

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 Special Board Meeting of Thursday, April 10, 1996.

CALL TO ORDER: The Special Board meeting of the Board of Trustees of Community College District No. 512 was called to order by Committee Chairman Howard on Thursday, April 10, 1996 at 5:07 p.m. in the Board Room of the Administration Building, 1200 W. Algonquin Road, Palatine, Illinois.

ROLL CALL: Present: Members Born, Gillette (5:52 pm arrival), Howard, Kolze and Moats (6:30 pm arrival)

Also present: Paul Thompson, President; Ed Dolan, V.P. Academic Affairs; Bonnie Henry, V.P. Student Affairs; Vern Manke, V.P. Administrative Services; David McShane, V.P. Information Services; Vic Berner; Pat Bourke; Harley Chapman; Tom Choice; Jerry Gotham; Amy Hauenstein; Bill Howard; Joan Kindle ; Liz McKay; Bill Neumann; and Judy Thorson

Approval of Minutes

Member Kolze moved, Member Born seconded, that the minutes of the March 13, 1996 Budget Committee be approved.

Member Kolze asked for clarification of the statement on Page 4, "Mr. Manke noted that they have removed the dollar amounts from the positions that will not be filled for 1996-997 . However, the positions are in the budget and will appear on the report because the administration intends to fill those positions in the following year."

Member Howard stated that the positions are taken out in terms of the budget, but they are left with a \$1.00 for each one because they will be filled the following year. Mr. Manke noted that if it is changed to a zero, the position will be taken off the computer.

In a voice vote, the motion carried. The minutes were approved with the revision as noted above.

Revised Education Fund Revenues and Expenditures

Member Howard noted that these figures reflect the proposed cuts which will provide the necessary money to allow for some salary increases. She stated that discussion about those cuts is needed since some concerns have been raised.

Mr. Manke reviewed the revenue figures. On the expenditure side, Salaries and General Materials and Supplies have changed significantly. The previous projections showed an excess of approximately \$500,000 which was not sufficient to sustain the projected salary and benefit increases. Inasmuch as there was no other source for additional revenue, reductions were made in expenditures in Materials and Supplies, Temporary Staff, Student Aides, and Part-time Classified. A reduction in these areas would not affect the full-time staff, but would affect temporary staff and student aides. This added approximately \$500,000 to the amount needed to cover salary increases. The revised budget will have an excess of approximately \$1,068,402 that would be available for salary and benefit increases when these are determined.

Member Howard asked Dr. Dolan to review the nature and the impact of the proposed cuts. Dr. Dolan stated that the impact is dramatic because of previous cuts over the last three years of nearly \$1 million in Academic Affairs. This has produced a cumulative impact on the budget reductions. The reduction in Goods and Services will put significant pressure on supplies for specific programs, particularly lab-based programs such as the Life Sciences, Biology, and Chemistry, and the computer-based programs which rely on supplies in the lab setting. He noted that costs are increasing while the available budget remains the same. In the area of part-time temporary staff and student aides, these are the two funds which provide for flexible staffing. These individuals staff division offices to assist with clerical duties. Others are hired at the program level, such as in the Arts & Humanities Division. He noted that these classes cannot exist without that kind of support. Tutoring has experienced budget reductions of over \$25,000 in the previous three years, and yet there is an increased need for tutoring given the enhanced diversity of Harper students. The assessment programs indicate that well over 60 to 80 percent of math students need remedial support. The other area that will be dramatically impacted is the LRC which relies heavily on temporary staff and student aides.

Dr. Dolan stated that the cuts are severe, and will have impacts on the ability to serve students directly and indirectly. The administration is studying other options, and no final decisions have been made.

Member Howard noted that the Board has just approved fees for the next year for classroom supplies, and stated that she was concerned with the possibility of charging students for their classroom supplies and then not having those supplies available. In addition, because of Harper's commitment to student success, she also expressed concern with the possibility of cutting tutoring.

Member Kolze stated that it is often necessary to take action in the face of declining enrollment and revenue in order to prevent even more problems in the future. Member Howard responded that gradual reductions have been made over the last three years and this is now beginning to impact services to students. She felt that it is necessary to seriously evaluate priorities, keeping in mind the College's main mission of educating students.

Dr. Dolan noted that the concerns of the Board members reflect those of the Deans and the faculty, and agreed that there is a priority issue that needs to be resolved. He stated that 80 percent of the budget is for full-time salaries and benefits -- leaving the flexible accounts as targets for budget cuts. Dr. Dolan noted that everybody seems to agree that cutting tutoring is not an option that anyone wants to pursue with any degree of priority.

Member Born asked if some of the tutoring cuts were restored last year. Liz McKay stated that the money that was reduced two years ago in tutoring was restored by the Perkins grant. However, previous much larger reductions in tutoring before that time have not been restored to the Education Fund.

Member Born asked how tutoring could be restored in terms of dollars. Dr. Dolan stated that the total tutoring budget is about \$65-70,000 in the part-time temporary and the student aide line items to support tutoring, and he did not feel that this should be decreased. Member Howard asked how much of that was projected to be cut. Dr. Dolan responded that approximately 40 percent would be cut. Member Born stated that it does not make sense to do assessments and then not have the resources to work with those students who need assistance. She noted that some faculty members are volunteering their time for tutoring, and questioned if that could be expanded. Dr. Dolan stated that faculty members currently do a great deal of tutoring in their offices.

Vice President Bonnie Henry stated that her division has made significant cuts in the area of services, including \$200,000 this past year, with \$174,000 of that in staff. Those cuts are in the areas of advising, registration, the Center for Students with Disabilities, etc. She noted that hours are being cut at the box office at a time when the College is discussing building another theater.

Member Kolze asked why these cuts are being made. President Thompson stated that they are trying to balance the budget and accommodate present expenditures and anticipated expenditures in terms of negotiated salaries. Member Kolze noted that 80 percent of the budget is nondiscretionary, so there are only certain areas that can be considered for cuts. Member Howard agreed, but stated that it is a question of prioritization of the most essential student services.

Member Kolze stated that another option would be to cut five percent across the board, but that would not address priorities. Member Howard stated that she would not agree to that.

President Thompson stated that an option can be considered to mix some of the reductions at a lesser level with an employment freeze into next year. Member Kolze noted that there would be significant savings with that option.

Member Born suggested that if tutoring is cut, that will accelerate the reduction of students because of the failure rate. She felt that although the fund reserves should be spent for non-recurring expenses, she questioned whether these cuts should be made if reserves are available. Dr. Dolan stated that they are prepared to present options in terms of priorities.

Member Born suggested that it may be better to cut entire departments or programs. Dr. Henry responded that this type of cut would impact full-time employees at the College, whereas the proposed cuts would affect students aides and temporary staff rather than those employees.

Member Howard asked the administration to give the Board options. Member Kolze stated that the philosophical framework may have to be examined.

Dr. Dolan voiced appreciation of this discussion, and noted that this is a recurring discussion among the faculty and administration.

Operations & Maintenance Fund

Mr. Manke reviewed the revenues and expenditures for this fund. He noted that adjustments were made out of the available funds between revenue and expenditures and the capital equipment was adjusted, leaving enough to cover expenses for salary adjustments for the classified staff, the administrators, and the supervisory/confidential employees in the O&M Fund. He noted that if the salary adjustments stay within the parameters used for the estimates, this fund will have a balanced budget.

Capital Requests

Education Fund: Mr. Manke explained that the amount budgeted has decreased significantly from the previous year because approximately \$500,000 was taken out in anticipation of capital money for technology from the State. It now appears that the College may not get that money unless additional funding bonds are sold for the state. He noted that there has been a significant amount of money cut from the education fund in terms of capital requests, leaving only \$490,000 in the budget. Mr. Manke felt that this amount is too small, and noted that this approach may in time affect the quality of instruction. Priorities for the Education Fund will need to be set in the future as to the direction of the institution with various programs and functions.

Mr. Manke stated that there may be a need for further cuts if the College is going to maintain fiscal credibility. If fund balances are used for recurring expenses, the funds balances will soon be exhausted and the College will lose a source of revenue in the form of interest income.

Mr. Manke explained that there are "0's" in the detail column for the O&M Fund if an item was budgeted for in one year and not in a subsequent or previous year. He explained some of the major purchases in detail.

- 1) Purchase of furniture for the I Lab renovation, as well as furniture costs for Building V renovation (the greenhouse area).
- 2) A replacement vehicle for the Roads and Grounds Department; two mowers are also being replaced.
- 3) \$75,000 for an upgrade of the automated heating and cooling system in Buildings I, V and H.
- 4) \$35,000 for the humidification of Building P for the pianos.
- 5) \$50,000 for the Algonquin road modification.
- 6) \$40,000 for sealcoating. Mr. Manke noted that sealcoating will extend the life of the parking lots substantially, with one-quarter of the lots being done each year.
- 7) There is money budgeted for signage on Roselle and Euclid and also at the Euclid entrance. The signage program will be implemented in phases.

There was discussion regarding the landscape budget.

Member Born asked if there are some items in the budget that are not entirely necessary which could be eliminated in order to funnel more money to areas that will directly help the students. She suggested that funds such as those budgeted for landscaping could be delayed in order to find more money in the budget. Mr. Manke replied that this would involve shifting some expenses from the Education Fund to the O&M Fund, but money could not be used from one fund for expenses in another. He noted that this has been done in the past. There was discussion regarding the necessity of some items, such as the humidification of P Building. Mr. Manke discussed the rationale for a planned staging of work, such as with the roofing or landscaping.

The Board directed the administration to review these items to see if there may be items which do not directly affect students that could be eliminated.

Hold Harmless Agreement

Mr. Manke explained that this agreement requires Board approval because the horticulture class uses the Hanover Park Park District facilities to practice their skills in landscaping. The Park District would like a certificate of insurance and a Hold Harmless Agreement.

Technology Plan

Vice President Dave McShane stated that the cuts in the operating budget will affect the Information Systems Department because of the reduction in part-time staff in the computing labs. This will cause a decrease in open lab schedules, but will not affect the regular instructional load. He did not know exactly what the cuts would be in terms of hours or dollars. Member Howard asked Mr. McShane to provide the number of students who utilize these labs on the weekends. He agreed to provide this information.

Member Howard stated that the technology budget is a follow-up to the five-year plan that was approved by the Board. Mr. Manke stated that the amount necessary to fund the 1996-97 Technology Plan, other than for the fees that were added to the tuition, will be approximately \$1.5 million. In 1997-98, the amount of deficit funding in addition to the \$1.00 technology fee will be \$123,000. In 1998-99 and 1999-2000, the technology fee should be sufficient to cover the expenses. In response to Member Howard, Mr. Manke stated that the entire \$1.5 million will need to be transferred from the fund balance. President Thompson stated that it is important to let the Budget Committee know if this recommendation goes through because of the significant budget impact.

Mr. McShane stated that the Technology Task Force is prioritizing projects for next year and will have that information for the upcoming Technology Review Committee. Dr. Dolan noted that the state legislature will be acting on the Governor's recommendations and the IBHE recommendations, and some of these items will be impacted by those decisions.

Mr. McShane reviewed the projects in the exhibit. The acquisition and upgrading of desktop computers will span four years. Member Kolze noted that although this is the largest amount, it is intended to keep equipment from becoming obsolete in coming years. Mr. McShane stated that the campus wiring project is ahead of schedule. He noted that it is very important to complete the MIS system and replace the main computing system to support it.

The cost of future projects is not certain yet, but these figures will be finalized for the Technology Review committee meeting on April 23. At this time, the costs seem to be in line with the projected costs.

Mr. McShane stated that it is important to note that there is no guarantee that some of the state funding will come through. Therefore, the cost projections for the next four years are strictly estimates.

Member Howard noted that there has been concern voiced by the faculty regarding the need for more education to use technology effectively in the classroom, and specifically to their disciplines. Mr. McShane responded that the Task Force will investigate concerns such as this,

establish procedures and make recommendations. He stated that they will come to the Board in June with a complete recap of the activities of the Task Forces.

Member Born asked how the recommendations made by the Task Force are handled. Mr. McShane stated that these decisions are made by the entire Executive Council. Dr. Dolan explained the process in more detail.

Mr. McShane noted that the original projections were made two years ago and, although there have been changes in price and technology, the estimates are still relatively close to those projections.

Mr. Manke noted that there will be a recommendation presented to the Board for the purchase of equipment before the budget is actually approved. This recommendation will be in the form of a request to proceed with a percentage of the total capital and supply budget for bidding purposes. Member Howard stated that they would need a recommendation from the Budget Committee to the Board to authorize that purchase.

Member Kolze moved, Member Howard seconded, that the Budget Committee recommend to the full Board that the administration be given authorization to proceed with bidding capital and supply items up to 50 percent of the budget prior to the adoption of the budget.

In a voice vote, the motion carried.

Following discussion of the budget items, Member Howard suggested that a brief recess be taken at 6:20 pm. Member Moats arrived at 6:30 pm. The special meeting reconvened at 6:31 pm.

Member Howard moved, Member Kolze seconded, approval of the hold harmless agreement between Harper College and the Hanover Park District for facilities usage for students in the Park Management/Plant Science Technology program, as outlined in Exhibit VI (attached to the minutes in the Board of Trustees' Official Book of Minutes).

In a voice vote, the motion carried.

EXECUTIVE SESSION

Member Kolze moved, Member Born seconded, that the Board adjourn into executive session for the purpose of discussing collective bargaining.

Upon roll call, the vote was as follows:

Ayes: Members Born, Gillette, Howard, Kolze and Moats

Nays: None

Motion carried at 6:34 pm.

ADJOURNMENT

Following executive session, the Board reconvened the Special meeting at 10:25 pm and immediately adjourned.

Committee Chairman

BOARD REQUESTS

APRIL 10, 1996 SPECIAL BOARD MEETING

- 1) Member Howard asked the administration to give the Board options. Member Kolze stated that the philosophical framework may have to be examined.
- 2) Member Howard asked Mr. McShane to provide the number of students who utilize these labs on the weekends. He agreed to provide this information.