

League of Women Voters COD Observers Report

Board meeting attended: Regular Meeting of the Board of Trustees

Date and Location of meeting: Thursday, March 15, 2018 ~ Room SSC-2200

League Observer(s): Diane Niesman

Estimated Number Attending (excluding Board and Staff): Looked like only a few members of public, along with five invited guests from COD Foundation present. Many staff present. I did not see any member of the press present.

Meetings are Streamed and Archived at:

http://www.cod.edu/multimedia_services/botmedia.aspx (regular meeting only)

Agenda can be found at:

http://www.cod.edu/about/board_of_trustees/pdf/agendas/2018/2018mar15_agenda.pdf (agenda for both meetings on same pdf.)

1) Meeting started: 7:11pm

2) Board Members/Trustees present (P) not present (NP) tardy (T):

___NP*___ Deanne Mazzochi, Board Chairman *on phone; approved by voice vote

___P___ Frank Napolitano, Board Vice Chairman (Acting Chair)

___P___ Christine Fenne, Board Secretary

___P___ Alan Bennett

___P___ Charles Bernstein

___P___ Daniel Markwell

___P___ Joseph C. Wozniak

___P___ Anthony Walker, Student Trustee

3) PUBLIC COMMENT:

Richard Jarman, President of Faculty Assn. mentioned good news about Standard & Poors upgrading COD from A to A+, a rarity in higher education in Illinois. He thought the audit of syllabi, which would come up later in the meeting, showed good results. Back to financial matters, he also felt the \$1 increase in tuition and fees (Agenda Item 8) was reasonable in light of the fact that tuition had been lowered since 2014 and the fact that the Board no longer treated the reserve fund as a “rainy day fund for rains that never come.” He is pleased that the reserve fund is less sacrosanct than it used to be. He encouraged continued efforts to generate revenue not just by raising cost to students, but by getting funds from community that benefits from COD.

Jackie McGrath, Vice President of Faculty Assn., congratulated faculty retirees and colleagues up for sabbaticals. She also mentioned the tuition increase, respecting the process, but encouraging future initiatives that help students manage the cost of education and efforts to resolve state underfunding.

4) REPORTS (board members, staff, administrators)

a. **Chairman-** No report

b. **Student Trustee Report-** Announced that the Student Leadership Council held a forum for students to hear candidates’ platforms for President, Vice President and Student Trustee positions. Deadline for online voting was 11:59pm on March 15th. Student Trustee Walker said it was an honor and privilege to serve on the Board for the past year, as this was his last meeting as student trustee.

c. **President’s Report-** President Rondeau introduced four member of her administration for the reports:

Dr. Brian Caputo, VP Administrative Affairs/Treasurer reported that COD received a Certificate of Government Financial Accuracy (GFOA) Award for the second consecutive year thanks to full disclosure and more disclosure than required, and he wanted to recognize the work of Controller Scott Brady and assistant controller Dave Brogillio, who he introduced and who were applauded.

Dr. Donna Stewart, Interim VP Academic Affairs, announced that a team of seven students and their professor won a Distinguished Project Merit Award in October 2017, from the American Institute of Architecture for a structure they designed and built called Umbra 82. It is near the MAC. It was funded through a grant through the college foundation. It was a professional competition, not a student competition. She also announced a sold out event at the MAC featuring Brian Green, a theoretical physicist, who gave a talk, “Changing Reality: Einstein’s Dream and Beyond.” She gave one more shout out to COD’s forensic team for being the 2018 State Forensics Champions.

James Bente, VP Planning & Institutional Effectiveness, presented the results of a survey of students and faculty about the proposed pedestrian bridge across Lambert Rd, connecting the East Campus with the West Campus (HSE/TEC Bridge). The survey received excellent, representative response (over 2000 respondents, more than half students). Less than 45% of the respondents thought crossing Lambert currently is a safety issue. The ratio of “bridge not important” to “bridge important” was 2-1. Less than 50 % of respondents who cross Lambert frequently indicated that a bridge was important.

Earl Dowling, VP Student Affairs and Institutional Advancement, introduced “Engage” Magazine, the first issue of which was mailed to 100% of the 350,000 residents in District 502 earlier this March. Besides the “who” question, he answered, “why?” Answer: to tell our story....better to have magazine that one could pick up and put down than an app on a phone...effective method of communication. There will be another issue in late May/early June, and every semester thereafter. Will use as baseline and survey annually. Totally produced in-house. Vice-Chairman Napolitano suggested copies go to businesses in district, especially those that interact with COD in Continuing Education partnerships and to the offices of Congressional representatives in District 502. Trustee Bennett suggested a copy be sent to all the libraries in District 502.

- d. Budget Committee Report-** Vice-Chairman Napolitano reported committee met on February 27th (rescheduled from previous meeting cancelled due to snowstorm). The proposed \$1 increase in tuition and fees was discussed at the February meeting. The next Budget Committee meeting is March 20th.
- e. Academic Committee Report-** Trustee Bennett reported that committee met on March 13th. The first agenda item was the review of the course section audit required by HLC compliance project. Only 4% of over 300 course syllabi from 1st semester showed inconsistencies, corrective action is being performed. Dr. Jarman spoke on student preparation for HLC site visit in 2019. The Academic Committee recommended the Board approve a Dance Studio Production and Instruction Associate Applied Science Degree program (on consent agenda). The next meeting is scheduled for April 17th. On the agenda will be review of the draft report to be sent to HLC due May 15th.
- f. ACCT Conference Report-** Vice-Chairman Napolitano attended ACCT Conference in Washington, D.C. He served on committee advocating for year round Pell Grants, met with Senators Durbin and Duckworth and talked about what success looks like. Community colleges need to work with both Dept. of Labor and the Dept. of Education. He also had a social meeting with former student trustee Luzilena Escamilla, who is now studying political science at Georgetown University. She is thinking about a career in teaching or law.

5) PRESENTATIONS – None

6) 6) INFORMATION ITEMS

- a. Personnel Items**
- b. Financial Statements**
- c. Gifts & Grants Report**
- d. Construction Change Orders**
- e. Monthly Construction Update**
- f. Affirmative Action Plan**
- g. Board Policy 10-55: Investment of College Funds – For Referral to Audit Committee**
- h. Official Statement Associated with the Sale of the Series 2018 General Obligation Refunding Bonds**
- i. Sabbatical & One Semester Non-Teaching Assignment Leaves for 2018-2019 Academic Year**

No action required on information items, and there were no questions from the Board or discussion on the items.

7) CONSENT AGENDA

- a. Executive Search Firm – Provost for College of DuPage**
- b. Temporary Staffing Services for Continuing Education**
- c. FMP Proposal from Perkins & Will**
- d. FY18 IT Replacement Plan**
- e. Hydraulic Ironworker (shears) for use in Welding Technology Department**
- f. Default Management – Bid Rejection**
- g. Dance Studio Production and Instruction Degree Program**
- h. Agreement between College of DuPage and Foundation**
- i. Reimbursement of Expenses for Dr. Ann Rondeau**
- j. Reimbursement of Expenses for Vice Chairman Napolitano**
- k. February 15, 2018 Regular Board Meeting Minutes**
- l. Personnel Action Items**
- m. Financial Reports**

Vice-Chairman Napolitano asked that item **7h** be removed, and Secretary Fenne asked that item **7k** be removed. Trustee Bennett moved and Trustee Markwell seconded that items 7a-7g and items 7i-7j and items 7l-7m be approved. The vote was unanimous to approve items.

Secretary Fenne moved and Trustee Bennett seconded that the Board approve item 7h. The agreement between the College and the Foundation is considered historic. Five members of the Foundation were recognized at the meeting and applauded. Mr. Sherman Neil, who is President of the Foundation, spoke about the new understanding between college and Foundation because of this agreement. When they began, there was distrust which eventually developed into trust. The Foundation needs to protect the privacy of its donors while the College requires transparency. The agreement will align the strategic plans of COD with those of the Foundation. Dr. Rondeau said, “We had a lot of issues that the mind had to wrap around, but the heart was always beating for the students which kept the mind going.” The vote to approve the agreement was unanimous.

Trustee Bennett moved and Student Trustee Walker seconded that item 7k be approved. The minutes of the February 15, 2018 were listed as March 15, 2018 in the packet, a typographical error. Corrected minutes were distributed. Item 7k was approved unanimously.

8) Approval: Tuition and Fees Effective Fall 2018 Term:

Trustee Bennett moved and Secretary Fenne seconded to approve a \$1 per credit hour increase to the tuition and fees for FY2019 beginning with the Fall Term 2018. There was a 30 minute discussion before the vote. Trustee Markwell announced that he would be voting “no” because cost is the number one issue for students. He added later in the discussion that with the new federal tax bill passed, he can no longer deduct his student expenses on his tax return, so the cost of college for any student has already gone up. Student Trustee Walker also announced that he would be voting “no” because there had been virtually no warning, no prior discussion, or notice to the students. Trustee Wozniak asked how the budget committee arrived at the \$1 increase.

Dr. Caputo explained the 2019 budget process. He showed a slide that represented the change in tuition over the past several years. It was \$144 in 2014. The Board, which was elected in 2015, lowered tuition and fees in both 2015 and 2016 to arrive at the current \$135 (\$9 total decrease). The state average is \$140. The Board, which was elected in 2017, voted down an increase in tuition and fees for 2018 FY. Trustee Bennett noted the 1965 Community College Act determined that the state, property taxes, and tuition and fees should contribute equally to the revenue (1/3 each). Currently, property taxes bring in 32%, and tuition and fees contributes 24%, thus 9% less than the Act requires, and the state provides only 6%. The 2019 Budget projects a \$4M loss in tuition and fees due to projected 4% decrease in enrollment. The projected 2019 revenue is \$325M, a 27.5% increase. COD projects \$8.6M from the state, an 8.6% increase. But, there will be a decrease in revenue from property taxes (\$1.6M).

Dr. Caputo repeatedly remarked that COD could not continue indefinitely to draw on the reserve fund (Fund Balance). He said the \$1 increase (0.74%) will bring in \$500,000 additional revenue per year. He said more than once during his presentation that a small measured increase each year will be both necessary and more palatable than a large increase in future.

Chairman Mazzochi stated that the tuition was decreased in 2015, because there was too much money in the surplus (reserve fund). She also asked Trustee Markwell and Student Trustee Walker what they were willing to “sacrifice.” Markwell and Walker did not reply to her question. She then brought up that COD “can’t count” on funds from the state, but the fund balance helps COD survive the shocks from Springfield.

Trustee Wozniak said that “previous Board” (referring to Clean Slate) lowered tuition and fees and then approved expenses of two law firms. This remark led Vice Chairman Napolitano to question why Wozniak voted for two \$4 increases prior to 2015, and now doesn’t want to raise tuition \$1.

Final vote: Mazzochi, Bernstein, Bennett, Napolitano, Fenne-yes; Markwell, Wozniak, and Walker-no. Tuition increase of \$1 was approved.

9) APPROVAL: Issuance of \$__\$30,600,000_____ General Obligation Refunding Bonds, Series 2018, of Community College District No. 502, Counties of DuPage, Cook, and Will and State of Illinois

Trustee Markwell moved and Secretary Fenne seconded approval of the sale of 2007 bonds for \$32M, which took place earlier in the day (3/15/18). The sale will realize a savings of 6.6% in interest and \$2.1M savings in property taxes on net present basis. Dr. Caputo thanked the lawyers who handled the transaction, Dan Forbes and Ray Friedan. Dr. Caputo also mentioned that Moody’s outlook for COD went from stable to positive and that was close to AAA status. The sale received approval by unanimous vote.

10) APPROVAL: AlphaGraphics Wheaton Financial Reports

Bennett moved and Bernstein seconded approval of financial report for AlphaGraphics of Wheaton. Secretary Fenne abstained, and the remaining trustees all voted yes.

11) TRUSTEE DISCUSSION- Chairman Mazzochi thanked Student Trustee Walker

13) CLOSED SESSION- 8:57pm, with no further action to be taken after closed session.

Comments/Concerns: Will be interesting to see if COD proceeds with plans to build pedestrian bridge, in light of the survey results showing a lack of enthusiasm for the project.

General Features

	Yes	No	Comments
Did the meeting start on time?		X	There was a prior meeting of the Board which started late, and pushed timing of this meeting.
Were members attentive and prepared?	X		
Were members courteous to each other?	*		*Discussion about increase in tuition and fees was a little “tense.”
Were members attentive to the publics’ comments?	X		Not many members of public present.
Was the facility adequate?	X		

Could the audience see and hear?	X		
Were visual aids easily visible to the audience	X		
Were the meeting facilities handicapped accessible	X		

FOIA (Complete once, unless information changes.)

Illinois Open Meetings Act requirements

	Yes	No	Comments
Was the agenda posted 48 hours before the meeting? If yes, note where	X		
Did the agenda items clearly describe what was to be discussed?	X		
Were background materials made available to the public?	X		
Was there adequate discussion of the issues?	X		
Was there a closed session before, during or after the meeting?	X		After meeting, with no further action to be taken after closed session.
If there was a closed meeting, was any action taken after the closed session? If so, what action?		X	

Date Submitted: March 25, 2018

By: Diane Niesman