.37

Member Klussmann referred to page three of the bills payable, check #39125, for the Illinois Community College Trustees Association, in the amount of \$3,760.60. The item description designated this as "Consultants" and Dr. Mann agreed this was in error, this amount was for dues. He stated the bills payable would be amended to show "Dues" as the item description and the correct account number.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
Nays: None

Motion carried. Member Demmert voted aye.

Payrolls

Member Nicklas moved, Member Weber seconded, approval of the payroll of June 15, 1977, in the amount of \$341,789.26; the payroll of June 30, 1977, in the amount of \$375,038.14; and the estimated payroll of July 1, 1977 through August 31, 1977, in the amount of \$1,444,407.21.

In the discussion which followed, Member Tomchek questioned the merit pay for administrators, asking if this had been approved for payment, stating he did not recall approving the checks. Member Bone referred to the minutes of June 29, 1977, when the Board approved the sum of \$10,000 for merit pay for administrators. Member Weber recalled that at a committee meeting on June 14, the Board approved the final recommendations on individual salaries and merit pay. Member Tomchek questioned whether the Board had approved the payment thereof, or of making that amount of money available. He asked when these checks were approved.

Dr. Lahti explained that typically when the Board has taken the action of spreading the salary, of

DISBURSEMENTS:
Payrolls
(cont.)

approving a salary lump sum on merit pay, the administration has taken that as authorization for payment and for the amount. Dr. Lahti stated this has been the practice for ten years but could be changed if the Board so desired.

Member Tomchek stated he had serious problems with the merit pay proposition. The Board had allocated \$10,000 for administrative merit pay. In checking the merit pay check register for administrators, he found in reality it was \$10,000 net and \$14,000 gross. In checking classified staff merit pay he found, for example, after retirement, income tax, etc., are deducted, a classified employee given \$300 in merit pay nets \$271. By comparison, an administrator receiving merit pay of \$300 receives \$300 net, with a gross of \$431. Member Tomchek felt this was totally inappropriate and that administrators and classified staff should be treated in the same way.

Chairman Munson stated she had checked last year's records and this practice on administrative merit pay had been followed then also, but stated the gross and the net did come within the allowable \$20,000 last year.

Dr. Lahti stated this practice had been followed, and the Board had been knowledgeable of this, from the beginning of the program. If the Board wished to change this practice, Dr. Lahti stated there was no problem.

Chairman Munson felt the issue was the intent of the Board. She felt their intent was \$10,000. She felt it would be necessary to have a realignment of the merit pay to come within the \$10,000 figure.

Dr. Mann pointed out since the Board meets only once a month, and there are two payrolls a month, the practice has been to estimate the payroll in advance so checks could be signed in advance. Member Bone felt this was no problem with normal payrolls, but questioned distributing \$14,000 in merit pay when the Board had authorized a maximum of \$10,000. As it was the consensus of the Board that their intent was \$10,000 for merit pay for administrators, it was agreed this item would be brought up under Unfinished Business and acted upon separately.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
Nays: None

Motion carried. Member Demmert voted aye.

DISBURSEMENTS:
Estimated
Utility
Bills

Member Nicklas moved, Member Weber seconded, approval of the estimated utility bills of September, 1977, in the amount of \$39,500.00.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
Nays: None

Motion carried. Member Demmert voted aye.

Financial
Statements

Dr. Mann commented that, despite the slight drop in enrollment and the many adjustments made in the overall budget during the year, the college had finished the year with \$157,000 balance--very close to the budgeted figure. Chairman Munson felt, as a positive note, the college ended up in a stronger cash position by almost \$400,000 in the Educational Fund and \$70,000 in the Building Fund.

Budget Transfers

Member Nicklas moved, Member Klussmann seconded, approval of the Educational Fund budget transfers, in the amount of \$4,720.00, as per Ex. V-E-1 attached to the minutes in the Board of Trustees' Official Book of Minutes.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
Nays: None

Motion carried. Member Demmert voted aye.

Bid Awards

Member Nicklas moved, Member Klussmann seconded, approval of the following bid awards, as per Ex. V-F attached to the minutes in the Board of Trustees' Official Book of Minutes:

- V-F1 Authorize the renewal of the elevator maintenance contract to the Gallagher & Speck Company in the amount of \$3,700.00.
- V-F2 Approve the third year's renewal of the Willow Park Lease in the amount of \$104,322.00 per year.
- V-F3 Award the bid to the low bidder according to specifications, the Frontier Press, in the amount of \$13,840.00.
- V-F4 Award the bid to the low bidder according to specifications, the Elgin Paper Co., in the amount of \$14,197.50.

DISBURSEMENTS:
Bid Awards
(cont.)

- V-F5 Award be made to the Lynn Sign Company for signage in the amount of \$11,640.00.
- V-F6 Award the bid to the Economics Laboratory, as low bidder, in the amount of \$6,556.00.
- V-F7 Award the bid to the low bidder, the R. A. Peterson Co., in the amount of \$9,289.00.
- V-F8 Approve the cancellation of purchase orders D-7279 and D-7280 issued to the E & I Coop in the combined amount of \$9,068.88 and approve the issuing of awards as follows to 1) Prairie State in the amount of \$2,689.85, and 2) Lowery McDonnell in the amount of \$4,731.89. Total amount of award to be \$7,421.74.
- V-F9 Bid awarded to Student Plans in the amount of \$6,982.00 as low bidder.
- V-F11 Award the bid to the Runge Paper Co., as low bidder, in the amount of \$9,315.19.
- V-F13 Authorize renewal of the leasing contract for the OpScan equipment to the Optical Scanning Corp., in the amount of \$13,260.00, for the fiscal year 1977/78.
- V-F18 Award the renewal of the trash removal contract to the Browning-Ferris of Illinois Corp., in an amount not to exceed \$8,000.00.
- V-F20 Award the bid to the low bidder, the Borg Corp., in the amount of \$20,500.00.
- V-F21 Award of contract for game vending machines to the Custom-Matic Amusement Company of Deerfield, Illinois, offering 65.2%, the highest commission offered per our bid.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
Nays: None

Motion carried. Member Demmert voted aye.

Member Weber moved, Member Klussmann seconded, approval of the following bid awards, as per Ex.V-F attached to the minutes in the Board of Trustees' Official Book of Minutes:

- V-F10 Approve the issuing of purchase order D-7260 to the IBM Corp., in the amount of \$7,110.00.

DISBURSEMENTS:
Bid Awards
 (cont.)

- V-F12 Authorize the renewal of the rental contract for the IBM computer and its related equipment to the IBM Corp., in the amount of \$251,907.60.
- V-F14 Approve the renewal of the lease contract to Hewlett-Packard, in the amount of \$25,113.84.
- V-F15 Approve the 1977/78 maintenance contract to the Hewlett-Packard Co., in the amount of \$9,576.00.
- V-F16 Approve the renewal of the lease contract as stated in exhibit to the Hewlett-Packard Co., in the amount of \$6,296.64.
- V-F19 Approve the leasing of the IBM equipment as listed for one year, in the amount of \$7,159.00.

Mr. Robert Chantry discussed the Hewlett-Packard computer system shared with High School Dist. #211 (Ex. V-F14), stating this is a device used purely for instruction.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson, Tomchek and Weber
 Nays: None
 Abstained: Member Nicklas

Motion carried. Member Demmert voted aye.

COMMUNICATIONS:

Dr. Lahti distributed a note from an employee thanking the Board and administration for the merit check received.

UNFINISHED
BUSINESS:
Merit Pay for
Administrators

Regarding merit pay for administrators, Dr. Lahti stated he would like to set the record straight, stating this program has operated in the same way since the inception of the college. He referred to last year's authorization of \$20,000, with an expenditure of around \$12,000. Not liking this gap of \$8,000, he had requested Personnel make a better estimate this year, which resulted in Personnel tightening down too much. Dr. Lahti stated he had approved the merit pay, adding there had been no intent to deceive, no changes whatsoever in the program.

Member Tomchek stated it is time now for a change and proposed the Board reconsider the merit pay for administrators. Chairman Munson felt the Board could simply give direction at this point. Member Tomchek stated it was extraordinary that the college and previous Boards had knowingly treated administrators and classified staff in different fashion on merit

UNFINISHEDBUSINESS:Merit Pay for
Administrators

pay. Dr. Lahti pointed out there is different treatment in other ways too, such as fringe benefits-- insurance, vacations, etc. Member Weber felt this had not been a problem in the past as it had been far below the allowable maximum. Dr. Lahti stated he had created the problem by trying to be conservative and asking Personnel for a better estimate.

Member Bone questioned the procedure, stating it was her understanding that when checks and payrolls are approved, the Chairman and Secretary sign before they are released. Dr. Mann stated it is true the bills payable checks are not released until after Board approval, but stated the payroll is not handled the same way. He explained the payroll is estimated in advance because the Board does not meet on a regular basis every two weeks, so the actual payroll is approved after it takes place. He added that this procedure had been reviewed with counsel and auditors. As in the past, the merit pay had been handled on the same principle as the payrolls.

Discussion followed on direction to the administration regarding the administrators' merit pay. Member Nicklas felt, in this particular case, the \$10,000 had not been listed as gross or net in the motion--it was simply based on past procedure. She suggested that next year it could be listed within the motion as gross or net, and the Board give direction at this time on the present situation.

Chairman Munson directed the administration make an adjustment in the merit pay for administrators to reflect the \$10,000, as shown in the Board motion, and that next year merit pay be treated in such a way that bonuses are given at the gross amount.

Attorney Schwartz questioned whether, without a motion, there would be any problem with the auditors. Dr. Mann stated the minutes would reflect the Board's direction. Dr. Lahti added that the auditors have reviewed all payroll accounts every year and have not taken exception to this practice as it has followed procedure approved by the Board. He stated it was an honest mistake and hoped the Board would treat it that way. Member Moats felt this had been settled and suggested moving on with the agenda.

Employment of
Attorney

Member Nicklas stated she had been unable to attend the June 9 meeting of the Board at which time a legal firm was retained. She stated she was sure they were most reputable and most qualified. Referring to the minutes of the meeting, she questioned the fact that the motion concerning the employment of the firm made no reference to money, to hourly rate or retainer. Member Nicklas stated there had been no compiling of

UNFINISHED
BUSINESS:
Employment of
Attorney
(cont.)

costs of previous years in order to have something on which to base judgment. She mentioned the various costs to be considered--Board meetings, retainer, committee meetings, telephone calls, expenses for negotiations, research and litigation, out-of-pocket expenses, etc. Member Nicklas stated she was not questioning the operation of any firm but was questioning the decision of the Board to employ a firm without any reference to money.

Chairman Munson stated the Board had never gone into these other items in the past. In regard to this particular firm, she stated the fees were discussed at length and also presented to the Board in the materials they received. Member Nicklas pointed out it was not in the motion. Chairman Munson stated the fee was not reported in last year's minutes either.

Dr. Lahti stated he had recommended to the Chairman that this be included for the purpose of audit trail. Chairman Munson stated an agenda item had been proposed on this but she had requested it be withdrawn as she did not understand what it was. Chairman Munson pointed out she had not understood why it needed to be done differently this time than in the past, stating she had referred to minutes she had for the past three years. She felt these are not service people, this is a professional situation and inferred a type of contract that the Board would sign and approve. Chairman Munson stated if she had the background information at the time she requested it, she would have had no objection to the item on the agenda. She stated this could be put on the August agenda if anyone so wished. Member Nicklas mentioned the Board's concern with all finances, discussing them at length at most Board meetings, and along this same line of procedure she requested this item be placed on the August Board agenda.

Member Tomchek pointed out that the last bill received from Seyfarth, Shaw, Fairweather & Geraldson had been approved in May and only covered through November. He questioned why no other bill has been received. Dr. Lahti suggested it was being held up because of litigation. Member Tomchek asked about the hours of negotiations in the spring, and Dr. Lahti stated he felt that bill would be coming through--that it is a matter of the firm's billing. Chairman Munson expressed concern that this bill would be charged against the new budget and not reflect accurately the legal expenses for the year. Member Weber pointed out the legal firms contacted had been most cooperative in breaking down their billing. She was in favor of putting this item on the August agenda, as long as counsel did not object. Member Nicklas stated she was sure they would not object, as they are

UNFINISHED
BUSINESS:
Employment
of Attorney
(cont.)

working for a public body. Attorney Schwartz stated the firm would be happy to have the fees included in the record. He pointed out the Board had received a detailed proposal from his firm, clearly stating the hourly charges, beyond the retainer, and he stated Board members do know what the charges are. Member Nicklas stated she had not said they did not know, but her point was that the minutes should reflect the kinds of costs the Board is assuming.

Chairman Munson stated this item would be put on the August agenda.

Building
Construction

Member Moats reported on construction. He asked about pouring of concrete for Building M. Dr. Mann stated the general contractor's performance bond is not in and CDB will not allow the contractor to proceed until all are in. Dr. Lahti pointed out this agency costs the taxpayers thousands of dollars, waiting for approvals. Bids were opened June 8; now, going on six weeks, valuable construction time has been lost. If construction has to stop because of weather, the college will suffer, students will not have access to this facility. Member Moats stated CDB reports the working drawings from our architects are the cleanest since the establishment of CDB. He felt this spoke well for the architects and predicted it should help with bid prices and in keeping change orders to a minimum. Member Moats spoke of one problem. The college has authorized CDB to spend 5.9 million but wants to spend 5.6 million. The difference is in the contingency allowed--5 percent in design changes and 5 percent for change orders after the contracts are let. Based on past experience, construction change orders have run well below 5 percent. The college does not want to use any of the design contingency. In order to control this, options in the design package are necessary. Recommendations from the staff include nine options or alternatives. Any or all may be selected, but they must be submitted in order of preference before the bids are selected. Dr. Mann stated the Board will need to consider and establish priority lists of bid alternatives in executive session before the bid opening. They are not released to the contractors during the bidding process.

Member Moats reported that Building I has been approved by the Legislature but has not yet been approved by the Governor. Building I must be built before Building J which is already approved.

Member Moats reported on the 12 acre easement requested by the Salt Creek Flood Control people. Dr. Mann discussed some of the aspects of this project,

UNFINISHED
BUSINESS:
Construction
Report
(cont.)

stating there are a number of problems that need to be resolved. A further report should be ready for the August meeting.

Dr. Lahti pointed out that behind the architects was an administrative/faculty team--R. Cormack, the P.E. staff, J. Birkholz, Don Misic--and consultants, who provided good input in developing the Building M project. Dr. Lahti commented that the use of consultants made the project go much smoother and should result in fewer change orders. Member Moats observed that the use of consultants was well worth the cost.

NEW BUSINESS:
Budget
Hearing

Chairman Munson declared the meeting recessed at 9:18 p.m., for the purpose of a public hearing on the 1977-78 budget. She pointed out the Budget Committee had been rather decimated by the election, so the Board worked as a Committee-of-the-whole. Chairman Munson read the following statement.

The budget preparation entails three phases of planning. Each cost center anticipates its needs and presents them to the administration. After this process has taken place and been reviewed in three stages, with Board input at each stage, a final proposal is developed. This budget is a result of this process.

This budget expects to cover the cost of the growth pattern anticipated for the coming fiscal year.

There has been a pattern of expenditures exceeding revenue for the past year. This is related directly to the State Apportionment. In 1974-75, there was a decrease in State Apportionment of 2.1 percent, and in 1975-76, a decrease of 2.8 percent in State Apportionment. Another significant comparison in State Aid: in 1973-74, the State Aid was \$18.12/cr. hr., and this past year it has increased to only \$19.39, 12.5 percent, yet the rate of inflation for this period has been 27 percent.

Another decrease in revenue is reflected in the chargebacks. In 1967-70, 18.6 percent of income was chargebacks. The projected figure in 1977-78 is 3 percent. With the absorption of the North Shore area into the Oakton District, we can anticipate even a greater drop.

The most significant increase in expenditures is 3 percent for salaries. This compares with 4.7 percent for the past fiscal period. The increase in utility costs and insurance is 2.2 percent, our concern being here that the fixed charges reflect a variable leading to unanticipated problems of costs.

We feel that between the administration and the Board this budget has been kept to a studied minimum of expenditures, always keeping in mind that the needs of the college are being met at this time.

NEW BUSINESS:
Budget Hearing
 (cont.)

The basis of much of the planning for the Board has been a document known as Plan Tran, a projection of all the revenue items with some basic assumptions determined by the Board slotted in. This enables us to see the cash balance at the fiscal year end. It is this cash flow which is watched so closely when looking at the five year plan.

We have additional funds available over the figures that we worked with during the budget cycle. These are the final year figures that just came to us last Friday. The projected revenue in the Educational Fund that we worked with during budget meetings was \$9,194,000; the actual is \$9,519,780. The estimated expenditures for last year were \$10,200,000; the actual was only \$10,134,714. This gives us an advantage of \$391,221 in our cash balance that we had not anticipated. There had been discussion on a potential increase in tuition of \$1.00 per credit. This would have generated \$216,000. As one can see, we have more than covered this amount with the current cash position given in the current balance sheet. Also, the Building Fund has also an advantage of being \$70,000 under the amount predicted, so we have that additional positive figure that we did not have when we were in the budget planning.

As you can see, this Board has striven to reach a balanced budget. Through the present fiscal year, it will continue to watch the revenue and expenditures to see that the tax-payers are receiving maximum services for their tax dollar.

Chairman Munson opened the budget hearing for public comments or questions; as there were no comments or questions, Chairman Munson declared the budget hearing closed and reconvened the Board meeting at 9:25 p.m.

Adoption of
 1977-78
 Budget

Member Nicklas moved, Member Bone seconded, adoption of the budget by the following resolution:

WHEREAS, the Board of Community College District No. 512, Counties of Cook, Kane, Lake and McHenry, and State of Illinois, has caused to be prepared in tentative form a budget for the fiscal year July 1, 1977 through June 30, 1978, and the Secretary of this Board has made the same conveniently available to public inspection for at least thirty days prior to final action thereon, and,

WHEREAS, notice that said tentative budget was available for public inspection was given in the Elk Grove Herald, Rolling Meadows Herald, Arlington Heights Herald, Mount Prospect Herald, The Herald, Cook County Herald, Palatine Herald, Wheeling Herald, and the Barrington Courier Review, newspapers published in the district; and,

NEW BUSINESS:
1977-78
Budget
(cont.)

WHEREAS, said tentative budget was available for public inspection in the Business Office of William Rainey Harper College, from June 14, 1977 through July 14, 1977; and,

WHEREAS, a public hearing was held as to such budget on the 14th day of July, 1977, notice of said hearing having been given at least thirty days prior thereto as required by law, and all other legal requirements complied with; and,

WHEREAS, since the preparation of said tentative budget, the Board has obtained information respecting the current and probable assessed value of all taxable property in the College District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Community College District No. 512, Counties of Cook, Kane, Lake and McHenry, and State of Illinois, as follows:

Section 1. That the fiscal year of this College District be and the same is hereby fixed and declared to begin on the 1st day of July, 1977, and end on the 30th day of June, 1978.

Section 2. That the budget, a copy of which is inserted in the minutes of this meeting immediately following the last page hereof, containing an estimate of amounts available in the Education and Building and Maintenance Funds, each separately, and of expenditures for each of the aforementioned funds, be and the same is hereby adopted as the budget of this College District for said fiscal year.

Member Klussmann read a statement regarding the tuition question. She felt that deferring a tuition increase would not create financial chaos in the future, as implied by recent statements to the press and letters to the editor by a former Board member. She stated instead of increasing tuition by \$1.00 per semester hour, the Board had cut an almost equal amount from the 1977-78 budget and at the end of the year the Educational Fund would have a balance of \$1,213,000 after expenses. If costs escalate beyond projections, or if a future referendum is defeated, she stated the Board can again trim costs and/or raise tuition by \$2.00 or more at one time if necessary. Member Klussmann stated Harper's tuition was at least \$2.00 more per semester hour than other community colleges in the area. Her position to defer was an attempt to give students a temporary respite in the spiral of price increases, a desire to become more confident in the accuracy of the administration's facts and figures, and to make decisions of this nature in an atmosphere that is

NEW BUSINESS:
1977-78
Budget
(cont.)

educational and not political. Member Klussmann stated she was proud of the programs and services Harper can offer, but felt the deceptions and manipulative games played with the Board are totally unnecessary (copy of statement attached to the minutes in the Board of Trustees' Book of Official Minutes).

Member Nicklas commented that all Board members have their own point of view concerning the budget and tuition, and stated she saw no reason for castigating at this time.

Member Moats, in commenting on the deferment of the tuition increase, referred to a memo dated 7/12/77 from Mr. Dolejs to Dr. Mann. He stated this indicated that in 1980-81 when presumably the projected tax increase has been accomplished, and tuition has been raised according to the planning of the committee-of-the-whole, the fund balance will still be dropping by roughly \$300,000 a year. He pointed out Harper uses an accrual method of indicating their balance and stated the cash is short of the amount shown because of the months between the tax levy and the tax collections. Member Moats felt the college would be into tax anticipation warrants sooner than indicated.

Chairman Munson felt this was based on a five-year projection and referred to previous years when tax referendums were proposed but had not taken place. She stated the college is still not in the red, it is in a strong cash position.

Member Tomchek felt the issuance of tax anticipation warrants would not necessarily indicate the beginning of the end, stating other things have impact on cash flow. He referred to a request he had made to separate Trustee expenditures from the President's, which had not been done in this budget. He requested this be done. Member Tomchek commented that he felt general pride had been taken in curtailing increases, but stated he felt there had not been much effort in curtailing expenditures and referred specifically to travel expenses.

Member Weber stated she had also expressed concern about travel expenses. She referred to a memo the Board had received from Dr. Mann, at her request, on costs to an individual taxpayer in terms of a future tax referendum. On deferring the tuition increase, she stated she had made herself clear in her letter to the Board. If the Board's careful projections prove inaccurate, and a problem arises, Member Weber stated there is nothing to prevent the Board from taking action in the future. Member Nicklas felt this was a good suggestion and stated it had been done in the past when revenues did not meet expectations and the budget had been cut.

NEW BUSINESS:
1977-78

Budget
(cont.)

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Munson,
Nicklas, Tomchek and Weber
Nays: Member Moats

Motion carried. Member Demmert voted aye.

Levy
Resolutions

Member Nicklas moved, Member Weber seconded, the adoption of the following levy resolution:

BE IT RESOLVED: That there be and hereby is levied for the year 1977 a tax in the sum of \$4,600,000 for Educational purposes, and that the Secretary and Chairperson of this Board be authorized and directed to execute a proper Certificate of Levy and to file the same with the County Clerks of Cook, Kane, Lake and McHenry Counties, Illinois, on or before Tuesday, September 27, 1977 (a copy of the Certificate of Levy is attached).

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
Nays: None

Motion carried. Member Demmert voted aye.

Member Nicklas moved, Member Weber seconded, the adoption of the following levy resolution:

BE IT RESOLVED: That there be and hereby is levied for the year 1977 a tax in the sum of \$1,700,000 for Operations, Building and Maintenance purposes, and that the Secretary and Chairperson of this Board be authorized and directed to execute a proper Certificate of Levy and to file the same with the County Clerks of Cook, Kane, Lake and McHenry Counties, Illinois, on or before Tuesday, September 27, 1977 (a copy of the Certificate of Levy is attached).

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
Nays: None

Motion carried. Member Demmert voted aye.

NEW BUSINESS:
Levy
Resolutions
(cont.)

Member Nicklas moved, Member Weber seconded, the adoption of the following levy resolution:

BE IT RESOLVED: That there be and hereby is levied for the year 1977 a tax in the sum of \$52,256 for Liability Insurance Premium purposes, and that the Secretary and Chairperson of this Board be authorized and directed to execute a proper Certificate of Levy and to file the same with the County Clerks of Cook, Kane, Lake and McHenry Counties, Illinois, on or before Tuesday, September 27, 1977 (copy of the Certificate of Levy is attached).

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
Nays: None

Motion carried. Member Demmert voted aye.

Staffing--
Faculty
Resignations

Member Klussmann moved, Member Nicklas seconded, that the Board of Trustees accept with regret the resignation of Dr. Stephen T. Franklin, effective May 20, 1977.

Motion carried in a voice vote.

Member Klussmann moved, Member Bone seconded, that the Board of Trustees accept with regret the resignation of Ms. Robin L. Jacobs, effective May 20, 1977.

Motion carried in a voice vote.

Member Tomchek moved, Member Weber seconded, that the Board of Trustees accept with regret the resignation of Mr. Philip Gregorowicz, effective May 20, 1977.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
Nays: None

Motion carried. Member Demmert voted aye.

Faculty
Appointments

Member Klussmann moved, Member Bone seconded, the appointment of Mr. Ronald Cooper as Assistant Professor of Data Processing, effective August 16, 1977, at an annual salary of \$17,440 for a 39-week contract.

NEW BUSINESS:

Staffing--
Faculty
Appointments
(cont.)

Upon roll call, the vote was as follows:

- Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
- Nays: None

Motion carried. Member Demmert voted aye.

Member Bone moved, Member Weber seconded, the appointment of Mr. Ervin F. Brinkman as Instructor of Accounting for a one-year terminal appointment effective August 16, 1977, at an annual salary of \$18,590.00 for a 39-week contract.

Upon roll call, the vote was as follows:

- Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
- Nays: None

Motion carried. Member Demmert voted aye.

Member Weber moved, Member Klussmann seconded, the appointment of Ms. Mary Louise Wessendorf as a Librarian for a one-year terminal appointment, with the rank of Instructor, effective August 16, 1977, at an annual salary of \$13,740.00 for a 39-week contract.

Upon roll call, the vote was as follows:

- Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
- Nays: None

Motion carried. Member Demmert voted aye.

Member Klussmann moved, Member Weber seconded, the appointment of Dr. David E. Wallin as Assistant Professor of Business Administration and Economics for a one-year terminal appointment, effective August 16, 1977, at an annual salary of \$19,371.00 for a 39-week contract.

Upon roll call, the vote was as follows:

- Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
- Nays: None

Motion carried. Member Demmert voted aye.

Staffing--
Administrative
Resignation

Member Weber moved, Member Bone seconded, that the Board of Trustees accept with regret the resignation of Mr. John Januszko, effective August 15, 1977.

NEW BUSINESS:

Staffing--
Administrative
Resignation
(cont.)

Member Moats commented that all the Board have had actual contact with Mr. Januszko, and were sincerely interested in his new venture. Mr. Januszko informed the Board he was going into industry, and would be opening a restaurant in the Champaign area called the Country Inn. The Board members wished him much good luck.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber

Nays: None

Motion carried. Member Demmert voted aye.

Administrative
Contracts

Attorney Schwartz informed the Board he had the administrative contracts for the Board's review. He reported there had been a very successful committee meeting with input from Dr. Lahti and Dr. Mann. He suggested there was a certain amount of concern about this and he felt it could be taken care of at this meeting. As he felt this was in the area of legal advice, Attorney Schwartz recommended an executive session on this item.

Chairman Munson recessed the meeting to an executive session at 9:55 p.m.

Chairman Munson reconvened the Board meeting from executive session at 10:25 p.m., with the following present:

Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek, Weber, and Demmert

Member Weber moved, Member Bone seconded, that the Board accept the document, as prepared by counsel, as the new Administrative Contract.

Motion carried in a voice vote.

Dr. Lahti stated he would schedule a meeting tomorrow at 11:00 a.m. to give the details of the contract to the college administrators.

Chairman Munson thanked the administrators for bearing with the Board at this time.

Contract
Rider

Member Weber moved, Member Klussmann seconded, approval of a rider for \$3,470.00 to be added to Dr. Sedik's contract for the period of August 1, 1977 to June 9, 1978, to be paid in 21 installments from account number 111-980-511.

Dr. Williams reviewed the unsuccessful search in the spring for an Associate Dean of the Business Division.

NEW BUSINESS:
Contract
Rider
 (cont.)

He stated this action will fill the position on an interim basis for this academic year. The position will be reopened in the fall to be filled on a permanent basis for the 1978-79 academic year.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
 Nicklas, Tomchek and Weber
 Nays: None

Motion carried. Member Demmert voted aye.

Local 11
 Contract
 Approval

Member Weber moved, Member Nicklas seconded, that the Board of Trustees approve the 1977-1980 agreement with Local 11, Service Employees International Union (copy attached to the minutes in the Board of Trustees' Official Book of Minutes).

Member Tomchek commented that he felt the financial settlement was very advantageous to the Board. He felt the Board may wish they had not entered into this agreement if they have trouble retaining employees. He felt the provision under no strikes interferes with the employees rights of free expression, as protected under the First Amendment of the Constitution.

In answer to a question from Attorney Schwartz, Mr. Von Mayr stated Mr. Fred Lifton had reviewed this contract and did not see any problems. Attorney Schwartz stated he would stand on Mr. Lifton's comments, but he would call his attention to page 9, Article 5, specifically in response to Member Tomchek's request.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
 Nicklas, Tomchek and Weber
 Nays: None

Motion carried. Member Demmert voted aye.

Audit of
 Harper College
 Education
 Foundation

Member Nicklas moved, Member Weber seconded, that the Board of Trustees authorize the administration to appoint Ernst & Ernst to conduct a financial audit of the Harper College Education Foundation, the cost of which is to be funded by the Board of Trustees as part of its supportive costs to the Foundation.

Member Tomchek moved, Member Weber seconded, to amend the motion to state, "not to exceed \$2,500."

NEW BUSINESS:

Audit of
Harper College
Education
Foundation
(cont.)

Upon roll call, the vote was as follows:

- Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
- Nays: None

Motion to amend carried. Member Demmert voted aye.

Member Klussmann reported Mr. Lewis had researched community colleges in Illinois and found twelve had educational foundations. It is customary for the colleges to handle this support type of service, and also customary to use the same auditing firm for the foundations as the colleges use. Member Klussmann stated it was found that as an educational foundation's financial position improves, the college bills the foundation for services. She stated Dr. Mann pointed out this is something the Board may want to consider in the future; however, the Harper Foundation is not in that position at this time. It is their intent to return the money borrowed from Harper. Dr. Lahti agreed, as the Foundation grows, they will become more autonomous.

Upon roll call on the amended motion, the vote was as follows:

- Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
- Nays: None

Motion carried. Member Demmert voted aye.

Board
Policy
Revision

Member Weber moved, Member Klussmann seconded, to suspend the rules so action on policy revision could be taken in one meeting.

Upon roll call, the vote was as follows:

- Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
- Nays: None

Motion carried. Member Demmert voted aye.

Member Bone moved, Member Tomchek seconded, that Board Policy 3.0.2.A be revised to read:

The Board of Trustees may enter into multi-year employment contracts. Contracts of Vice Presidents shall not exceed three (3) years, and contracts with other administrators shall not exceed two (2) years.

The length of such contract and any extensions thereof shall be provided in the employment

NEW BUSINESS:
 Board
 Policy
 Revision
 (cont.)

contract. Such contract shall also provide such other terms and conditions as are usual and customary in employment contracts. The contract shall be subject to the evaluation procedures of the District.

Upon roll call, the vote was as follows:

Ayes: Members Bone, Klussmann, Moats, Munson,
 Nicklas, Tomchek and Weber
 Nays: None

Motion carried. Member Demmert voted aye.

Member Moats pointed out the paragraph on confidentiality, although published in the Policy Manual, had not been officially approved by the Board. While the rules were suspended for action on the Policy Manual, Member Moats moved, Member Bone seconded, that the Board approve that paragraph in the Policy Manual on confidentiality.

As counsel had not completed their review of this paragraph, Attorney Schwartz suggested that action be deferred at this time.

With the understanding that this paragraph is not part of the Policy Manual, Member Moats withdrew his motion, and Member Bone withdrew her second. Chairman Munson directed the administration to place this item on the agenda of the August Board meeting.

New
 Program
 Approvals

Member Weber moved, Member Demmert seconded, approval of the following new programs, as set forth in Exhibits H-1, H-2, H-3, attached to the minutes in the Board of Trustees' Official Book of Minutes:

- H-1 Cardiac Exercise Technician/Leader program be approved and administration be authorized to hire the program director effective January, 1978
- H-2 Associate in Applied Science degree and certificate program in Horticulture be approved with implementation in the fall of 1977
- H-3 Certificate program in Small Engine Mechanics be approved, with the understanding that at least the first year of operation will be as a fully funded CETA program.

The Board commented that these were exciting programs and they would be looking forward to reports on them.

NEW BUSINESS:

Upon roll call, the vote was as follows:

New

Program
Approvals

Ayes: Members Bone, Klussmann, Moats, Munson,
Nicklas, Tomchek and Weber
Nays: None

Motion carried. Member Demmert voted aye.

RAMP
Planning
Document

Dr. Lahti distributed the RAMP document to the Board for their study before the August meeting. Dr. Mann explained that RAMP means Resource Allocation Management Plan, and is the State's answer to the PPBS system. It requests the college mission, goals, and certain statistical information, and is submitted annually. Dr. Mann called attention to the section on Request for Physical Facilities--the college's request for next fiscal year. He stated this is basically approved or disapproved by the ICCB and IBHE, put in the Governor's budget, and acted or not acted upon by the Legislature starting in January. Chairman Munson added that the Board would be adopting this document at the August meeting.

Resolution of
Appreciation,
Frank Hines

Member Nicklas moved, Member Bone seconded, adoption of the following resolution:

RESOLUTION OF APPRECIATION

The Board of Trustees and administration of William Rainey Harper College express appreciation to Mr. Frank Hines for his many years of service as legal counsel to the college.

Mr. Hines was the original board attorney and has served without interruption in that capacity from 1965 until 1977.

During those 12 years, the College was able to avoid unnecessary litigation primarily as a result of Mr. Hines' knowledge and accurate interpretation of the Community College Act and other legislation affecting the institution.

Mr. Hines provided excellent counsel and successfully guided the college through a period of rapid growth and changing legislation.

Throughout his years of service, he was readily accessible and prompt in his response to all inquiries from the board and administration.

The contributions of Mr. Frank Hines for more than a decade have earned him a place of respect in the College and the community.

The motion carried in a voice vote.

NEW BUSINESS:
Report
from
Attorney

With the concurrence of the Board, Chairman Munson added to the agenda a report from the attorney.

In response to a request from Member Bone, Attorney Schwartz reported on SB1149, dealing with Election Code changes. This bill was passed by the House and Senate and sent to the Governor. On July 21, a major amendment was made to the text of the bill--21 pages of the original bill were deleted and an 18 page revision was substituted. Attorney Schwartz explained that this bill has two functions, to try to restrict public bodies, including community colleges, from holding referendums on tax rate and bond rate increases, and that public officials would be elected on given dates. On those particular election dates, referendums would also go on the ballot which would make political issues of referendums. The original bill passed in that form. The amendment deleted the whole provision dealing with the consolidation of the referendum. As the bill now stands, it does set up certain dates for consolidated elections. A general election will be held in even-number years. An election, known as a consolidated election, would be held in odd-number years. This would involve primary elections, and one known as non-partisan elections in which community college trustees as well as other school board members would be elected. This would be held on the first Tuesday after the first Monday in November. The bill neglects to discuss the transitional schedule. Attorney Schwartz felt it was not a particularly good bill. He informed the Board he would report back on whether the Governor signs the bill or not. He stated his firm would be issuing a client newsletter near the end of August in which all educational bills will be summarized.

Member Nicklas added that the Trustees Association is very concerned about this bill, and stated there is a lot of work being done before the Governor signs it.

Chairman Munson thanked Attorney Schwartz for his report.

PRESIDENT'S
REPORT:

Dr. Lahti distributed a Legislative Report, summary of Legislative activities put together by Mr. Lewis, and stated this included a brief summary on the election bill, a page on the appropriation amounts, plus several other bills that affect community colleges.

Dr. Lahti brought to the Board's attention that Ms. Diane Callin had received her PhD from the University of Illinois and stated through an oversight this had not been brought to the Board's attention earlier.

Dr. Lahti distributed copies of the Faculty Orientation Program to the Board, stating this had been put

PRESIDENT'S
REPORT:
(Cont.)

together by Dr. Birkholz and staff.

Chairman Munson reminded the Board of the interface meeting with Wheeling on July 20, at 8:00 plm.

ADJOURNMENT:

Member Bone moved, Member Tomchek seconded, that the meeting be adjourned at 11:00. Motion carried.

Chairman Shirley Munson

Secretary Natalie Weber