



REGULAR MEETING OF THE BOARD OF TRUSTEES

**Monday, June 12, 2017
5:00 p.m.
1500 West Agency Road
West Burlington
Room AD-1**

Meeting Minutes

1.0 Routine Items

1.1 Call to Order, Roll Call, and Pledge of Allegiance

Board Chair Heland called the meeting to order at 5:00 p.m. Roll call indicated Trustees Janet Fife-LaFrenz, Moudy Nabulsi, Lanny Hillyard, Jeff Heland, Chris Prellwitz were present. Also present were President Dr. Michael Ash, Treasurer Kevin Carr, and Secretary Sherry Zeller and SCC staff members Joan Williams, Becky Rump, Chuck Chrisman, Dr. Don Weiss, Laurie Hempen, and Jeff Ebbing.

1.2 Adoption of Formal Agenda

Trustee Fife-LaFrenz moved to approve the formal agenda. Trustee Nabulsi seconded. Motion carried.

2.0 Closed Session Pursuant to Section 21.5(1)(i), Code of Iowa/Evaluation of President

Trustee Fife-LaFrenz moved that the Southeastern Community College Board of Trustees conduct its business by closed session as provided by Section 21.5(1)(i) of the Code of Iowa, to evaluate the professional competency of an individual whose appointment and hiring is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session. Trustee Prellwitz seconded. Motion carried on a 5-0 roll call vote.

The President's Evaluation was held in closed session.

Trustee Nabulsi moved to end the closed session. Trustee Fife-LaFrenz seconded. Motion carried on a 5-0 roll call vote.

3.0 Communications (Limited to Five (5) Minutes per Individual)

3.1 Audience

No report.

3.2 Administration

No report.

3.3 Board

Trustee Fife-LaFrenz reported that she attended a Future Workforce Summit workshop presented by the Lee County Economic Development Group. The workshop focused on removing the barriers which prevent some young people from succeeding in education and the workforce.

3.4 Iowa Association of Community College Trustees Report

Trustee Nabulsi reported that the IACCT Board will meet June 15. He also reported that he attended a recent Community College Council meeting which focused on the Iowa Community Colleges' Certified Budget Report and the Outcomes Report presented by the Department of Education.

4.0 World Changing – Changing Our Thinking

4.1 Emerging Issues/Future Agenda Items

Trustee Hillyard reported that in light of this being workforce week, there was a newspaper article published nationally today about how apprenticeships are affecting community colleges and the skills gap.

4.2 Online Transition with SCC's Learning Management Systems

Executive Director of Information Technologies Chuck Chrisman gave a PowerPoint presentation on Learning Management System (LMS) Transition from Pearson to Canvas for fall 2017. Executive Director Chrisman also serves as SCC's representative to the Iowa Community College Online Consortium (ICCOC) of which SCC has been a member since the fall of 2000. He provided data on the number of students taking online courses and explained that the reason for the transition is due to Pearson no longer supporting the ICCOC's current LMS. Executive Director Chrisman reported that the new Canvas system will save the college \$150,000 per year due to charges for the new system being based on FTE versus credit hours.

The ICCOC transition to the new LMS at SCC is being coordinated by faculty mentors Psychology Professor Lee Skeens, Science Professor Elisabeth Snipes, and technical trainer Tammy Hobbs. This team is training approximately 200 full-time and adjunct faculty members on the use of the new LMS. All instructors are required to take the training before they can teach an online course.

Executive Director Chrisman reported that online students access the courses in Canvas through their HawkNet home page. He reviewed the functionality of a sample course developed for demonstrations by Professor Skeens.

5.0 Action Items

5.1 Approval of Consent Agenda

1. Approval of Minutes for the May 9, 2017 Board of Trustees meeting
2. Presentation of Bills of Account
3. Resignations, Terminations and Mutually Agreed to Contract Adjustments

- a. Cheryl Almack

Position:	AEL Instructor
Date of Hire:	12/01/2010
Last Day of Employment:	06/30/2017
Reason:	Personal

- b. Michael Bunnell
 - Position: AEL Instructor - MPCF
 - Date of Hire: 01/16/2017
 - Last Day of Employment: 06/30/2017
 - Reason: Personal
- c. Timothy Gray
 - Position: Registrar, Institutional Reporting Officer
 - Date of Hire: 07/01/2002
 - Last Day of Employment: 06/2/2017
 - Reason: Personal
- d. Tiffany Phillips
 - Position: Program Advisor, TRIO Student Support Services
 - Date of Hire: 12/07/2015
 - Last Day of Employment: 07/14/2017
 - Reason: Personal
- e. Kara Plath
 - Position: Health Professions Simulation Technician
 - Date of Hire: 07/06/2015
 - Last Day of Employment: 06/16/2017
 - Reason: Personal
- f. Christopher Sedlack
 - Position: Physics Instructor
 - Date of Hire: 08/16/2005
 - Last Day of Employment: 06/30/2017
 - Reason: Accepted Dean of Arts & Science position.

4. Employment Contracts

- a. Jacob Gritzmacher
 - Position: Assistant Men's Basketball Coach – Resident Assistant (Replacement)*
- b. Elsa Hirl
 - Position: Administrative Assistant - Promise Jobs – Cedar Rapids (New-Grant)*
- c. Randy Larson
 - Position: AEL Instructor - ISP (Replacement)*
- d. Sarah Raymond
 - Position: AEL Instructor - MPCF (Replacement)*
- e. Tebble Stearns
 - Position: Administrative Assistant – CBIZ/Economic Development (Replacement)*
- f. FY 2018 I.M.P.A.C.C. Professional Services Contract for Kevin Murphy

5. FY 2018 Board of Trustees Meeting Schedule

6. Gifts

- 9 liter 6 cylinder tier 4A 330 kw @2000 rpm engine for a CNH Combine Harvester donated by CHN Industrial to the SCC Auto Technology Department (see attached letter)
- Paint system donated by Keystone Automotive and PPG (see attached forms)

Trustee Hillyard moved approval of the Consent Agenda items. Trustee Fife-LaFrenz seconded. Motion carried on a 5-0 roll call vote.

5.2 President's Contract

Chair Heland and Vice Chair Prellwitz reported that they had met with Dr. Ash regarding his evaluation by the Trustees and his contract. The Trustees expressed appreciation for President Ash's leadership. Chair Heland reported that President Ash's base salary was increased somewhat and the term of the contract was extended one year to include FY 2019.

Trustee Nabulsi moved to approve the President's contract. Trustee Prellwitz seconded. The motion carried on a 5-0 roll call vote.

5.3 Tuition Rate

President Ash referred the Trustees to a memorandum proposing a \$6 per credit hour increase in tuition and no increase for the current \$4 per credit hour technology fee. A comparison list of tuition and mandatory fees for FY 2016 and FY 2017 for the 15 Iowa community colleges was reviewed. President Ash also referred to a comparison list of anticipated tuition and fees for FY 2018 for the 15 Iowa community colleges.

President Ash recommended that the technology fee remain at the current year's rate of \$4 per credit hour although a \$1 per credit hour increase in technology fees was approved by the Trustees last year as part of the Information Technology plan.

President Ash stated that the Iowa community colleges lack an appropriate level of support from the state and receive minimal support from local property taxes which puts an unfair financial burden on students due to rising tuition. He indicated that the college has reduced programs and staff, reorganized staff, and is seeking alternate funding sources in order to balance the budget and minimize the burden on students. President Ash indicated that the state de-appropriated \$200,000 in state general aid from SCC for FY 2017.

During discussion, each of the Trustees commented that although none of them want to increase tuition, they understand that circumstances require it to balance the budget. Declining enrollment and increasing tuition are ongoing challenges among higher education institutions. The demographics for our area has lower population and a smaller pool from which to draw from the high schools.

Trustee Prellwitz moved to approve the increase in tuition of \$6 per credit hour (\$176 in-state tuition, \$181 non-resident tuition, \$176 online tuition, and \$209 international tuition) and to maintain the \$4 per credit hour technology fee. Trustee Hillyard seconded. Motion carried on a 5-0 roll call vote.

5.4 Service Charges and Fees Schedule

Vice President of Administrative Services Kevin Carr reviewed a summary of the proposed revisions to the Service Charges and Fees schedule for FY 2018.

Trustee Nabulsi moved to approve the Service Charges and Fees Schedule as presented. Trustee Fife-LaFrenz seconded. Motion carried on a 5-0 roll call vote.

5.5 FY 2018 Operating Budget

Vice President of Administrative Services Carr reviewed the sections within the FY 2018 Operating Budget book and responded to questions from the Trustees. He reported on the following Budget revenue and expense assumptions:

General Fund Revenues:

- State general aid at \$8,478,954, which reflects a decrease of \$130,633 from FY 2017 initial appropriation.
- The supplemental faculty payment (approximately \$19,000) was eliminated by current year legislation.
- Assumed credit hour enrollment remained flat.
- Tuition increase of \$6 per credit hour for in-state, out-of-state and on-line courses.
- No increase in the tech fee.
- Property Tax Rate Increase Per the Certified Budget – very slight decrease in the tax levy rate per \$1,000 valuation from \$1.15736 to \$1.15723, generating approximate revenues in:
 - General Fund \$789,000 (\$17,000 increase)
 - Restricted General Fund \$2,052,000 (\$144,000 increase) (Property & casualty insurance, equipment replacement and early retirement).
 - Plant & Bond Fund \$1,716,000 (\$66,000 decrease) (Plant, bond principal and bond interest)
- CBIZ net profit assumed of \$101,000
- Workforce Investment Opportunity Act and Promise Jobs administration fee in the general fund of \$200,000.
- Assumed use of Fund Balance of \$182,000.
- Rural Telephone Communications net contribution from the State was eliminated by legislation reducing income by \$38,000.
- Operating Income Purchase Insurance contribution was increased from \$250,000 to \$300,000 for IT staff and \$50,000 for maintenance staff, related to preventative maintenance programs.

General Fund Expenses:

- Total package settlement of 1.00% for all employees, resulting in a total college payroll package increase of approximately \$137,000.
- Single health insurance premium provided to eligible employees – no increase.
- The Executive Dean, Dean of Arts & Sciences, Dean of CTHE and Dean of Health Profession positions are filled.
- Culture on Campus – budget is \$11,400.
- CBIZ will pay for 80% of the mobile unit in Ft. Madison. WIOA will pay for 100% of the mobile unit in Keokuk.
- Assumed Adult Basic Education accounted for in the restricted general fund has a limit related to reimbursable fees for administrative compensation of 10% for

federal and state funds. The general fund will pay for these excess administrative fees of approximately \$25,000.

- High School STEP and Concurrent Enrollment were budgeted at the same approximate margin earned in FY 2017.
- IHUM grant funding will be eliminated March 31, 2018, requiring the general fund to fund personnel until completion of the grant.

Vice President Carr briefly reviewed the Information Technology 6-year budget plan, the FY 2018 list of approved Technical/Instructional Equipment approved for purchase, the Residence Hall/Board Meal Plan Rate schedule, and the Student Club Allocations.

Trustee Fife-LaFrenz moved to approve the FY 2018 Operating Budget. Trustee Hillyard seconded. Motion carried on a 5-0 roll call vote.

5.6 Part-Time Hourly Schedule

Director for Human Resources Laurie Hempen reviewed a summary of the proposed revisions to the Part-Time Hourly Schedule for FY 2018.

Trustee Prellwitz moved to approve the Part-Time Hourly Schedule as presented. Trustee Nabulsi seconded. Motion carried on a 5-0 roll call vote.

5.7 Presentation of Accounts Assigned to Collections/Write-Off

Vice President of Administrative Services Carr presented a list of accounts assigned to collection/write-off in the amount of \$147,261.30 for Board approval. He reported that the largest amount of accounts written off is for students whose outstanding balance is the result of a financial aid return due to Federal Title IV regulations. Vice President Carr noted that the largest amount of debt collected during the year was through the offset program by accessing students' income tax withholding. He noted that offset payments are \$2,500 over budget.

Trustee Hillyard moved to approve the accounts assigned to collections/write-offs. Trustee Nabulsi seconded. Motion carried on a 5-0 roll call vote.

5.8 FY 2018 Iowa Association of Community College Trustees Membership Dues

President Ash recommended that the FY 2018 Iowa Association of Community College Trustees membership dues be approved. He reported that the notation on the invoice stating that there was no dues increase for FY2017 refers to the total dues for all the Iowa community colleges but that SCC incurred a slight decrease due to the funding formula.

Trustee Nabulsi moved to approve the FY 2018 Iowa Association of Community College Trustees membership dues as presented. Trustee Fife-LaFrenz seconded. Motion carried on a 5-0 roll call vote.

5.9 Six Cent Instructional Equipment Levy

President Ash referred to a memorandum and a resolution which contains the proposed ballot language for the continuation of SCC's Six Cent Instructional Equipment Levy. He noted that the ballot language was drafted by the college's attorney. President Ash stated that the Six Cent Levy was approved by the voters in 2008. Following the anticipated voter approval of the Six Cent Levy on September 12, 2017, the SCC Board of Trustees will be asked to approve a Resolution which will further extend the Six Cent Levy since it will have been approved twice by the voters. This extension is pursuant to Senate File 486 approved by the legislature in May 2015, which provides that a reverse referendum by the voters would be required to end this levy. President Ash reported that the levy is important for equipment for SCC's academic programs.

Trustee Nabulsi moved to approve moving forward with the six cent instructional equipment levy campaign and the ballot language as presented. Trustee Fife-LaFrenz seconded. Motion carried on a 5-0 roll call vote.

6.0 Accountability

6.1 Key Performance Indicator #8 – Regional Market Penetration

President Ash reviewed the data for KPI #8. He reported that the market penetration of individuals in the general population considered eligible to enroll in college within SCC's service region was 23.55 per 1,000 in 2015 and 24.15 per 1,000 in 2016. President Ash also noted that SCC's high school penetration rate within our service region increased 3.5% from 2016 to 2017. He stated that the size of high school graduating classes is diminishing. SCC is striving to improve and reach its target goal for market penetration.

6.2 President's Report

President Ash reviewed a written report of his activities for the past month.

6.3 Financial Report

Vice President of Administrative Services Carr reviewed financial statements for period ending May 31, 2017. He reported state general aid will be reduced \$200,000 compared to the budget estimate. He also reviewed the financing for the Hall of Sciences.

6.4 Facilities Update

Vice President of Administrative Services Carr reported that as soon as the Industrial Technology Training Center precast walls are re-stained, the building will be ready for final acceptance from the contractor.

Vice President Carr reported that the chiller for Keokuk Campus' Building 400 requires replacement which will be covered by insurance less a \$10,000 deductible. He expressed appreciation to DLR Group and Director of Physical Plant Whittlesey for their work in documenting the information for the claim and writing the request for proposal for the replacement chiller.

Vice President Carr reported that during construction of the West Burlington Campus' new parking lot it was discovered that an error had been made in the calculations of elevations which caused a drainage issue. This error has been corrected and the project will soon be completed. It is anticipated that the new loop road to the new parking lot will

be completed by July 1. The access road to the visitor parking lot will be revised to improve the tight turn from the college's Gear Avenue entrance.

Discussion was held regarding the details of the Industrial Technology Training Center ribbon cutting ceremony/open house on June 13.

6.5 Election Update

Board Secretary Zeller reported that there are two seats up for election on the September 12 school board election ballot: District #2 currently held by Lanny Hillyard and District #3 currently held by Jeff Heland. She also reported that the six cent levy will be placed on the ballot and reviewed the pertinent dates in connection with the election.

7.0 Future Meetings

Chair Heland reviewed the list of future meetings.

8.0 Adjournment

Trustee Hillyard moved to adjourn the meeting. Trustee Prellwitz seconded. Motion carried.

The meeting adjourned at 8:11 p.m.

These minutes have been approved by the Board of Trustees and this is certified to be a true copy.



Sherry Zeller
Board Secretary