

SOUTHEAST COMMUNITY COLLEGE

Chairman Dale Kruse called the regular meeting of the Southeast Community College Board of Governors to order at 3:00 p.m. on Tuesday, November 21, 2017, at the Beatrice Campus, Jackson Hall Conference Room, 4771 West Scott Road, Beatrice, NE 68310.

Chairman Kruse announced that Mr. Feit would be late in arriving and Mr. Kubicek had work obligations.

ROLL CALL:

Present:

Dale Kruse, Beatrice
Nancy Seim, Lincoln
James Garver, Lincoln
Kathy Boellstorff, Johnson
Steve Ottmann, Dorchester
Edward Price, Lincoln
Donald Reiman, Virginia
Lynn Schluckebier, Seward
Kristina Yates, Lincoln
Maggie Parde, Beatrice Student Representative

Absent:

Robert Feit, Lincoln (arrived at 3:37 p.m.)
Terrence Kubicek, Lincoln
Pat Galitz, Faculty Representative

Others Attending:

Paul Illich, President
Rex Schultze, Legal Counsel
Lynda Heiden, SCC Area

Registered Visitors:

Edward J. Koster, SCC Milford
Al Brunkow, SCC – IT
Stu Osterthun, SCC Area
Robin Moore, SCC Area
Bob Redler, Faculty Association
Toni Landenberger, SCC Beatrice
Dennis Headrick, SCC Area
Shawna Herwick, SCC Area

Chairman Kruse welcomed everyone to the meeting.

PUBLIC MEETING LAW COMPLIANCE STATEMENT

Chairman Kruse stated the public meeting notice had been published in the *Lincoln Journal Star* on Tuesday, November 14, 2017, as well as posted on the bulletin board in the Area Office and the website.

He indicated that the meeting is conducted according to the principles of the revised *Robert's Rules of Order*.

Chairman Kruse indicated that supplementary materials were available at the entrance of the room, along with a copy of the Open Meetings Law. A specific agenda item is reserved for Public Comment, #11. To testify during this time any member of the audience may approach the Board table. In general, oral testimony by individuals is limited to five minutes. Written testimony will also be accepted for the public record.

CONSENT AGENDA

Mr. Schluckebier moved to approve the consent agenda. Seconded by Ms. Seim.

Roll call vote follows:

FOR (9):

Schluckebier
Seim
Reiman*
Yates
Boellstorff**
Price
Garver
Ottmann
Kruse

AGAINST (0)

Motion Carried

ABSENT (2)

Kubicek
Feit

*Upon being called for his vote, Mr. Reiman stated: With regard to the Consent Agenda items for Bills and Claims, I abstain from the action with regard to voucher number V0623313/check number 0222487, and voucher number V0629180/check number 0223774, and vote to approve all other bills and claims and all other Consent Agenda items.

**Upon being called for her vote, Ms. Boellstorff stated: With regard to the Consent Agenda items for Bills and Claims, I abstain from the action with regard to voucher number V0628412/check number E0020764, and vote to approve all other bills and claims and all other Consent Agenda items.

BOARD MEMBER REPORTS

Board members reported attendance at the following:

NCCA Annual Meeting in McCook:

Nancy Seim
Kathy Boellstorff
Lynn Schluckebier
Edward Price
Robert Feit
Dale Kruse

FINANCIAL REPORT

Dr. Illich reviewed the financial report for the period through October 31, 2017. He also reviewed the investment accounts.

He pointed out that they have been informed to anticipate at least a 2% cut in state aid.

Budgeted Revenue/Actual Revenue & Budgeted Expenses/Actual Expenses

Revenue:	Variance:	
Local Taxes	(\$46,307)	
Tuition	\$13,109	
Other	(\$22,437)	
Total Revenues	(\$55,635)	-0.19%
Expenses		
Personal Services	(\$2,452,679)	
Operating	(\$224,172)	
Travel	(\$58,979)	
Equipment	--	
Total Expenses	(\$2,735,830)	-9.3%
Net Position	\$2,680,195	

FINANCIAL REPORT (continued)

The budget report ending October 31, 2017 showed:

Percentage of Budget year	33%
Percentage of Budget spent	29.9%
Percentage of Board budget spent	23.2%

Mr. Schluckebier moved acceptance of the financial report. Seconded by Ms. Boellstorff.

Chairman Kruse asked for discussion. There was none.

Roll call vote follows:

<u>FOR (9):</u>	<u>AGAINST (0)</u>	<u>ABSENT (2)</u>
Schluckebier		Kubicek
Seim		Feit
Reiman		
Yates		
Boellstorff	<i><u>Motion Carried</u></i>	
Price		
Garver		
Ottmann		
Kruse		

BOARD TEAM REPORTS

Executive. Chairman Kruse stated the team met and set the agenda.

Finance & Facilities. Ms. Boellstorff stated the team met prior to the Board meeting. The Team reviewed bids for air handling and the north parking lot bids to reroute the road.

Ms. Boellstorff also stated they reviewed Phase 4 of the roof replacement update at 8800 O Street. They are 60% completed. They are a little behind because of weather.

Ms. Cummins handed out an update on the culinary project. She indicated that the project is on target and on time, and within the budget allowed. They plan to provide a tour of the culinary facility ahead of the Board meeting in December.

Mr. Ottmann indicated there will be some Board action necessary for The Career Academy at the end of the Board's agenda.

NCCA. Rev. Price reported the NCCA Board meet two weeks ago. They discussed getting together to meet legislators.

PRESIDENT'S REPORT

Dr. Illich reported on and/or handed out information on the following:

- In December the Board will tour the new culinary space. He pointed out that the front of the facility will be fabricated by our Welding Division.
- He just hired a Director of Advancement who is working on a campaign to get funding on different spaces.
- The new Director of Facilities will begin on January 2.
- RFPs are about ready to be released for the housing units.
- Approval for moving forward with the Diesel Tech expansion is being requested at today's meeting.
- A classroom building is being reviewed in Beatrice.
- Work is continuing on developing the program statements for the Health Sciences building, with approval being requested sometime in early 2018.
- A strategic plan for The Career Academy is being developed.
- A common agreement with The Career Academy is being requested later in the meeting as the same legal firm is being used.
- Dental Assisting has been working on the accreditation.
- They've also been preparing for the upcoming legislative session.
- They have finalized an agreement on renovation of space in downtown Wahoo. The building is about the size of the Nebraska City facility.
- Calendar conversion is taking place. As a result, re-negotiation with Faculty Association will need to take place as this results in changes to their contract.
- Dr. Illich has been working to identify potential partnerships in regards to Energy Square replacement.
- Presented calendars for transitioning.

FACULTY ASSOCIATION REPORT

Bob Redler reported for the Faculty Association. He indicated that they hope that they can get negotiations going as soon as possible as there will be significant issues that come up in converting to a semester calendar.

***Mr. Feit arrived at 3:37 p.m.

STUDENT ACTIVITIES REPORT

Maggie Parde reported on student activities on the Beatrice Campus. She indicated that they have activities every evening. These include basketball and volleyball intramurals.

Upcoming events include a food bank and a coat drive. They are also working on setting up a concert with the Ag Division.

Ms. Parde indicated she is from Adams, Nebraska, and graduated from Freeman Central. Volleyball brought her to SCC. She will transfer to Bryan after next year.

PUBLIC COMMENT

There was no public comment.

Administrative Presentation/Board Review

NPPD SCHOLARSHIP AWARD PRESENTATION

Nebraska Public Power District representative, Gary Thompson, presented scholarship awards from the proceeds of the annual Wells Fargo Nebraska Open golf tournament for community college scholarships.

He indicated he has been reelected to the NPPD board for five elections for 6-year terms (30 years), and providing scholarships for the students is one of the most fun things he does.

Mr. Thompson stated that this is the 26th year for the Nebraska Open Golf Tournament. In total they have raised approximately \$1.5 million approximately for the Nebraska community college foundations; with about \$300,000 going to SCC for scholarships. None of these funds come from NPPD. It all comes from the sponsors, with Wells Fargo as the title sponsor.

Mr. Thompson presented three checks, totally \$16,000 for the three campuses, to Dr. Illich and Ms. Parde.

HIGHER LEARNING COMMISSION (HLC) PRESENTATION

Dr. Illich introduced Tom Bordenkircher, the Higher Learning Commission (HLC) liaison. Mr. Bordenkircher toured the campuses in the morning.

Mr. Bordenkircher reviewed regional accreditation. He indicated that the HLC represents 1,000 institutions; and the HLC is the only one that uses peer review. He reviewed how the review process

HIGHER LEARNING COMMISSION (HLC) PRESENTATION (continued)

works. He indicated that they have three pathways. SCC has chosen the open pathway. This provides an assurance review at four years and a visit in ten years.

Mr. Bordenkircher indicated he is proud of the work SCC has done but he does have concerns as SCC has been on monitoring several times. The Assurance Review was well written and honest. It was well done and very fair. But the HLC needs to see a cycle of improvement when they come back.

The review noted that:

- Facilities Master Planning needs to have continued progress, with an agreement to provide updates on progress made toward multiple near-term facility projects prior to the next comprehensive review.
- Need to formalize a co-curricular assessment plan and implement.
- Need to formalizing processes for policies and procedures.

Mr. Bordenkircher indicated that the Coordinating Commission works with the HLC. He also indicated they have a plan with Shawn Herwick and Dr. Headrick and how to do things efficiently.

Mr. Bordenkircher indicated they have 70 employees to oversee 1000 institutions.

NCCA UPDATE & DUES

Greg Adams, Executive Director of NCCA, gave an update on NCCA. He indicated he has been working on relationship building with the state senators. He has also provided them with background information on community colleges and an updated Fact Sheet. He pointed out that in the upcoming legislative session, the state's budget will probably be the focal point of the session.

At the NCCA board meeting, they decided to have a day in February when the Legislature is in session, to ask the Community College Board members to come to the Capitol and meet with their senators.

Chairman Kruse pointed out the 2018 dues - \$60,279.06. Dues for 2017 were \$68,916.21. Approval of the dues will be requested later in the meeting.

- Chairman Kruse declared the Board in recess at 4:42 p.m.
- Chairman Kruse declared the Board in regular session at 4:56 p.m.

2016-17 FINANCIAL AUDIT PRESENTATION

Ms. Jorgens introduced Kerry Gustafsson, auditor from Dana F. Cole, to review the 2016-17 financial audit.

2016-17 FINANCIAL AUDIT PRESENTATION (continued)

Ms. Jorgens reviewed Management's Discussion and Analysis. This is information from the College summarizing the audit from the College's perspective. Ms. Jorgens reviewed the contents of the audit, Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows (describes the College's operation).

Ms. Gustafsson reported on federal award expenditures (page 33-34). There were over \$32.6 million of federal funds that flowed through the College, and the federal funds were a major focus of the audit. They found no issues of non-compliance.

Ms. Gustafsson pointed out the schedule of findings, and the College was provided with a very clean report to the government. There were no material weaknesses for internal control over financial reporting, nor any for internal control over major federal award programs. A positive report was presented to the Department of Education.

Ms. Jorgens handed out the management letter. Ms. Gustafsson reported there were no disagreements with management. They had full access to records, and no adjusting entries had to be made.

2016-17 FTE/REU AUDIT PRESENTATION

Robin Moore provided a summary of the FTE/REU audit information and explained the weighting mechanism used for the Community College state funding system. She indicated that FTE was down slightly but there was a slight growth in headcount. There was major growth in dual credit, part-time and full-time. There was a decline in full-time enrollment but an increase in part-time enrollment. There was also an increase in minority enrollment.

Ms. Gustafsson reported that the FTE/REU audit is basically prescribed by the guidelines of the Coordinating Commission, and that the courses fall within the guidelines they have set.

DISCUSS, CONSIDER AND TAKE ALL NECESSARY ACTION WITH REGARD TO:

2016-17 FINANCIAL AUDIT ACCEPTANCE

Mr. Garver moved to accept the 2016-17 financial audit. Seconded by Mr. Schluckebier.

Chairman Kruse asked for discussion. There was none.

2016-17 FINANCIAL AUDIT ACCEPTANCE (continued)

Roll call vote follows:

<u>FOR (10):</u>	<u>AGAINST (0)</u>	<u>ABSENT (1)</u>
Garver		Kubicek
Schluckebier		
Seim		
Reiman		
Yates	Motion Carried	
Boellstorff		
Feit		
Price		
Ottmann		
Kruse		

2016-17 FTE/REU AUDIT ACCEPTANCE

Mr. Ottmann moved to accept the 2016-17 FTE audit report as presented. Seconded by Mr. Feit.

Chairman Kruse asked for discussion. There was none.

Roll call vote follows:

<u>FOR (10):</u>	<u>AGAINST (0)</u>	<u>ABSENT (1)</u>
Ottmann		Kubicek
Feit		
Garver		
Boellstorff		
Reiman	<i><u>Motion Carried</u></i>	
Schluckebier		
Yates		
Price		
Seim		
Kruse		

NCCA DUES

Dues for 2018 were presented earlier in the meeting.

Mr. Feit moved to authorize payment of NCCA dues in the amount of \$60,279.06 for the period January 1 – December 31, 2018. Second by Mr. Schluckebier.

Chairman Kruse asked for discussion. There was none.

NCCA DUES (continued)

Roll call vote follows:

<u>FOR (10):</u>	<u>AGAINST (0)</u>	<u>ABSENT (1)</u>
Feit		Kubicek
Schluckebier		
Seim		
Reiman		
Yates	<u>Motion Carried</u>	
Boellstorff		
Price		
Garver		
Ottmann		
Kruse		

8800 O STREET CAMPUS - NORTH PARKING LOT CONSTRUCTION BID

Ms. Boellstorff indicated the Finance and Facilities Team reviewed the final bids for the concrete work to complete the north lot revisions and present the estimate \$128,611.98 project for approval.

Ms. Boellstorff moved to approve the concrete bid to update the North Parking Lot on the Lincoln Campus to MacIntosh Concrete for \$100,031.83. Seconded by Mr. Ottmann.

Chairman Kruse asked for discussion. There was none.

Roll call vote follows:

<u>FOR (10):</u>	<u>AGAINST (0)</u>	<u>ABSENT (1)</u>
Boellstorff		Kubicek
Ottmann		
Yates		
Price		
Seim	<u>Motion Carried</u>	
Feit		
Garver		
Reiman		
Schluckebier		
Kruse		

AIR HANDLER UNIT INSTALLATION BID

Ms. Boellstorff stated that the Finance and Facilities Team reviewed the final bids for the Automotive Air Handling Unit & Installation and present the \$97,300 total project cost for approval.

Ms. Boellstorff moved to approve the bid for equipment and installation of the Automotive Air Handler Unit on the Lincoln Campus to IES Commercial for \$83,000. Seconded by Mr. Garver.

Chairman Kruse asked for discussion. There was none.

Roll call vote follows:

<u>FOR (10):</u>	<u>AGAINST (0)</u>	<u>ABSENT (1)</u>
Boellstorff		Kubicek
Garver		
Ottmann		
Price		
Feit	<i><u>Motion Carried</u></i>	
Yates		
Schluckebier		
Seim		
Reiman		
Kruse		

THE CAREER ACADEMY COMMON REP AGREEMENT

The Career Academy (TCA), is a joint venture governed by a Joint Board under and pursuant to an Interlocal Agreement by and between Southeast Community College Area (SCC) and Lincoln Public Schools (LPS) (hereinafter the "Interlocal Agreement). TCA has been operating without legal counsel since the retirement of Neal Stenberg and the Joint Board and TCA Administrator desire to retain the Perry Law Firm as new legal counsel. As such, it is recommended that SCC enter into a Common Representation and Joint Counsel Agreement between SCC, LPS and TCA, copies of which are on file with official district records and may be reviewed on request.

The law firm of Perry, Guthery, Haase & Gessford, P.C., L.L.O. ("Perry Firm"), has been hired as general counsel for the undersigned Southeast Community College Area (SCC), Lancaster County School District 55-0001-000, also known as Lincoln Public Schools (LPS), and The Career Academy (TCA), which is a joint venture governed by a Joint Board under and pursuant to an Interlocal Agreement dated October 17, 2013, amended on or about August 20, 2015, as entered into by and between SCC and LPS. SCC, LPS and TCA agree to the collective and common representation of each such entity by the Perry Firm as provided herein.

Mr. Ottmann moved to approve the Common Representation Agreement and Joint Counsel Agreement as presented. Seconded by Mr. Schluckebier.

Chairman Kruse asked for discussion.

THE CAREER ACADEMY COMMON REP AGREEMENT (continued)

In response to a question of conflict on issues what would happen, Mr. Schultze indicated they would withdraw and find other counsel.

Roll call vote follows:

<u>FOR (10):</u>	<u>AGAINST (0)</u>	<u>ABSENT (1)</u>
Ottmann		Kubicek
Schluckebier		
Reiman		
Boellstorff		
Garver	<u>Motion Carried</u>	
Feit		
Yates		
Price		
Seim		
Kruse		

DIESEL TECHNOLOGY PROGRAM STATEMENT

Dr. Illich pointed out that last month a draft of the new Diesel Technology Building Program Statement was presented to the Board. The program statement includes a justification for need, information related to compliance with Nebraska's Statewide Comprehensive Plan, description of existing conditions, and facility requirements and costs. There have been no changes since last month.

Mr. Garver moved to approve the new Diesel Technology Building program statement to design and construct a new building that will house the Diesel Technology-Truck and Diesel Ag Equipment Service Technology programs and related welding courses on the Milford Campus; and to approve the report and authorize the submittal of it to be presented to the Coordinating Commission for Postsecondary Education for their approval. Seconded by Ms. Seim.

Chairman Kruse asked for discussion. There was none.

Roll call vote follows:

<u>FOR (10):</u>	<u>AGAINST (0)</u>	<u>ABSENT (1)</u>
Garver		Kubicek
Seim		
Reiman		
Schluckebier		
Yates	<u>Motion Carried</u>	
Boellstorff		
Feit		
Price		
Ottmann		
Kruse		

BOARD SELF EVALUATION RESULTS

Dr. Kruse stated he had sent out the results of the Board self-evaluation. The results are pretty consistent as in the past.

LEGAL COUNSEL REPORT

There was no report.

TIME AND PLACE FOR DECEMBER MEETING

Chairman Kruse reported that the next regular Board meeting is scheduled for Tuesday, December 19, at 3 p.m., Lincoln Campus. A tour of the culinary project will be given.

GOOD OF THE ORDER AND PUBLIC COMMENT

Chairman Kruse stated that Dr. Illich's evaluation is due in December. He will send out his goals and accomplishments and an email with the survey. Chairman Kruse asked that all board members meet deadline.

ADJOURNMENT

Chairman Kruse adjourned the meeting at 5:30 p.m.

A handwritten signature in black ink, appearing to read "James Garver". The signature is written in a cursive style with a large, looping initial "J".

James Garver, Secretary

**SOUTHEAST COMMUNITY COLLEGE
Personnel Changes**

November 14, 2017

Personnel Report: Staff (Non-Faculty)								
ACTION TAKEN								
NAME	ASSIGNMENT		AD	RP	RS	TR	EFFECTIVE DATE	COMMENT
Bentivoglio, Claudio	Trainer, John Deere – Transportation Division				X		11/17/17	
Blessen, Richard	Director of Advancement – Office of the President		X				11/15/17	
Chin, Rebecca	Trainer, John Deere – Transportation Division				X		11/05/17	
Colton, Nancy	Payroll/Benefit Specialist – Administrative Services			X			10/30/17	Replaces Diane Jiskra
Fangmeier, Crystal	Learning Center Coordinator – Community Services & Extended Learning		X				10/24/17	
Ren, Jonathan	Teaching Lab Assistant II – Construction & Electronics Division						11/10/17	Termination

AD=Addition

RP=Replacement

RS=Resignation

TR=Transfer

**SOUTHEAST COMMUNITY COLLEGE
Personnel Changes**

November 14, 2017

Personnel Report: Faculty

ACTION TAKEN

NAME	ASSIGNMENT		AD	RP	RS	TR	EFFECTIVE DATE	COMMENT
Austin, John	Chemistry Instructor – Arts & Sciences Division				X		12/18/17	
Barrett, Nicole	Business Instructor – Business Division				X		12/22/17	
Benson, Gary	Business Instructor – Business Division				X		12/18/17	Retirement
Eddy, Robert	Science Instructor - Arts & Sciences Division				X		12/31/17	Retirement
Freeouf, Dolen	Science/Math Instructor - Arts & Sciences Division				X		12/31/17	Retirement
Fosler, Tom	Manufacturing/Engineering Instructor - Transportation/Manufacturing Division						12/18/17	Termination
Higgins, Crystal	Practical Nursing Instructor – Health Sciences Division				X		12/18/17	Retirement
Kahler, Scott	Machine Tool CAD/CAM Instructor – Transportation/Manufacturing Division				X		12/18/17	Retirement

AD=Addition

RP=Replacement

RS=Resignation

TR=Transfer