



REGULAR MEETING OF THE BOARD OF TRUSTEES

Monday, November 14, 2016

5:00 p.m.

West Burlington Campus

1500 West Agency Road

Room #AD-1

Meeting Minutes

1.0 Routine Items

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

Board Chairperson Heland called the meeting to order at 5:00 p.m. Roll call indicated Trustees Janet Fife-LaFrenz, Lanny Hillyard, Jeff Heland, Moudy Nabulsi, and Chris Prellwitz were present. Also present were President Dr. Michael Ash, Treasurer Kevin Carr, and Secretary Sherry Zeller and SCC staff members Dr. Carole Richardson, Dr. Don Weiss, Becky Rump, Tina Young, Kristi Schroeder, Dick Springsteen, Teresa Garcia, Joan Williams, Jeff Ebbing, Susan Dunek, David Metzger, Abby Herriman, Tom Hayes, Jenna Dunlap, and Polly Falcon.

1.2 Adoption of Formal Agenda

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

1.3 Secretary Report on Election in Director District #1

Board Secretary Zeller reported that on September 8, 2016, incumbent Chris Prellwitz, Director for District 1, was re-elected to the SCC Board of Trustees for a 4-year term.

Board Secretary Zeller issued the oath of office to Trustee Prellwitz.

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

1.4.1 Audience

President of the Higher Education Association (HEA)/Professor of Economics/Business Dr. Deborah Hedger reported that she has been asked by the Association to continue reading the Resolutions which were passed by the HEA in May 2016. Dr. Hedger read Resolution 2 which focuses on the college's scheduling process.

Associate Professor of Biology Amber Ruskell-Lamer reported that Keokuk Campus faculty and enrollment services personnel hosted a very successful campus visit day on October 27 for 14 area high school students. The theme for the day was "Monster Mash".

Interim Dean of Career and Technical Education Susan Dunek reported that SCC hosted a fall field day focused on cover crops with 82 members of the agriculture community in attendance.

1.4.2 Administration

Executive Director for Institutional Advancement Becky Rump expressed appreciation on behalf of all the Building The Dream donors to the Trustees who attended the recent Donor Appreciation Reception and the Health Professions Building Ribbon Cutting Ceremony/Open House. She also noted that Trustee Moudy Nabulsi and his wife, Sharon, were honored as special donors at the recent Foundation Scholarship Reception.

President Ash displayed a photo of the Trustees and donors who attended the Donor Appreciation Reception.

1.4.3 Board

Trustee Fife-LaFrenz reported that she attended the following events:

- Regional Workforce Investment Board meeting wherein discussion was held regarding the number of individuals who continue to use the Annex in Keokuk. An open house for the facility is planned for the future.
- November 3 Salute to Lee County Industry.
- November 4 IACCT Leadership Conference in Des Moines with Chair Heland and Trustee Nabulsi. She reviewed key points from the conference.

Trustee Nabulsi commented on the sessions he attended at the November 4 IACCT Leadership Conference. He noted that discussion was held regarding the changes in the legislature due to the recent election and how that may affect the community colleges.

Chair Heland reported that it was discussed at the IACCT Leadership Conference how important it is for the community colleges to continue to speak with one voice at the Capitol. He provided copies of the IACCT Leadership Conference materials to Trustees Prellwitz and Hillyard.

Chair Heland expressed appreciation for the Donor Appreciation and Open House events and stated that he is very proud of SCC.

Trustee Hillyard expressed appreciation for the Donor Appreciation and Open House events. He noted that M.J. Dolan and Dave Palmer's presence at the Donor event was a great show of support by IACCT.

Trustee Prellwitz reported that she and Dr. Ash recently met with the Superintendent of Schools and the High School Principal from the Mt. Pleasant Community School District to increase partnerships with that district.

1.5 Iowa Association of Community College Trustees Report

Trustee Nabulsi reported that the IACCT Board of Directors met on October 20. A representative from ACT presented data on Iowa and Indiana. He shared copies of the state's reports with college staff. Trustee Nabulsi complimented SCC's Marketing and Communication Director Jeff Ebbing who presented to the IACCT Board of Directors about SCC's marketing plan.

Trustee Nabulsi invited the Trustees to attend the November 30 joint IACCT/IACCP meeting and the IACCT Holiday Celebration.

2.0 World Changing – Changing Our Thinking

2.1 Emerging Issues/Future Agenda Items

Chair Heland reported that he and President Ash discussed adding this item to the agenda each month to give the Trustees an opportunity to give input into the content of the Board meeting agendas. Agenda items could be scheduled several months into the future. Trustee Prellwitz suggested that the PACE Survey results be scheduled as a future agenda item. President Ash noted that the PACE Survey will be discussed at the December 3 Board Retreat.

2.2 Title IV – Financial Aid

President Ash introduced Director for Financial Aid Renae Armentrout who gave a report in her capacity as Chair of the Compliance Committee on Title IV financial aid and its compliance regulations. She reviewed the following areas:

- Administration of financial aid programs
- FAFSA eligibility and application processing
- Non-financial aid issues that affect federal eligibility

Director Armentrout reported that 60% of SCC students receive some sort of financial aid. She indicated that 48% of SCC students receive federal or state financial aid. “FAFSA Sunday” is held on campus during peak enrollment months to aid students and their parents in completing the FAFSA application forms. For fall semester 2016, 1,400 FAFSA applications were received by the Financial Aid Office.

Director Armentrout reported that the college is waiting to hear about its recertification of Title IV Aid. The application was submitted on September 30.

3.0 Action Items

3.1 Approval of Consent Agenda

1. Approval of Minutes for the October 10, 2016, Regular Board Meeting
2. Presentation of Bills of Account
3. Resignations, Terminations and Mutually Agreed to Contract Adjustments
None to report.
4. Employment Contracts
 - a. Matthew Auliff
Position: Promise Jobs Employment & Training Specialist
(Replacement)
 - b. Elizabeth McCormick
Position: Promise Jobs Employment & Training Specialist
(Replacement)
 - c. Terry Zmolek
Position: WIOA Youth Employment & Training Specialist
(Replacement)

Trustee Prellwitz moved approval of the Consent Agenda items. Trustee Nabulsi seconded. Motion to approve the Consent Agenda carried on a 5-0 roll call vote.

3.2 Voluntary Early Retirement Plan for FY 2017

President Ash reported that Vice President Carr prepared a detailed fund balance analysis to determine the viability of the proposed FY 2017 voluntary early retirement plan. Based on that analysis, Vice President Carr presented the main points of the plan proposed for approval:

- In order to qualify for early retirement under the terms of this plan, the employee must be currently employed under a full or regular part-time administrative, faculty, presidential, SCC/HEA/WIOA professional services, ISP/MPCF, or support staff contract and must normally report to work in a location within the Merged Area #16 district.
- The Early Retirement Plan available for Fiscal Year 2017 will be in effect through January 4, 2017, at such time thereafter all provisions of the plan shall be rescinded.
- To take advantage of the early retirement incentives offered by this plan, a qualified employee must have attained the age of 55 by June 30, 2017, have worked the most recent 10 (ten) years consecutively at Southeastern Community College by June 30, 2017, and inform the Board of Trustees in writing of his/her intention to retire by January 4, 2017. If an employee was staff reduced and recalled in the succeeding school year such situation shall not be considered a break in consecutive services. A letter of resignation and request for participation in the early retirement plan shall be submitted on a form letter provided by the College and must state the requested last day of employment. The last day of employment will be no later than August 20, 2017 for qualified faculty and no later than June 30, 2017, for all other qualified non-faculty employees.
- The Early Retirement Incentive Lump-Sum Cash Severance amount shall be 10% of the final contracted salary (annualized if partial year) and 1% of the final contracted salary for each additional year of service (as of retirement date) in excess of 10 years.
- The employee's single \$500.00 deductible health insurance premium cost for FY17 shall be paid on a monthly basis until the retired employee becomes Medicare eligible or until their death (whichever shall occur first). After FY18, if the premium exceeds the FY17 \$500.00 deductible cost per month, the employee shall pay the increased amount monthly to the third party administrator. The employee's failure to pay the increased amount shall cause the insurance coverage on the employee to be cancelled. COBRA will be applicable.

Vice President Carr noted that 54 college employees are eligible for the plan.

Trustee Nabulsi moved to approve the Voluntary Early Retirement Plan for FY 2017. Trustee Hillyard seconded. Motion carried on a 5-0 roll call vote.

3.3 Resolution Approving Lease, Ground Lease Agreement, and Subordination, Non-Disturbance and Attornment Agreement (for New Hall of Sciences Building)

President Ash presented a PowerPoint containing information on the proposed location, floor plans, and architects renderings of the interior and exterior of the new Hall of Sciences Building. He noted that faculty were directly involved with the architects in planning the building.

Vice President Carr referred to a Preliminary Project Budget Summary which outlined the various costs for construction of the new Hall of Sciences Building. He also reviewed a PowerPoint containing the details of the pledge receivable loan, the land lease from SCC to the SCC Foundation, and the operating agreement wherein SCC will construct and operate the building for the SCC Foundation. Vice President Carr explained that upon final payment of the pledge receivable loan in approximately 38 months, the SCC Foundation will gift the building to SCC.

Vice President Carr reviewed a list of area banks which will be involved in the pledge receivable loan and noted that Two Rivers Bank is the lead bank. Seventy-five percent (75%) of the Building the Dream pledges as of November 30, 2016, will be loaned.

Vice President Carr reported that legal advice regarding the conduit financing provided by the City of West Burlington has been coordinated through the City's attorneys, Dorsey & Whitney of Des Moines. The conduit financing loan will be federally tax exempt which will enable the college to enjoy a 2.67% loan instead of a 4% loan thus saving the college approximately \$120,000 in interest earning savings. Vice President Carr referred to a letter from Dorsey & Whitney which outlined the details of the conduit financing process.

Vice President Carr reported that the SCC Foundation Board will meet tomorrow to approve the necessary documents for the lease and financing. The City of West Burlington will meet in two days to approve the conduit financing. Vice President Carr noted that the Foundation will be responsible for payment of the debt although scholarships and other unrestricted assets will not be used as collateral for the loan. If the Foundation defaults in an amount more than 25% of the scheduled loan payments, the bank will amortize the loan over a 20-year term and SCC would pay rent equal to the missing debt payment. Vice President Carr referred to a letter in the Board meeting book which outlines the actions to be taken by SCC, the SCC Foundation, and the City of West Burlington in connection with the pledge receivable loan and the leases. He noted that the SCC Board Resolution provides that the lending bank cannot disturb the college's use of the building should a loan default occur.

The Trustees and the college administration expressed appreciation to the City of West Burlington for providing this opportunity to the college.

Trustee Nabulsi moved to approve the Resolution Approving Lease, Ground Lease Agreement, and Subordination, Non-Disturbance and Attornment Agreement for the new Hall of Sciences building. Trustee Hillyard seconded. Motion carried on a 5-0 roll call vote.

3.4 Resolution Ordering Construction of the New Hall of Sciences Building and Fixing a Date for Public Hearing Thereon, and Taking of Bids Therefor

Vice President Carr reported that the plans and specifications for the Hall of Sciences project were developed by DLR Group and are available for review in the Board Room. He referred to the Preliminary Project Budget Summary and noted that the A/V System Equipment price has not yet been finalized. The project's estimated cost is \$9.2 million. Provisions for liquidated damages will not be included in the project specifications because it is felt that this would increase the contractors' bids.

Vice President Carr reviewed the project timeline and noted that bids will be due on December 15 and that a special Board of Trustees meeting is scheduled for December 21 wherein the public hearing on the matter will be held. On January 9, the Board of Trustees will be asked to approve the builder's contract and performance bond.

Vice President Carr reviewed the project alternate bid items and noted that recommendations will be made to the Trustees on these items based on the successful contractor's base bid.

Trustee Nabulsi inquired about the amount of the architect's fee. Vice President Carr noted that DLR Group's fee is 7.5% of the project cost. He reported that the fee includes construction administration and all design work for the project which will encompass two years. No additional construction manager fees from an additional firm will be required. A significant amount of time has been spent by DLR Group with the college's faculty in developing the specifications for the building. Construction Consultant David Metzger reported that the DLR Group's fee includes associated services and he feels that the fee is at a very competitive level. He noted that the firm has been asked to revise their drawings several times during the past few months.

Trustee Hillyard moved to approve the Resolution Ordering Construction of the New Hall of Sciences Building and Fixing a Date for Public Hearing thereon for December 21 at 5 p.m. at a special Board meeting in the West Burlington Campus Board room and also taking bids therefor. Trustee Fife-LaFrenz seconded. Motion carried on a 5-0 roll call vote.

4.0 Accountability

4.1 Indoor Sports Complex

President Ash presented a PowerPoint which included floor plans and architect's renderings for the proposed complex. He reviewed a drawing of the area proposed for the new facility which the Trustees recently approved for a land exchange between SCC and the CCFSA. The Des Moines County Fair Association also recently approved the land exchange in their capacity as a CCFSA member entity. The land exchange will be an action item on the December 6 CCFSA meeting agenda. Upon approval by CCFSA, a land survey will be ordered to develop a legal description for the property.

President Ash reported that the facility model being presented is believed to be appropriate for the level of use that is anticipated. The preparation of 501(c) 3 status for the Greater Burlington Area Sports Complex has begun in order to make it a charitable organization. It is anticipated that this status will take six months to complete.

President Ash reported that seven area hotels have indicated that they will participate in the destination fee that would be provided by a contract for 10 years. This destination fee will be earmarked to fund the complex's operating expenses. Additional hotels may join in the contract but they are currently in the process of being sold or built.

President Ash reported that upon completion of the necessary legal documents, the Trustees will be asked to approve the project at a Board meeting in the near future.

Discussion was held regarding the need for a five-year budget forecast for the Greater Burlington Indoor Sports Complex, questions about financing, the bylaws, and who will

be responsible for the facility concerning expenses and maintenance. President Ash reported that Vice President Carr will serve as the treasurer for the Complex which will afford the college with direct knowledge of the finances. He indicated that a five-year budget forecast will be prepared. President Ash noted that the college would not be financially responsible for the Complex and that there are other private entities which will be asked for financial support.

President Ash reported that the Complex has approximately \$5.5 million in verbal funding commitments towards construction costs of the facility. A group of individuals are leading a fundraising effort for the Complex. The anticipated cost for the facility is \$9 million.

There was consensus by the Trustees that the Complex would be a great addition to SCC's West Burlington Campus but that they still have many questions about its operations and budget. President Ash noted that the bylaws and other legal documents will be prepared for the Trustees review in the near future.

Trustee Hillyard expressed appreciation to President Ash for his work with the Des Moines County Fair Association Board of Directors on the land exchange between SCC and CCFSA. He recommended that after the details for the Indoor Sports Complex are completed, the Trustees should better define the future use of the land adjacent to the Fairgrounds for agriculture partnerships with Iowa State University Extension Service.

4.2 Night Hawks Evening Hybrid programming

President Ash reported that during a past discussion about decreased enrollments, it was suggested by the Trustees that evening classes be considered as a way to make education more convenient for non-traditional students. The Keokuk Campus has had a flex schedule program since fall semester 2016 called Night Hawks which addresses the need for evening classes.

Vice President Richardson acknowledged the creativity and innovation shown by a team of faculty and staff at the Keokuk Campus for creation of the program. The following team members were present and presented details of the program: English Professor Tom Hayes, Enrollment Specialist Abby Herriman, Speech Instructor Jenna Dunlap, and Psychology Assistant Professor Polly Falcon. (Assistant Registrar/Financial Aid Officer Deanna Church is also a member of the team but was not present.)

Enrollment Specialist Herriman reported that the college had a program called Fast Forward a few years ago for business program students. This program worked well for a while at the Keokuk Campus but ended due to low enrollment. Due to the current decreased enrollment level at SCC, the team developed a similar program – “Night Hawks.” The program is specifically for AA decree transfer students interested in Criminal Justice, Business, Elementary Education, and Psychology who are undecided about their transfer college. The program is a hybrid made up of eight-week in-person and online classes. It is anticipated that a student will take two and a half years to complete their AA degree in this program.

4.3 President's Report

President Ash reported that the Nursing program recently received a letter from the Iowa Board of Nursing regarding their acceptance of SCC's Nursing Education Program Report

and granted full approval for the Practical Nursing and Associate Degree Nursing Programs for a period of six years.

President Ash provided a copy of the Iowa State Board of Education's Legislative and Policy Development Priorities for 2016-2017 and specifically noted the section on development of a comprehensive Career Pathways System.

President Ash reviewed the following items from his written President's Report:

MEETINGS/ACTIVITIES:

Internal

- **Students**
 - Planning meeting for February 2017 Community Colleges on Capitol Hill event in Des Moines
 - Luncheon meeting with President's Leadership Academy students (15, including Keokuk Campus)
 - Veterans' Day observance at West Burlington and Keokuk campuses
- **College Personnel**
 - Discussed HR Director search process with Dr. Don Weiss, committee Chair; committee recommended three applicants who will be interviewed by PEC and the President
 - Hosted SCC Retirees Get-Together with Becky Rump
 - Planning meetings regarding development of agenda for Professional Development Day in February 2017
 - Diversity, Equity, and Inclusion Committee meeting
 - Held two "college conversation" meetings at West Burlington Campus; meeting scheduled at Keokuk Campus this week
 - Planning meeting with Becky and Sherry regarding holiday luncheons at West Burlington and Keokuk Campus
- **Facilities**
 - Numerous West Burlington Campus building re-use meetings
 - Numerous planning meetings for Health Professions Building Donor and Ribbon-Cutting events
 - Meeting with local artist Jerry Torn regarding donation of his art collection
 - Health Professions Building donor event
 - Health Professions Building ribbon-cutting/open house event
- **Programs**
 - Meeting with Burlington High School administrators regarding freshman initiative
 - Discussion about expansion of SCC's music and theater programming and consideration of space at the Capitol Theater
 - Inaugural Lee County education center meeting
 - Meeting with Chris Prellwitz and Mt. Pleasant School District Superintendent and High School Principal regarding increasing partnerships and tour of Health Professions building

- **Marketing/Communications**
 - KBUR radio talk show (last Wednesday of each month – will include others from SCC)
- **Legislative**
 - Met with Moudy and Dave Heaton re: Community Colleges of Iowa legislative initiatives for 2017.
 - Met with Senator Richard Taylor re: Community Colleges of Iowa legislative initiatives for 2017.
 - Met with Becky, M.J. Dolan, and Dave Palmer regarding 2017 legislative initiatives
- **Iowa Association of Community College Presidents meeting (Des Moines)**
 - Joint meeting of IACCP and AEA Administrators
 - Discussed the legislation on developing Regional Career Technical Education programming
- **Regional Business Advisory Committee meeting in Des Moines**
 - Trisha Hopper, SCC business instructor, received an award for Outstanding Business Educator in Iowa
 - SCC received Distinguished Service to Business Education Award

4.4 Monthly Financial Report

Vice President Carr presented the financial statements for month ending October 31, 2016. Fall semester tuition revenue is close to the budget figure. As spring semester enrollment becomes available, tuition revenue will be closely monitored. State General Aid and property tax revenues are at the budgeted figures. Salary and benefits expenses are increased .7% compared to last year which is a reflection of numerous open positions not being filled due to budget constraints.

Discussion was held regarding plans and possible funding sources for the re-use/remodeling of Keokuk Campus Building 500. President Ash indicated that the budget estimate for the work is \$3 million.

4.5 Facilities Update

Vice President Carr reported that a walk-through meeting is scheduled for this week with the contractor for the Health Professions Building. It is anticipated that the remainder of the funds (approximately \$300,000) will be released to the contractor since the project is now complete.

Vice President Carr reported that at the Keokuk Campus Industrial Maintenance Technology Building the driveway is being completed on the south side of the building. It is estimated that the contractor is three weeks behind schedule on the project. The project contract provides for \$100 per day of liquidated damages if the project is not completed by the deadline. The initial date anticipated for substantial completion of the project is January 15.

At the West Burlington Campus, ICN fiber is being moved in connection with the construction of the new Hall of Sciences and some concrete was recently repaired near the Circle Drive.

Contractors have been working overtime on the Blackhawk Tower project. The brick work is complete with installation of the red trim at the top yet to be placed and significant work yet to be done on the first floor. Current residence halls students will pack their belongings prior to the holiday break and will move in the second week of January prior to the start of the spring semester.

5.0 Future Meetings

Chair Heland reviewed the list of future meetings. It was noted that the date for the Blackhawk Tower Open House/Ribbon Cutting event has been revised from December 19 to January 6.

6.0 Adjournment

Trustee Fife-LaFrenz moved that the meeting be adjourned. Trustee Prellwitz seconded. Motion carried.

The meeting adjourned at 7:35 p.m.

A Negotiations Strategy Session was held. This was a closed meeting exempt from Chapter 21, The Code.

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



Sherry Zeller
Board Secretary