

APPROVED

Minutes of the 421st
Emergency Meeting of the
Illinois Community College Board

James R. Thompson Center
9TH Floor
Room #9039
100 W Randolph Street
Chicago, IL

John A. Logan College
Administration Building (A)
Administrative Conference Room
700 Logan College Road
Carterville, IL

Lake Land College
Neal Hall North Conference Room
5001 Lake Land Blvd.
Mattoon, IL

IL Eastern Community College
District Office
Public Board Room
233 E Chestnut Street
Olney, IL

December 7, 2016

RECOMMENDED ACTION

It is recommended that the following motion be adopted:

The Illinois Community College Board hereby approves the Board minutes of the December 7, 2016 meeting as recorded.

Item #1 – Roll Call and Declaration of Quorum

Chair Laz Lopez, attending from the James R. Thompson Center location, called the Board meeting to order at 3:02 p.m. and asked Ann Knoedler to call roll. The following Board members were present: Doug Mraz and Teresa Garate attended from the James R. Thompson Center location; Guy Alongi and Jake Rendleman attended from the John A. Logan College location; Dustin Heuerman attended from the Lake Land College location; and Terry Bruce attended from the IL Eastern Community College District location. Board members Suzanne Morris, Nick Kachiroubas, and student Board member Ugne Narbutaite were absent. A quorum was declared. Ann Kalayil had not arrived at the JRTC location in Chicago, but was planning on attending.

Item #2 – Attendance by Means other than Physical Presence

Cheryl Hyman is unable to attend today's meeting due to a work conflict. According to Section 7 of the Open Meetings Act, Cheryl Hyman may participate in today's meeting via conference call, and the Board needs a motion to allow her attendance.

Terry Bruce made a motion, which was seconded by Guy Alongi, to allow Cheryl Hyman to participate in the Emergency Board meeting by phone.

Agenda Item #9.2
January 20, 2017

A roll call vote was taken with the following results:

Guy Alongi	Yea	Doug Mraz	Yea
Terry Bruce	Yea	Jake Rendleman	Yea
Teresa Garate	Yea	Laz Lopez	Yea
Dustin Heurman	Yea		

The motion was approved.

Name: Cheryl Hyman **Location:** Chicago **Reason:** Work Related

Chair Lopez stated in order to properly record participation in this meeting, all further matters that require a vote for this meeting will be conducted via roll call.

Item #3 – Announcements and Remarks by Dr. Laz Lopez, Board Chair

Chair Lopez thanked the Legislature for the additional emergency funds and stated that there is still a need for a 2017 budget.

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Ann Kalayil arrived to the JRTC location in Chicago at 3:05 p.m.

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Item #4 – Formula for the Allocation for the distribution of \$3M in Emergency Funds

Public Act 99-0524 includes an appropriation for \$20M to the Illinois Board of Higher Education (IBHE): “*For payment to public universities and community colleges to provide for financial support for essential operations as determined by the Board in accordance with Section 9.35 of the Board of Higher Education Act.*” Public Act 99-0523 referred to as the FY17 Budget Implementation Bill requires that the IBHE consult with the ICCB for community college financial emergencies. At a special meeting held on November 23, 2016, the IBHE passed a resolution earmarking \$3,000,000 of the appropriation for community colleges.

Public Act 99-0523 amends the Board of Higher Education Act to provide: “*In fiscal year 2017 the Board, in consultation with the Illinois Community College Board, shall conduct a review to determine the existence of a financial emergency at a public institution of higher education that requires financial assistance from the Board, but only after the institution’s governing board has formally requested the review by adopting a resolution stating that the institution is in a state of financial emergency that requires financial assistance from the Board. To be in a state of financial emergency, the institution must demonstrate that it is significantly diminishing all available resources and must satisfy any other factors determined appropriate by the Board. Subject to appropriation, payments shall be made to institutions in a state of financial emergency, in such amounts as shall be deemed necessary by the Board, in order to minimize, to the extent practicable, adverse impacts to students as a consequence of emergent staff or programmatic reduction.*”

At the Board meeting held on November 18, 2016 the ICCB passed a resolution by way of a general declaration that the Illinois Community College System is in a state of financial emergency due to the drastic loss of State revenues over the last two years. This resolution fulfills the requirements in the public act along with the criteria that must accompany each district’s application. After reviewing applications, the allocations will be distributed. Dr. Anderson stated that the \$3M provided to the community colleges does not adequately address the funding issue. Originally, ICCB had planned to run the funds through the equalization formula; however, this resulted in very little funding for too many colleges, with some allocations less than \$5,000.

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If all \$3M were equally distributed among all the community colleges, each district would receive an amount of \$76,000. The methodology approved by the Board was formulated on the assumption that colleges with the least amount of local funding will have the hardest time operating without State funding. And finally, if a college has been operating without adequate state and local funding, there should be consistent evidence in reduction measures taken to meet the reduced funding. If a college does not qualify for emergency funding using this methodology, application can be made for funds if payroll cannot be made before February 15, 2017.

Guy Alongi made a motion, which was seconded by Jake Rendleman, to approve the following motion:

The Illinois Community College Board hereby authorizes its Executive Director to allocate the funds received from the Illinois Board of Higher Education to community college districts that meet the following criteria:

- Make application to the Illinois Community College Board for emergency funding; and
- Receive more than 60% of operating revenues from state and local sources, as reported in the Fiscal Year 2015 Uniform Financial Statement #3¹; and
- Receive less than 25% of operating revenues from local taxes, as reported in the Fiscal Year 2015 Uniform Financial Statement #3²; and
- Demonstrate actions that have been implemented to reduce expenditures that have required a reduction in staff and programs; and
- Submit documentation showing a continued reduction in expenditures using fiscal year 2015 as the base year; and
- Submit relevant cash management strategies passed by the Board of Trustees since the end of fiscal year 2015;

OR,

- Make application to the Illinois Community College Board for emergency funding; and
- Demonstrate the district's inability to make payroll after February 15, 2017; and
- Demonstrate actions that have been implemented to reduce expenditures that have required a reduction in staff and programs; and
- Submit documentation showing a continued reduction in expenditures using fiscal year 2015 as the base year; and
- Submit relevant cash management strategies passed by the Board of Trustees since the end of fiscal year 2015.

A roll call vote was taken with the following results:

Guy Alongi	Yea	Ann Kalayil	Yea
Terry Bruce	Yea	Doug Mraz	Yea
Teresa Garate	Yea	Jake Rendleman	Yea
Cheryl Hyman	Yea	Laz Lopez	Yea
Dustin Heurman	Yea		

The motion was approved.

¹ Local operating revenues are calculated using the Uniform Financial Statement #3 for the Education Fund and the Operations and Maintenance Fund for Local Taxes and CPPRT. State operating revenues are calculated using the Uniform Financrom Total State Government line.

² Local operating revenues are calculated using the Uniform Financial Statement #3 for the Education Fund and the Operations and Maintenance Fund for Local Taxes and CPPRT.

Item #5 – Adjournment

Jake Rendleman made a motion, which was seconded by Ann Kalayil, to adjourn the Board meeting at 3:15 p.m.

The motion was approved via unanimous voice vote.