

Agenda
421st 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

<u>3:00 p.m. – Emergency Board Meeting</u>	<u>Page</u>
1. Roll Call and Declaration of Quorum	—
2. Announcements and Remarks by Dr. Lazaro Lopez, Board Chair	—
3. Attendance by Means other than Physical Presence (<i>ACTION</i>)	—
4. Formula for the Allocation for the distribution of \$3M in Emergency Funds (<i>ACTION</i>) <i>Dr. Karen Hunter Anderson and Ms. Ellen Andres</i>	—
5. Adjournment	—

Illinois Community College Board

DISTRIBUTION OF THE \$3 MILLION EMERGENCY FUND APPROPRIATION

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.

RECOMMENDED ACTION

It is recommended that the following motion be adopted:

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.

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 Financial Statement #3 for the Education Fund and Operations and Maintenance Funds from 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.

Agenda Item #8
September 16, 2016

BACKGROUND

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 September 16, 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 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.