



NOTICE OF PUBLIC MEETING

REGULAR MEETING OF THE BOARD OF TRUSTEES

Monday, September 9, 2019

5:00 p.m.

335 Messenger Road

Keokuk Campus

Room 312

Meeting Minutes

1.0 Routine Items

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

Board Chair Fife-LaFrenz called the meeting to order at 5:06 p.m. Roll call indicated Trustees Moudy Nabulsi, Janet Fife-LaFrenz, Lanny Hillyard, and Chris Prellwitz were present in the Board Room. Trustee Jeff Heland was present via teleconference. Also present were President Dr. Michael Ash, Treasurer Kevin Carr, Secretary Darcy Adams, and SCC staff members Dr. Janet Shepherd, Chuck Chrisman, Joan Williams, Dr. Deb Wright, Kristi Schroeder, and Byron Whittlesey. Guest Russell Brissey from Klinger & Associates was also present.

1.2 Adoption of Formal Agenda

Trustee Hillyard moved that the tentative agenda be adopted. Trustee Heland seconded. Motion carried with all trustees recorded as voting aye.

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

1.3.1 Audience

Retired Nursing Instructor Leanne Humiston expressed appreciation to the Board for the remodeling of the labs and classrooms on the Keokuk Campus. She also asked that the Board continue to invest in the Keokuk nursing program and consider approving future proposals for additional staff to support growth and quality.

1.3.2 Administration

None.

1.3.3 Board

Vice Chair Hillyard and Trustee Heland reported that the quarterly CCFSA meeting was held. The CCFSA Board discussed available cash and a plan to prioritize a list of improvements to complete.

Board Chair Fife-LaFrenz noted that she attended a meeting with Senator Taylor focusing on healthcare for seniors and healthcare workers needed to serve in this area. She also attended a Lee County Economic Development Committee meeting where Governor Reynolds spoke on jobs unfilled and funding available for training.

1.4 Iowa Association of Community College Trustees Report

Trustee Nabulsi reported that he attended the September 5th IACCT meeting where they discussed drainage project for the building. He provided copies of the minutes from the meeting for review.

2.0 World Changing – Changing Our Thinking

2.1 Board Discussion on Critical Issues in Higher Education

Board Chair Fife-LaFrenz brought forward the topic of what Iowa Western is doing with their International Student Program for discussion amongst Trustees. She found it interesting that they are assisting International students with obtaining a VISA where they work for industry and then go to college. Vice Chair Hillyard asked whether we are having trouble recruiting international students. President Ash responded that there are certain countries that we have difficulties with. We have talked with our Embassy as well as getting guidance on how to present to get more students. Currently there are about 107 international students in athletics and 5 non-athletic students.

2.2 Review Board Policies #203, #205, #401 and #402

Board Chair Fife-LaFrenz referred to Trustees to Board Policies #203, #205, #401 and #402 that were referred to during the June 2019 Retreat with Jennifer Horn-Frasier of Bluebird Sky. These policies were last reviewed in 2014. She asked Trustees to review the policies and make suggestions for any revisions. These suggestions can be brought forward at a future meeting.

3.0 Action Items

3.1 Approval of Consent Agenda

1. Approval of Consent Agenda
2. Approval of Minutes for the August 12, 2019 Regular Board Meeting
3. Presentation of Bills of Account
4. Resignations, Terminations and Mutually Agreed to Contract Adjustments

Diana Fincher-Smith	Administrative Assistant – CBIZ/Economic Development	01/02/2019	08/31/2019	Accepted CBIZ Program Developer position.
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5. Employment Contracts

Name	Title	Contract Period	Salary
Hope Clark (Replacement)	Director of Institutional Research, Effectiveness & Planning	September 9, 2019 – June 30, 2020	\$72,824.43 (\$ 90,000.00 annual)
Diana Fincher-Smith (Replacement)	CBIZ Program Developer	September 1, 2019 – June 30, 2020	\$35,614.50 (\$43,000.00 annual)
Kelby Homeister (Replacement)	Assistant Women's Basketball Coach, Student Activities Coordinator & Residence Life Advisor	August 28, 2019 – June 30, 2020	\$26,870.23 (\$ 32,000.00 annual)
Nicole Syfert (Replacement)	AEL Instructor – Mt. Pleasant	September 3, 2019 – June 30, 2020	\$15,468.48 (\$ 18,864.00 annual)

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

3.2 Revisions to Quality Faculty Committee Membership

Professor of Economics Dr. Deborah Wright brought forth the revised Quality Faculty Committee Membership for approval. The Committee is proposing the following changes:

- Trisha Hopper, Assistant Professor of Business and Professional Programs to replace Stewart Jack, Assistant Professor of Information Technology;
- Jim Steffen, Paramedic Instructor/EMS Coordinator to replace Deanna Kline, Professor of Nursing. This change was made to maintain a gender balance on the committee.
- Dr. Janet Shepherd, Vice President of Academic Affairs to replace Dr. Carole Richardson, who has retired; and
- There remains one vacant seat for English, Communications, Fine Arts, and Education replacing Susanne Messer who retired. They will bring this person back for approval in the future.

Trustee Nabulsi moved to approve the revisions to the Quality Faculty Plan Committee Membership. Trustee Prellwitz seconded. Motion carried on a 5-0 roll call vote.

3.3 Voluntary Early Retirement Plan FY20

Vice President of Administrative Services Carr noted that there are no changes in the proposed Voluntary Early Retirement Plan for FY20. He reviewed two items from the plan as follows:

- Change the medical deductible from \$500 to \$1,000.
- Add the following highlighted portion of Article III, A. 2: The Board of Trustees reserves the right to suspend the approval of retirement if the bona fide retirement date is before the end of the employment contract and a suitable replacement cannot be found, or to set the retirement date prior to the end of the employment contract date. An employee who has an approved early retirement suspended by the Board of Trustees shall receive the suspended benefits at the end of the current regular contract year.

Vice President Carr noted that 46 employees are eligible for the Plan.

Trustee Heland moved to approve the Voluntary Early Retirement Plan for FY20. Trustee Hillyard seconded. Motion carried on a 5-0 roll call vote.

3.4 New Board Policy – Second Reading of Board Policy #106, Freedom of Speech

President Ash reviewed the new Board Policy #106 Freedom of Speech. Per discussion at the August 12, 2019 Regular Board meeting, Attorney Drew Bracken has reviewed this policy again and made minor changes in language.

Trustees discussed revisions with some concerns remaining with the proposed language and potential risk. President Ash noted that following the most recent review by Attorney Drew Bracken, he is confident that this proposed policy is accurate and ready for approval. Trustee Heland opposed waiving a third reading noting that he would like additional time to review. He further noted that there is a reason for procedure for approving Board policies utilizing all three readings for careful consideration prior to approval. Trustees deliberated and majority were satisfied with the policy as proposed.

Trustee Nabulsi moved to approve Board Policy #106, Freedom of Speech with no additional revisions and to waive the third reading. Trustee Hillyard seconded. Motion carried on a 3-2 roll call vote.

4.0 Accountability

4.1 Review Board Self-Assessment Survey

Chair Fife-LaFrenz led a brief discussion on the Board Self-Assessment Survey. She made note of a couple of areas where one or more Trustees identified as needing improvement with policy and community relations. Vice Chair Hillyard commented that he noticed a couple of the Trustees mentioned that the assessment tool needs improvement.

Board Chair Fife-LaFrenz requested that the Board review the comments and come up with 2 or 3 goals for next year.

4.2 President's Report

- 1) **The Freedom of Speech/Expression policy** - Worked with attorney clearing up questions/edits.
- 2) **Recent article** – There was a recent article about Columbus Junction schools and concurrent enrollment costs which raised some question. President Ash noted that we cannot charge students beyond what the state will pay.
- 3) **Concurrent Enrollment** – Working with Department of Education on the rules for private schools so that we can offer the courses. The Presidents have seen rough drafts of the rules and are reviewing them further.
- 4) **Concurrent Enrollment** – Developing a “white” paper on “talking points” to be used for clarification and addressing some inaccurate information that some are stating about the program.
- 5) **SCC Profile** – Booklet available and can also be viewed online.
- 6) **260e Training Program** – Developed some talking points for clarification on training for new employees.
- 7) **Tuition and Fees Fiscal Year 2020** – President Ash referred each Trustee to a copy of the current Tuition and Fees for Fiscal Year 2020. Trustee Prellwitz asked where SCC rates are in comparison to other Iowa Community Colleges. President Ash referred to the handout and noted that we had the lowest increase of all the community colleges. Our current tuition is in the middle compared to other community colleges.
- 8) **Iowa's Workforce Training Programs** – President Ash noted that the Iowa Community College Presidents are working on developing a “white” paper on all the training programs in the state and how they do work together and areas in which there can be some improvements. Those documents will be coming to you all shortly.
- 9) **Last Dollar Scholarship** – Currently working with Iowa Student Aid Commission and a small work group. We have developed some suggested changes for improvements to the legislative elements along with some suggested changes by the Presidents for additional changes for improvements. These are being vetted with and by Director Townsend at IWD. Presently SCC has awarded around \$225,000. Director Townsend has assured that the list of careers won't change and we are free to recruit based on that list.
- 10) **Fall Enrollment** – Most CCs are down in enrollment this fall. There are a couple that are up but only very slightly. Each reported that their numbers are still coming in.
- 11) **Director Beth Townsend** – Director of Iowa Workforce Development met with the Presidents to work towards strengthening our relationship. Last Dollar Scholarship, Future Ready Iowa, and WIOA. It was a very good exchange and I believe that we will see a closer working relationship. She did say that we all need to get behind the WIOA program and make the changes required by the Department of Labor or we may run the risk of losing the over \$13M in federal aid.

- 12) **Child Care** – The Governor is concerned about child care and we will most likely see some initiatives from her in this upcoming legislative session.
- 13) **Perkins** – Changes are occurring with this federal program and the state has given us a timeline of events over the next number of months of things that need to be accomplished so as to be in compliance with the federal Perkins V law.
- 14) **Transfer Majors** – This new effort to develop “majors” for students to focus their energies is working its way through the CCs and each transfer major will be brought to you for your approval.
- 15) **Summer College Credit Program** – A new concurrent enrollment program for area high school students to take classes during the summer through the CCs as the legislature appropriated \$600,000 for this program. He referred Trustees to a handout in their folder.

4.3 Higher Learning Commission Site Visit

Vice President of Academic Affairs Dr. Janet Shepherd reminded Trustees that the Higher Learning Commission will be present for their accreditation site visit on September 16 and September 17. They will visit both the West Burlington and Keokuk Campuses. She distributed a hardcopy of the schedule and noted that the schedule will also be available on Hawk Net. Vice Chair Hillyard and Trustee Heland will meet with the HLC team on Monday, September 16th. Other Trustees are welcome to attend any of the drop-in sessions available on Tuesday, September 17th.

4.4 FY 2019 Year-End Financial Reports

Vice President Carr referred to a memorandum listing financial highlights from FY 2019 and reported the following:

Fund Balance Discussion:

The beginning fund balance of \$1,955K, was increased to \$1,974K representing 9.3% of estimated FY 2020 general fund operating expenses. (Note: Board Policy 505 requires an adequate fund balance for an average of one month’s operating expenses (8.33%)). The unrestricted reserve fund balance in the restricted general fund of \$855K was increased to \$930K. The unrestricted computing fund balance in the restricted general fund balance of \$338K (after expenses in FY 2019) was increased to \$413K.

General Fund Operations:

The significant drivers of the increase in reserves originate from:

- Primary tuition revenue was \$243K above budget
- Interest income was \$128K above budget
- CBIZ operations was \$68K above budget, primarily related to new contract training in the prison system
- Maintenance repair expenses in Keokuk and West Burlington were \$196K over budget
- 1% package wage settle was approximately \$139K
- Increase in State General Aid of \$84K
- \$60K in unused flex dollars, from many previous years, were returned to the employer following the IRS law

Other Restricted Fund Operation Notes:

- Use of computing fund balance of \$37K
- Use of bookstore reserve of \$49K
- Use of plant fund balance of \$335K

Fund 1 – General Fund

Total revenue for FY 2019 was \$20,831K. Significant revenue line item notes:

- IT Operating Equipment Purchase Insurance (OEPI) operating revenue of \$350K (\$50K increase)
- Maintenance OEPI operating revenue of \$77K (\$22K increase)
- SCC Foundation administrative fee of \$50K
- ICCOC fiscal agent fee of \$20K
- Interest income, based upon increase in short term rates, of \$205K (\$128K over budget)
- Payment in lieu of property taxes, from Iowa Fertilizer Plant, of \$13,744
- Primary revenue tuition accounts including PACE and STEP, excluding HS concurrent enrollment, were \$8,531K (\$243K above budget (net of international waivers))
 - High School PACE revenue included above was \$406K
- HS Concurrent Enrollment Net Revenue was \$149K (\$44K under budget)
- State General Aid was on budget at \$8,542K
- Property Taxes were approximately at budget of \$838K
- STEP tuition revenue was approximately at budget of \$186K
- WIOA Administration Fee of \$82K (\$13K under budget)
- TRIO, UB, IVRS, Corrections Administration fee was \$71K (16K over budget)
- CBIZ generated an operating income of \$143K (\$68K over budget) (note: Significant GAP revenue allocated to truck driving program, and one employee payroll paid via WTED funds)

Total expense for FY 2019 was \$20,812K. Significant expense notes:

- Financial aid scholarships of \$143K (\$52K under budget)
- High School relations expenses were under budget by \$20K
- Bad debt expense of \$78K (\$47K under budget)
- Library media budget was \$20K under budget
- WB physical plant was over budget \$143K, primarily related to building repair and maintenance of grounds and utilities of \$33K; Keokuk physical plant was over budget of \$53K, primarily related to repair of buildings and maintenance of grounds and utilities of \$10K

Fund 2 – Restricted General Fund

Fund Balances:

- Program Development \$159K
- Technology and Computing fund balance \$413K (used \$37K) (add \$75K from general fund)
- Strategic Planning Initiatives \$68K
- Staff Development \$20K
- Future development \$41K (created by unused flex dollars)
- INJT reserve for non-performing issues \$567K
- Reserve \$930K (increased by \$75K)

Levy related funds

- Plant Insurance and OEPI \$(366K) (negative balance)
- Unemployment \$31K
- Tort Liability and workers compensation \$47K
- Early retirement \$(830K) (negative balance)

Grant/Liability Accounts/State Mandated Balances

- Accrued vacation liability balance \$(104)K (increase of \$3K)
- GAP Tuition grant fund balance \$25K
- PACE grant fund balance \$2K
- WTED grant fund balance \$209K (increase of \$48K)
- State mandated reserve fund balance \$231K
- ICCOC fund balance \$1,038K (increase of \$215K)
- WBL Intermediary Network grant fund balance \$8K
- ABE State grant fund balance \$6K
- PIC \$35K (the CBA limits carryover to \$44,000)
- ABE State ELL grant fund balance of \$9K

Fund 3 – Auxiliary Funds

- Keokuk food service/vending was subsidized by the general fund by \$11K
- Central stores and printing operated at a surplus of \$8K for the year, to increase fund balance to \$65K
- The following was the athletics net activity for the year, of strictly operations outside of Fund 1 activity (tuition revenue and scholarship expense) (loss):
 - Baseball – (\$9K)
 - Basketball – (\$12K)
 - Trap Shooting – (\$5K)
- Athletic Fund Balances
 - Soccer - \$3K
 - Volleyball – \$5K
 - Softball - \$5K
 - Women’s Basketball - \$1K
 - Cheerleading - \$16K
 - Cross Country \$6K
 - Golf - \$12K

Fund Balances:

- Agriculture production \$90K
- Welding \$8K
- Auto collision repair and technology \$27K
- Construction technology \$1K
- WB campus residence hall \$90K
- Keokuk campus residence hall \$1K
- Transportation services \$55K
- Bookstore \$530K (Operated at a loss of \$49K)
- Print Shop \$65K
- Childcare \$21K
- WB campus Food Service and vending services \$115K fund balance

Fund 7 – Plant Fund

Fund Balances:

- Voted and Unexpended Tax Plant Fund \$1,727K
- ACE Funds Plant Balance \$800K (an additional \$333K is available on a reimbursement basis through the State for the Emergency Training Center in Ft. Madison)
- Ft. Madison Center sales proceeds of \$229K
- 2017 GO Bond Proceeds, net of unamortized bond premium \$12K

Fund 4 – Agency Fund

Agency funds we are holding primarily for clubs. There is a separate accounting for the individual clubs.

4.5 Monthly Financial Report

Vice President Carr provided a brief monthly financial report. He noted that interest rates have dropped from 2.35 percent interest income to 2.2 percent. He stated that he expects that to drop further. He estimated a drop of 25 bases points in the budget, however, the drop could be more than that.

4.6 Facilities Update

Plant Director Whittlesey reported that he is pleased with the Keokuk Campus remodeling project in the 400 and 500 buildings. He met with the contractor earlier today to review the punch list and they have identified outstanding items. He noted that staff has been wonderful to work with.

He further reported that he is currently working on a one year plan and five year plan for both facilities. For the Keokuk Campus, they plan to work on landscaping and dorm options.

Director Whittlesey noted he is working with the Des Moines County Fair Board to develop a long-term plan and shared with them some ideas for seating and public address.

Board Chair Fife-LaFrenz expressed appreciation for the remodeling project being completed in a short period of time.

4.7 Report on Iowa Community Colleges 2020 Legislative Priorities

President Ash noted that the Iowa Community Colleges 2020 Legislative Priorities has been included in the Trustee packets. This is for Trustees information.

5.0 Closed Session – Discussion Regarding a Possible Real Estate Transaction – Pursuant to Iowa Code Section 21.5(1)(j)

Trustee Hillyard moved to hold a closed session to discuss a possible real estate transaction pursuant to Iowa Code Section 21.5(1)(j). Trustee Prellwitz seconded. Motion carried on a 5-0 roll call vote.

After a short break, the closed session began at 6:37 p.m.

The closed session concluded at 7:12 p.m.

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

6.0 Fort Madison Center Planning

President Ash presented to the Board the developing plans for a Fort Madison Center as discussed in closed session. He reported that the proposed center will be located in a building we stand to receive from the Shottenkirk family in Fort Madison. He reviewed the suggested floor plan and remodeling that is being proposed both for the exterior and interior. There is available ACE funding from the state in the amount of \$333,333 along with proceeds from the sale of the previous Fort Madison Center. We believe we have the funds to move forward. Guest Russell Brissey of Klinger & Associates was present to answer any questions with regard to the plans.

Trustee Hillyard moved to approve to continue proceedings with plans for Fort Madison Center Planning. Trustee Nabulsi seconded. Motion carried on 5-0 vote.

7.0 Future Meetings

Chair Fife-LaFrenz reviewed the list of future meetings.

8.0 Adjournment

There was consensus that the meeting be adjourned at 7:21 pm.

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



Darcy Adams
Board Secretary