

## **MINUTES OF THE REGULAR MEETING of February 27, 2020**

On February 27, 2020, the Board of Trustees of Community College District 507, in the Counties of Vermilion, Edgar, Iroquois, Champaign, and Ford in the State of Illinois, met in regular session in the Board Room, Vermilion Hall Room 302 at Danville Area Community College.

### **ITEM 1: CALL TO ORDER**

Vice Chairman Dr. Ron Serfoss called the meeting to order at 5:30 p.m.

### **ITEM 2: PLEDGE OF ALLEGIANCE**

Ms. Holley Hambleton, Student Trustee, led the Board and those in attendance in reciting the Pledge of Allegiance to the Flag.

### **ITEM 3: ROLL CALL**

The roll was called. Trustees present: Bill Black, Terry Hill, Dr. Ron Serfoss, John Spezia, Greg Wolfe, and Student Trustee Holley Hambleton. Trustees absent: Tracy Cherry and Dave Harby.

Others present: President Dr. Stephen Nacco, Board Secretary Kerri Thurman, Dave Kietzmann, Mike Cunningham, Tammy Betancourt, Lara Conklin, Jerry Davis, Mark Barnes, Lisa Osborne, Bruce Rape, Ashley Hargrove, Robbie Hargrove, McKenzie Ellerkamp, Carly Hargrove, Darren and Carla Wells.

Media present: Ross Brown, WDAN-WDNL.

### **ITEM 4: ADOPTION OF AGENDA**

Dr. Serfoss asked if there were any changes requested to the agenda. With no changes requested, upon motion by Mr. Hill, and a second by Mr. Spezia, the agenda was approved as presented. The motion passed by unanimous voice vote: 6 yeas, 0 nays.

### **ITEM 5: RECOGNITION OF VISITORS**

Dr. Nacco introduced the following members of the College Cabinet: Dave Kietzmann, Executive Vice President, Instruction and Student Services; Mike Cunningham, Vice President, Administrative Services; Tammy Betancourt, Vice President, Finance and Chief Financial Officer; and Lara Conklin, Executive Director, College Relations. Also present: Jerry Davis, Davis & Delanois; Mark Barnes, Director, Information Technology; Lisa Osborne, Administrative Assistant, Business & Technology; Ashley Hargrove, Instructor, Business Administrative Technology; Robbie Hargrove; McKenzie Ellerkamp; Carly Hargrove; Darren and Carla Wells; and Bruce Rape.

Media present: Ross Brown, WDAN-WDNL.

### **ITEM 6: FINANCIAL UPDATE**

Ms. Tammy Betancourt gave a financial update to the Board. The Financial Statement of Revenue and Expenditures ending January 31, 2020 was included in the Board agenda book.

**ITEM 7: PRESIDENT'S REPORT**

Dr. Nacco shared the *DACC Flash* with the Board and highlighted the events from the month since the last meeting.

The Trustees and Dr. Nacco expressed appreciation to Mr. Dave Kietzmann for his 50 years of service to DACC.

**ITEM 8: PUBLIC COMMENT**

**ITEM 9: CONSENT AGENDA**

**A. BOARD CONSIDERATION OF THE MINUTES OF THE REGULAR BOARD MEETING OF JANUARY 23, 2020; AND MINUTES OF THE BOARD WORKSHOP OF JANUARY 25, 2020.**

**B. FINANCIAL REPORT**

**C. HUMAN RESOURCES REPORT**

**D. CLERY SECURITY REPORT**

**E. BOARD CONSIDERATION OF BOARD POLICY REVISION**

**1. BOARD POLICY #3025 – TUITION WAIVERS**

Upon motion by Mr. Wolfe, and a second by Mr. Hill, the Board approved the items on the Consent Agenda. The motion passed by roll call vote: 6 yeas, 0 nays.

**ITEM 10: UNFINISHED BUSINESS**

**ITEM 11: NEW BUSINESS**

**A. BOARD CONSIDERATION OF RETIREMENTS**

**1. ROBERT MATTSON, EXECUTIVE DIRECTOR, INSTITUTIONAL EFFECTIVENESS AND PLANNING**

Upon motion by Mr. Hill, and a second by Mr. Wolfe, the Board approved the retirement of Robert Mattson, Executive Director, Institutional Effectiveness and Planning effective June 30, 2020. The motion passed by roll call vote: 6 yeas, 0 nays.

**2. MARY SKINNER, DIRECTOR, NURSING**

Upon motion by Mr. Wolfe, and a second by Mr. Hill, the Board approved the retirement of Mary Skinner, Director, Nursing effective June 30, 2020. The motion passed by roll call vote: 6 yeas, 0 nays.

**B. BOARD CONSIDERATION OF TENURE RECOMMENDATION**

Full-time faculty members completing their third academic year of probation must be granted tenure, extended another year of probation, or dismissed. Dave Kietzmann and the respective supervisors have evaluated their performance and personnel files to ensure that their credentials are in order. These outstanding faculty member are an asset to the instructional programs at Danville Area Community College. It is our honor and privilege to recommend so many newer and talented faculty members for tenure status. These individuals are superior classroom teachers who will serve DACC well into the future.

**1. SHANNON CHILDERS, INSTRUCTOR, NURSING**

Upon motion by Mr. Wolfe, and a second by Mr. Spezia, the Board approved the tenure recommendation for Ms. Shannon Childers, Instructor, Nursing. The motion passed by roll call vote: 6 yeas, 0 nays.

**2. CATHY JO SROUFEK, INSTRUCTOR, NURSING**

Upon motion by Mr. Wolfe, and a second by Ms. Hambleton, the Board approved the tenure recommendation for Ms. Cathy Jo Sroufek, Instructor, Nursing. The motion passed by roll call vote: 6 yeas, 0 nays.

**3. ASHLEY HARGROVE, INSTRUCTOR, BUSINESS  
ADMINISTRATIVE TECHNOLOGY**

Upon motion by Mr. Wolfe, and a second by Mr. Hill, the Board approved the tenure recommendation for Ms. Ashley Hargrove, Instructor, Business Administrative Technology. The motion passed by roll call vote: 6 yeas, 0 nays.

**C. BOARD CONSIDERATION OF TECHNOLOGY/ACTIVITY FEE  
INCREASE**

Historically during the Spring semester, Danville Area Community College considers the rate of tuition and universal fees in making projections for the budget for the upcoming fiscal year.

An increase in the universal per credit hour technology/activity fee of \$5 is proposed. This increase will provide funds to allow the College to continue to support student engagement, retention, recruitment, and success initiatives, provide current technology, and to recruit and retain talented faculty and staff. The proposed increase would raise the fee from \$20 per credit hour to \$25. Tuition for in-district residents is recommended to remain at the same rate of \$140 per credit hour. Tuition rates for all other residency categories will also remain the same. An increase of \$5 in the technology/activity fee will generate approximately \$160,000 of revenue.

Upon motion by Mr. Wolfe, and a second by Mr. Hill, the Board approved, effective with the summer term a \$5 per credit hour technology/activity fee increase. The motion passed by roll call vote: 6 yeas, 0 nays.

**D. BOARD CONSIDERATION OF REVISING FEES IN THE CHILD  
DEVELOPMENT CENTER**

Our Child Development Center continues to be a center of excellence for social, emotional, physical, and intellectual development of a child. The Center recently received the Silver Circle of Quality designation from ExceleRate Illinois for the third time in a row! This is not only a distinguished award that recognizes the excellent quality of care the Center provides, it qualifies the Center to receive a “quality add-on if serving children through IDHS Child Care Assistance Program (CCAP).”

The Center also provides an environment for observation and training for our DACC students enrolled in Early Childhood Education, Education Transfer classes, Nursing, and College Express programs. Maintaining this level of quality service requires staffing and supply resources which continue to increase in cost.

The fees for many of our students are reimbursed by the State of Illinois Department of Human Services. We recently learned that the State maximum reimbursement rates were increased by 20%.

Therefore, we are proposing that the daily rates be increased effective March 1, 2020 to ensure we will receive the maximum reimbursement from the State. All weekly rates will remain the same. Listed below are the new proposed daily rates.

DACC Proposed Rates:

	<u>Student Weekly Rate</u>	<u>Regular Weekly Rate</u>	<u>Proposed Daily Rate</u>	<u>Current Daily Rate</u>
24 Months – 35 months Old	\$135.00	\$150.00	\$37.00	\$33.00
3 Years – 5 Years Old	\$120.00	\$135.00	\$34.00	\$31.00
School Age, 6-12 Years Old	\$115.00	\$125.00	\$31.00	\$21.00

Registration/Art Fee yearly rate for all:       \$50.00

Upon motion by Mr. Hill, and a second by Mr. Wolfe, the Board approved the request to revise the fees in the Child Development Center effective March 1, 2020. The motion passed by roll call vote: 6 yeas, 0 nays.

**E. BOARD CONSIDERATION OF A MOTION TO RETAIN  
CHAPMAN AND CUTLER LLP, CHICAGO, ILLINOIS AS BOND  
COUNSEL WITH RESPECT TO THE PROPOSED ISSUANCE  
OF \$1,000,000 DEBT CERTIFICATES, SERIES 2020, AND  
SUBSEQUENT ISSUANCE OF \$1,000,000 GENERAL  
OBLIGATION COMMUNITY COLLEGE BONDS, SERIES 2020,  
AND IN DOING SO, AUTHORIZE CHAPMAN AND CUTLER  
LLP, TO PREPARE THE NECESSARY LEGAL PROCEEDINGS  
FOR THE PROPOSED ISSUES**

Retaining the services of Bond Counsel is necessary to help the College through the complex process of issuing Debt Certificates for the purpose of paying the cost of purchasing technology and instructional equipment and subsequently issuing General Obligation Bonds for the purpose of paying those claims against the District (i.e. the General Obligation Debt Certificates (Limited Tax), Series 2020).

During the FY20 budgeting process, it was apparent that funds were not sufficient to meet the technology and instructional equipment needs. The funds from the 2018

Technology/Equipment Bond are now exhausted as planned over a two year period. There still remains some outdated technology and instructional equipment that needs updated and replaced. With the rapid changes in technology, our College needs to provide sufficient funds for updating equipment on a three to four year cycle.

Chapman and Cutler, LLP has provided Danville Area Community College with similar services with our previous Bond issues and the fee will remain the same as it was for the 2018 Debt Certificates and Bonds. A copy of the engagement letter is included in the Board packet.

Upon motion by Mr. Wolfe, and a second by Mr. Hill, the Board approved to retain Chapman and Cutler, LLP, Chicago, Illinois as Bond Counsel with respect to the proposed issuance of \$1,000,000 Debt Certificates, Series 2020 and subsequent issuance of \$1,000,000 General Obligation Community College Bonds, Series 2020, and in doing so, authorizes Chapman and Cutler LLP, to prepare the necessary legal proceedings for the proposed Issues. The motion passed by roll call vote: 6 yeas, 0 nays.

**F. BOARD CONSIDERATION OF RESOLUTION AUTHORIZING AND PROVIDING FOR AN INSTALLMENT PURCHASE AGREEMENT AND ISSUE OF \$1,000,000 GENERAL OBLIGATION DEBT CERTIFICATES (LIMITED TAX), SERIES 2020, FOR THE PURPOSE OF FUNDING TECHNOLOGY EQUIPMENT AND IMPROVEMENTS AND AUTHORIZING THE SALE OF SAID CERTIFICATES TO CATLIN BANK**

Now that the revenue from the 2018 Technology/Equipment Bond funds has been fully exhausted, the FY20 recommendations for purchases of necessary equipment and technology have again exceeded our available funds. Unfortunately there remains some outdated technology and instructional equipment which needs updated and was deferred. This is due to rapidly changing technology. As a result, DACC must continue to actively pursue alternative revenue streams on a cyclical basis. This will help our College to stay current with the changes in technology and equipment that are needed to offer state-of-the-art capital resources in our classrooms and supporting services.

To provide additional funds to meet our equipment and technology needs, the College can sell Debt Certificates or enter into an Installment Loan Contract. The amount of \$1,000,000 in new revenue will meet our immediate needs which will enhance the quality of equipment and state of the art technology in our classrooms and supporting services departments. After completion of this process, the Board can then proceed with issuing Technology/Equipment Funding Bonds to retire this debt. The Resolution related to the sale is included in the Board packet.

Request for Proposals (RFP's) were sent to financial institutions within the College district requesting the rate of interest that would be applied to a short term \$1,000,000 loan obligation. Proposals were returned by Catlin Bank (Catlin), Prospect Bank, (Sidell), First

Farmers Bank & Trust (Danville), First Financial Bank (Danville), and Iroquois Federal (Danville).

	<u>Interest Rate</u>
Catlin Bank	1.790%
Prospect Bank	2.250%
First Financial Bank	2.436%
Iroquois Federal	2.920%
First Farmers Bank & Trust	3.625%

Upon motion by Mr. Wolfe, and a second by Mr. Hill, the Board approved the Resolution authorizing and providing for an Installment Purchase Agreement and the Issue of \$1,000,000 General Obligation Debt Certificates (Limited Tax), Series 2020, for the purpose of funding technology equipment and improvements and authorizing the sale of said certificates to Catlin Bank. The motion passed by roll call vote: 6 yeas, 0 nays.

**G. BOARD CONSIDERATION OF A RESOLUTION CALLING A PUBLIC HEARING CONCERNING THE INTENT OF THE BOARD OF TRUSTEES TO SELL \$1,000,000 FUNDING BONDS FOR THE PURPOSE OF PAYING CLAIMS AGAINST THE DISTRICT**

Upon closing of the issuance of the General Obligation Debt Certificates (Limited Tax), Series 2020, the College has an additional outstanding debt of \$1,000,000. The proceeds of said Certificates will be used to purchase technology and instructional equipment. The Funding Bonds will be used to pay said Certificates, which upon issuance constituted claims against the District.

The Resolution (included in the Board packet) documents the College's intent to call a public hearing to be held on March 26, 2020, in accordance with the Bond Issue Notification Act of the State of Illinois, as amended. Included with the resolution is the public notice of the hearing which will be published in a local newspaper with general circulation within the district.

Upon motion by Mr. Black, and a second by Ms. Hambleton, the Board approved the Resolution calling a public hearing concerning the intent of the Board of Trustees to sell funding bonds for the purpose of paying claims against the District. The motion passed by roll call vote: 6 yeas, 0 nays.

**ITEM 12: INFORMATION**

**A. COMMUNICATIONS**

- Letter of appreciation from The Salvation Army for a recent donation.

**ITEM 13: ADJOURNMENT**

There being no further business to discuss, Dr. Serfoss adjourned the meeting at 6:58 p.m.

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Chairperson, Board of Trustees

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Secretary, Board of Trustees

Approved: \_\_\_\_\_