



1200 West Algonquin Road
Palatine, Illinois

Regular Board Meeting Agenda

December 16, 2008
7:00 p.m.

I. Call to Order

II. Roll Call

III. Approval of Agenda

IV. Presentations

- Phil Burdick: Senator Kotowski and Senator Murphy: Legislative Update

V. Student Trustee Report

VI. President's Report

VII. Harper Employee Comments

VIII. Citizen Comments

IX. Consent Agenda* (Roll Call Vote)

A. For Approval

1. Minutes - November 20, 2008 Special Board Meeting; November 20, 2008 Regular Board Meeting Exhibit IX-A.1
2. Bills Payable, Payroll for November 21, 2008, and December 5, 2008; Estimated Payroll for December 19, 2008 Exhibit IX-A.2
3. Bid Awards Exhibit IX-A.3
4. Requests for Proposals Exhibit IX-A.4
5. Purchase Orders Exhibit IX-A.5
6. Personnel Action Sheets Exhibit IX-A.6
7. Revised 2009-2010, 2010-2011, 2011-2012 Academic Calendars Exhibit IX-A.7
8. Approval of Settlement Agreement Regarding Litigation Filed by a Former Employee of the College Exhibit IX-A.8

B. For Information

1. Financial Statements Exhibit IX-B.1
2. Committee and Liaison Reports Exhibit IX-B.2
3. Grants and Gifts Status Report Exhibit IX-B.3
4. Summary of Items Purchased from State Contracts, Consortiums or Cooperatives Exhibit IX-B.4

* At the request of a Board member or the President, an item may be removed from the Consent Agenda for discussion. In addition, certain recurring recommendations may be included in the Consent Agenda at the discretion of the College President.

X. New Business

- | | |
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| A. RECOMMENDATION: Adoption of Levy Resolution | Exhibit X-A |
| B. RECOMMENDATION: Abatement of Taxes | Exhibit X-B |
| C. RECOMMENDATION: Resolution to Support House Bill 6660 | Exhibit X-C |
| D. RECOMMENDATION: Second Reading of 07.01.07 - Annual Budget | Exhibit X-D |
| E. RECOMMENDATION: Second Reading of 07.03.01 - Purchasing Policy | Exhibit X-E |
| F. RECOMMENDATION: Second Reading of 13.11.00 – College Personnel Rights and Responsibilities in College-Supported Inventions and Materials | Exhibit X-F |
| G. RECOMMENDATION: Affiliation Agreement Between Harper College and Elmhurst Memorial Hospital for Dietetic Technician/Dietary Manager Clinicals | Exhibit X-G |
| H. RECOMMENDATION: Resolution to Hire Lobbyist | Exhibit X-H |
| I. RECOMMENDATION: Ratification of Harper 512 Association, IEA-NEA Contract Extension | Exhibit X-I |
| J. RECOMMENDATION: Ratification of Harper College Adjunct Faculty Association, IEA-NEA Contract Extension | Exhibit X-J |
| K. RECOMMENDATION: Resolution to Establish Hearing Date for the Sale of Limited Tax Funding Bonds (BINA Hearing) | Exhibit X-K |
| L. RECOMMENDATION: Resolution to Establish Claims Against the District and Its Intent to Sell Bonds | Exhibit X-L |
| M. RECOMMENDATION: Resolution Regarding Referendum Bonds | Exhibit X-M |
| N. RECOMMENDATION: Approval of Underwriters for Referendum Bond Sale(s) | Exhibit X-N |
| O. RECOMMENDATION: Authorization to Adopt Written 403b Agreement Effective January 1, 2009 | Exhibit X-O |

XI. Announcements by the Chair

- A. Communications
- B. Calendar Dates

On-Campus Events

(Note: * = Required)

December 24 - **Holiday Break - The College will be closed Wednesday, December 24, 2008 through Sunday, January 4, 2009.**
January 4
*January 15 7:00 p.m. - Regular Board Meeting - W214-215
*February 19 7:00 p.m. - Regular Board Meeting - W214-215
*March 19 7:00 p.m. - Regular Board Meeting - W214-215

Off-Campus Events

XII. Other Business (including closed session, if necessary)

XIII. Adjournment

Minutes of the Regular Board Meeting of Tuesday, November 20, 2008

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WILLIAM RAINEY HARPER COLLEGE
BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT #512
COUNTIES OF COOK, KANE, LAKE AND McHENRY, STATE OF ILLINOIS

Minutes of the Regular Board Meeting of Thursday, November 20, 2008

CALL TO ORDER: The regular meeting of the Board of Trustees of Community College District No. 512 was called to order by Chair Stone on Thursday, November 20, 2008 at 7:05 p.m. in the Wojcik Conference Center (Room W214), 1200 W. Algonquin Road, Palatine, Illinois.

ROLL CALL: Present: Members Borro, Canning, Graft, Hill, Hoffman, Kelley and Stone; Student Member Garcia
Absent: None

Also present: Catherine Brod, V.P. for Development; Phil Burdick, Assistant V.P. for Communications and Legislative Relations; Maria Coons, Interim V.P. Enrollment and Marketing; Joan Kindle, V.P. Student Affairs and Assistant to the President; Cheryl Kisunzu, V.P. HR/Diversity and Organizational Development; David McShane, V.P. Information Technology; Sheila Quirk-Bailey, Associate V.P. for Strategic Planning and Alliances; Margaret Skold, V.P. Academic Affairs; Judy Thorson, V.P. Administrative Services; Anne Abasolo; Mike Alsup; Michael Babb; Mike Barzacchini; Carol Blotteaux; Dave Braunschweig; Erin Brooks; John Filler; Tom Ford; Sally Griffith; Paul Guymon; Yvonne Harris; Mia Igyarto; Keiko Kimura; Sunil Koswatta; Justin LeBreck; Cindy Luxton; Jim Ma; Maria Moten; Mark Mrozinski; Michael Nejman; Kathi Nevels; Sheryl Otto; Steve Petersen; David Richmond; Michelé Robinson; Tammy Rust; Ilona Sala; Katherine Sawyer; Rich Seiler; Diana Sharp; Doug Spiwak; Tryg Thoreson; Nancy Wajler and Dennis Weeks. Students: Talitha Baer; Kris Collins; Carl Evans; Kourtney Nemec; Sadaf Syed.

Guests: Ed Choklek, Harley Ellis Devereaux; Joanne Malinowski, Independent Financial Advisor; Michael Lundeen, Legat Architects; Jim Belden, Energy Choices; James Ciciora, Palatine resident.

Member Graft led the Pledge of Allegiance.

APPROVAL OF AGENDA Member Canning moved, Member Kelley seconded, approval of the Agenda.

In a voice vote, the motion carried.

Chair Stone noted that the Board has been in touch with Dr. John Pickelman, Harper's Interim President. He is busy making plans for his arrival on campus December 1 through December 4. Dr. Pickelman will then be back on campus December 10 through December 19, and after break from January going forward. Chair Stone gave a special thanks to Carol Blotteaux and to the President's Council for all their work to make this a smooth transition.

EDUCATIONAL PRESENTATIONS

Joanne Malinowski –
Bond Sale Update

Vice President Judy Thorson announced that the referendum has passed and now additional work begins. She explained that Joanne Malinowski, Financial Advisor for Harper College, will be giving a presentation to outline some of the issues with each of the bond sales. There will be Board discussion throughout the presentation, as questions arise or clarification is needed. Vice President Thorson explained that they would like to get general feedback from the Board and some kind of consensus for the strategies used to put together next steps in this sale.

It was noted that Joanne Malinowski has provided financial advice for the College for many years. She is a long-serving professional who has helped the College with strategies from which Harper is now reaping benefits. Vice President Thorson noted that Ms. Malinowski was instrumental in working with her and Dr. Breuder on the rating visits which culminated in Harper's Aaa bond rating. It was noted that the Agenda reflects Ms. Malinowski is representing RBC Capital Markets, and that is no longer true. She has become an independent financial advisor.

Ms. Malinowski extended congratulations to the Board, the staff, faculty and students of Harper College for a successful referendum. She explained that a lot of work was done leading up to this point in terms of how the bonds might be structured; this was helpful to the Board in presenting the proposed bond issue to the community and also helpful to the referendum campaign in explaining what the impact was on taxpayers. The next phase is moving forward to complete the structuring of the bonds, marketing of the bonds, confirming the College's credit rating and completing the sale of the bonds in order to have bond proceeds available to implement projects.

Ms. Malinowski explained that she will highlight key considerations with respect to the bond structure of the voter referendum bonds and also the limited tax bonds that the College issues on a two-year cycle. The College is due to issue those bonds in 2009.

Current Market Conditions

- Very important to the referendum bonds and the limited tax bonds.
- Credit has dried up, and they have had a difficult period this fall where the markets seized up and investors were hoarding cash and not investing in municipal bonds.
- Some of the key investor groups, hedge funds and other institutional investors who buy a lot of municipal bonds have pulled back. They have both sold off the existing bonds that they may have had in their portfolio as well as stayed away from buying new bonds. This has caused a backlog in terms of the amount of supply out there.
- Additionally, it affects Harper because when the College enters the market, it is competing against other issuers and competing against the existing supply of bonds. In late September through early October, the municipal market froze up and interest rates have risen.
- They are hoping that the market begins to stabilize, institutional investors begin to come back to the municipal market and the credit crunch begin to ease.

Building Bonds

Ms. Malinowski explained that there are a lot of important pieces for Board consideration with the Building Bonds. It is important for the Board's understanding of how to proceed. It was noted that interest rates are higher and there is a lot of volatility.

Traditional Bond Sale

In recent years, the College has issued its bonds through an investment banker and has gone through a process where the Board adopted a Resolution and knew the exact interest rate on the bonds and the tax levies the evening of the Board meeting in which it adopted its Resolution. The College and its financial team (Ms. Malinowski, Bond Counsel, etc.) would work to get all the bond documents together. The investment bank would go out and market the bonds a week or so prior to the College's Board meeting. A day or two prior to the Board meeting, the investment bank would lock in the interest rates on the bonds with investors and present it at the Board meeting that night for the Board's

approval. The reason for that timing was that investors need to know whether they have that order or not. Going forward, the financial team would work to close on the bond issue, fill out all the paperwork, complete the tax levy and file it with the county.

Parameters Resolution

This year, with regard to the building bonds and possibly the limited tax bonds, they are suggesting that the College create a "Parameters Resolution." That reverses the order of several steps. The College would first adopt a Resolution and set some key parameters. These "key maximums" would include:

- maximum interest rates,
- maximum tax levy amount in each year,
- maximum principle amount for the entire bond issue,
- total term of the bonds (likely to be 20 years).

The College would also delegate to a small group of people (Chair of Board, another Trustee and the Treasurer), the authority to complete the sale of the bonds. The bonds would be sold after that Resolution is adopted. As long as the bond sale could be completed within the structure of all of the parameters, the College's delegation would have the authority to sign off and complete the sale in agreement with investors.

The advantage of a Parameters Resolution is that, in a difficult market such as now, and a volatile market where interest rates can change dramatically on a daily basis, the College would have a lot more flexibility with respect to when it gets into the market. Instead of being locked into selling the bonds the day before or the day of Harper's Board meeting, the College would have a much wider window to get into the market and rely on the investment bank to give a read of market conditions. This is a very common approach with units of local government. Bond counsel from Chapman and Cutler would also confirm that this is a very common approach and widely used in Illinois and throughout the country. It is not something Harper has done in the past, because of the comfort level of the past Board members.

In response to Member Kelley, Ms. Malinowski explained that, in this case, the College is anticipating selling all the bonds at once, but it would have a pretty wide timeframe in which to sell. The key deadline is that the College will need to file its tax levy with the four counties by the end of February. Adopting a Parameters Resolution includes a tax

levy maximum - "not to exceed." That levy can then get filed before February and the bonds could be sold either before or after that February 28 filing deadline. Vice President Thorson reiterated that, if they pass a Parameters Resolution on December 16, they would have until the end of February to decide when to go into the market. If they went with the traditional bond sale, they either sell the bonds right before the January Board meeting or right before the February Board meeting, and they would have to pick from the two days way back here in this very volatile situation. Ms. Malinowski explained that a Parameters Resolution gives a window beyond February 28, because it will contain a tax levy. It is just a maximum not to exceed and will adjust it downward once the sale is completed.

In response to Member Kelley, Ms. Malinowski explained that they can sell the bonds after the February 28 date, because the Parameters Resolution would contain a tax levy and that tax levy will be filed with the counties. Once the actual sale is completed and the parties have agreed, she would come back to the Board with the results of the sale and show how they stayed within the parameters set by the Board. The College could file an Abatement Resolution to abate any amount of tax levy that we came in under.

In response to Member Hoffman, Ms. Malinowski explained that the Board would be delegating authority with respect to the interest rate on the bonds, the annual tax levies on the bonds and the maximum principle amount, which is already set by virtue of the voter referendum – it is limited to the \$153.6 million. They have a good sense of what the maximum levies will look like already because they have been doing so much modeling to see what is the most debt service they could levy in any given year and hold to the College's promise to not increase the tax rate for bonds. The key variable is really the interest rate on the bonds, and that is dictated by market conditions. Rather than a "range" of interest rates, the Parameters Resolution would have a maximum interest rate or a cap. They would have to carefully craft that with staff and with Board input to make sure that the Board is comfortable with the maximums.

Vice President Thorson explained that, if the Board has some general interest in moving with the Parameters Resolution, she would need to have some direction because they would have to bring this to the Board at the December meeting. In response to Member Kelley, Ms. Malinowski explained that Parameters Resolutions have been going on

for 10-20 years or more. A college or municipality would not want to go with a Parameters Resolution if market conditions are very stable - there would not be as much of a need for it.

In response to Member Kelley, Ms. Malinowski stated that they can provide the Board with the minimum and maximum interest rates within a calendar year to show the swing in interest rates. Member Kelley stated that he would like to also see 2008 broken out quarterly. In response to Member Graft, Ms. Malinowski explained that, if they go with a "regular" bond Resolution, that would have to be done no later than the February meeting in order for Harper to be able to file the tax levy and maintain the promise they have made to the taxpayers that they would not increase the tax rate for the College's bonds. That is a critical date if they use a "regular" Resolution.

Member Kelley noted that he would like to see a chart comparing the actual bond issuance of the \$88 million dollar bonds in 2001 and how those interest rates were staggered compared to what they are considering now. He also asked if they could itemize the best estimate of the usual and customary fees that would be associated with the bond issuance under the Parameters Resolution. He wants to understand all fees that Harper pays. Ms. Malinowski assured Member Kelley that, in the kinds of bonds they are considering, it is quite straightforward in terms of what the fees are (the financial advisor, the investment bank, bond counsel, etc.), and the fees will be paid out of the bond proceeds to the various parties. Those costs of issuance are paid by the College directly to each party.

Vice President Thorson felt there is enough interest that they should prepare a Parameters Resolution, and put it on the agenda for December. They will then provide the Board with data they requested. During the month, there may be other discussions about concerns that come up. At the Board meeting, if the Board is uncomfortable with it, they can pull the Parameters Resolution. They would then return in January or February with the regular exhibit. Chair Stone noted that the more information that can be filtered to the Board throughout the month, the better. She also encouraged Board members to call Vice President Thorson directly and ask questions.

Limited Tax Bonds

Ms. Malinowski explained that the College has issued approximately \$3.5 million of limited tax bonds every other

year. It has used the proceeds of the bonds largely for technology purposes but for some other items too. The advantage of issuing limited tax bonds is that they are payable from a dedicated property tax levy that is put on file with the counties strictly for the payment of debt service on those bonds. They are within the restrictions of tax caps in terms of limits that exist on the maximum amount of dollars that can be levied in any given year to pay debt service on those bonds, but they are outside of the tax cap. The College has historically paid off those limited tax bonds very quickly, three to four years, and that gives the College the ability to recycle this maximum amount of debt service that can be levied in any given year to pay off the bonds. The maximum annual debt service is called a Debt Service Extension Base (DSEB). The College has been able to issue approximately \$3.5 million every other year, and it has been an important source of funds for the College because it enables the College to buy things like technology without impacting the operating budget or cutting into any programs.

Vice President Thorson explained that, when Vice President Dave McShane came to this institution and developed a Technology Plan, there was no funding stream for it. With Joanne's help, they married these two thoughts – a funding stream through limited tax bonds and Harper's Technology Plan - and they have ultimately used the money to pay for technology ever since. It is one of the reasons why Harper has been able to be cutting edge.

Tax Exempt Bonds

Ms. Malinowski explained that the next planned date for the issuance of bonds on this two-year cycle would be January or February 2009. The College is able to issue its bonds on a tax exempt basis – where the interest that an investor earns on those bonds is exempt from their federal income tax return. That is because the bonds are being used for a public purpose and largely for a capital purpose, not for operating expenses. With the limited tax bonds in the coming year, the College does not have sufficient technology costs and invoices that it will have in hand to pay out of those bond proceeds. With tax-exempt bonds, they need to issue the bonds in such a way that they are considered funding bonds, paying for “claims against the district.” The invoices from the technology expenditures that the College has made in the past have been used to point to as the “claims against the district.” Vice President Thorson explained that, the year they purchased the Oracle software, that was a \$1.9 million purchase, and the College used that

invoice. They purposely timed it so they had that debt, and it was used in the Resolution to the Board to say that this is the debt that needed to be paid. They sold the bonds and paid that particular debt.

Ms. Malinowski explained that the College has reviewed its planned purchases and does not have a sufficient amount of invoices that it can use as the reason for issuing these funding bonds. The College faced a similar situation in 2003, and the solution was to take out a short-term loan from a local bank, and that loan became the "claim against the district." The loan was outstanding for just a very short period of time (45-60 days), just long enough for the College to issue the funding bonds and pay off that loan. Instead of technology invoices being used for the purpose of the funding bonds, a loan was used to demonstrate that the College had an unpaid claim for funding bonds.

Taxable Bonds

As an alternative, the College could simply issue the limited tax bonds, but issue them on a taxable basis. As a result of that, the interest rate on the bonds would be somewhat higher and it would use up a little more of the debt service extension base. The College would then not have to go through the process of issuing a loan, paying the cost of issuance of that loan, paying interest on that loan for that period of time. There is a mathematical calculation they can use to weigh the cost of either of those alternatives. Right now, with interest rate differential between taxable and tax exempt bonds, it will be approximately \$100,000 total difference in terms of the debt service of three year tax exempt bonds vs. three year taxable bonds. That does not take into account the costs of issuing a short-term loan.

Ms. Malinowski noted that cost is not the only consideration. Current market conditions are very important. There would be a market risk if the College issued this short-term loan and if the market deteriorated and the College could not get back into the market to issue the funding bonds to pay off that short term loan. That is a real risk.

Vice President Thorson explained that they have retirement obligations going out for the next few years as they pay out final retirement, both medical and the payments that they are making to the various employee groups. That qualifies as one of the debts, but it does not qualify as a capital debt (it is an operational debt). If they use the retirement obligations, as they have done before, that would make the bond sale taxable. This is a decision that has to be made every two

years. The decision the Board makes this year might be different than the decision the Board makes two years from now and two years from then.

Ms. Malinowski explained when the following scenarios were last used at the College:

- In 2007, the retiree cost was used when the College issued the bonds. They were issued on a taxable basis and used for retirement costs.
- In 2005, the Oracle purchase was used for the tax exempt bonds.
- In 2003, debt was created in order to issue the bonds on a tax-exempt basis.

Vice President Thorson explained that the timing has to be right with respect to technology expenditures and when invoices are due. The Banner purchase was not timed appropriately for these bonds. Invoices cannot be held from vendors for the number of Board meetings it takes to execute these bonds. It was noted that every two-year cycle is a bit different, with varying circumstances.

There was discussion regarding the different scenarios and their related risks. It was noted that it takes three full Board meetings to execute a nontaxable sale where the College creates debt. Ms. Malinowski explained that if the Board wants to proceed with issuing the bonds on a tax-exempt basis, they would need to get the loan in place and have the Resolution adopted by the Board at its December meeting.

Chair Stone noted that the Board is committed to spending the month dissecting information. Member Hoffman suggested that, along with providing the Board with information, it would be helpful to provide a recommendation from Joanne Malinowski and a recommendation from Vice President Thorson. The recommendations could possibly differ, and that would be okay. He would like to see explanations, as well. It would help the Board make a decision.

Ms. Malinowski stated that her recommendation right now would be to do taxable bonds, because she considers the market risk to be a more important consideration than that dollar amount of savings and debt service. She is ultimately concerned about protecting Harper's interests; she would not want to see the College faced with issuing a short term debt that it could not then pay off because of lack of access to the markets.

In response to Student Member Garcia, Vice President Thorson explained that all of the approaches Harper has used through the years have “worked.” Ms. Malinowski noted that they all worked, because they all served different purposes at different points in time with different circumstances. It is not that any one is better than the other. Vice President Thorson stated that they will put together a list and explain why each approach was appropriate at the time.

Chair Stone thanked the Board for giving this consideration. Obviously, the Board has some homework. She thanked Joanne Malinowski. Ms. Malinowski stated that she appreciated everyone’s time, and especially appreciated the questions. It is helpful to make sure that the Board understands the kinds of structuring issues that Vice President Thorson and she have been talking about. Member Hoffman acknowledged that Vice President Thorson has paid great tribute to Ms. Malinowski, who has been with the College a long time. Some of the reasons Harper is in the great financial position it is in is due to her guidance. He thanked Ms. Malinowski and acknowledged the great work that she has done for the College.

SunGard Banner - Student Information System Update

Vice President Dave McShane acknowledged, once again, that without Ms. Malinowski’s financial advice, the College would not have had money to do these technologies. He is grateful. Approximately 17 months after beginning, thousands of people hours spent, over 100 staff members involved with the “heavy lifting” - many late evenings and early mornings, many weekends, and many moving parts, the Student Information System (SIS) has arrived!

Director of Enterprise Systems and Project Manager Mike Babb gave a brief update.

- The components of the Banner system include various student services and faculty services.
- Financial Aid and some student systems - catalog and admissions had gone live.
- Registration, Accounts Receivable and Self-Service Systems went live on November 17.
- Today alone, over 700+ students were registered.
- In the last week, over 1,100 students have been registered on the Banner system. It is a tremendous accomplishment by this team, in a short period of time.

- QuickPay services and e-commerce solutions are up and running.

Mr. Babb noted that this has been a breathless pace. He shared the following estimations over the course of the project:

- Over 14,000 staff hours of training,
- Over 30,000 staff hours on the project,
- Over 3 million records brought over from the Regent system into the Banner system over the last few months.

Mr. Babb noted that the following work still needs to be done:

- Additional academic history needs to be brought over;
- Enrollment Management Suite will be going live in 2009, which will give various marketing and recruiting capabilities;
- Document imaging will be coming on line; and
- Advanced reporting systems will be implemented.

Mr. Babb noted that, prior to coming to Harper College, he spent many years with IBM and AT&T implementing systems all over the world. He implemented systems in Singapore, India, Europe and with very large customers in the United States. He added that he would take this Harper team up against any of those he has worked with ever in the past. It has been a tremendously focused effort - a diligent team. They knew they had a very tight timeline because of several factors; they stayed true to the mission and they got the job done. He has been proud to be a part of this effort.

Chair Stone thanked Mike Babb and Vice President McShane – their leadership and efforts with this project have been outstanding.

STUDENT TRUSTEE REPORT

Student Member Garcia noted that the recent election stirred a political atmosphere across Harper campus that was truly contagious. Many first-time voters registered on the Harper campus, thanks to the Student Senate led and organized by Carl Evans. This election took precedence with students because the College's referendum was on the ballot. When the students were called to action by the Board, they began to organize and gain support for the local referendum. A core group was formed out of the Center for Multicultural Learning and the Student Senate. Student Member Garcia thanked all who helped share the message with their friends, parents and community.

It was noted that students would like a chance to get to know Interim President Dr. Pickelman; they are willing to help with the transition and look forward to more updates on the Presidential Search.

Student Member Garcia introduced the *Harbinger's* new Editor-in-Chief, Kris Collins, a very active young man who has brought a level of professionalism and a sleek new look to the *Harbinger*. Board members received a copy of the recent edition of the *Harbinger*. She encouraged the editors, staff and journalists to keep up the great work.

PRESIDENT'S
REPORT

There was no President's Report.

HARPER EMPLOYEE
COMMENTS

There were no employee comments.

CITIZEN
COMMENTS

There were no citizen comments.

CONSENT AGENDA

Member Hill moved, Student Member Garcia seconded, approval of the minutes of the October 16, 2008 special Board meeting and October 16, 2008 regular Board meeting and; bills payable; payrolls for October 10, 2008; October 24, 2008; and November 7, 2008; estimated payroll for November 21, 2008; bid awards; requests for proposals; purchase orders; personnel action sheets; career advisory appointments; notification regarding Harper College graduation requirement; first reading of modification of Board policy manual – 07.01.07 – annual budget; first reading of modification of Board policy manual – 07.03.01 – purchasing policy; first reading of modification of Board policy manual 13.11.00 – College personnel rights and responsibilities in college-supported inventions and materials; financial statements, committee and liaison reports, grants and gifts status report, summary of items purchased from state contracts, consortiums or cooperatives, as outlined in Exhibits IX-A.1 through IX-B.4, (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Accounts Payable & Tuition Refunds \$6,744,081.28

The payroll of October 10, 2008 in the amount of \$1,811,608.79; October 24, 2008 in the amount of \$1,866,342.88; November 7, 2008 in the amount of

\$1,832,085.61 and estimated payroll of November 21, 2008 in the amount of \$1,836,679.09.

Bid Awards

- Ex. IX-A.3.a Authorize termination of the Contract with CVR Computer Supplies for cause. Award bid request Q00575 to Cardinal Cartridge in the amount of \$58,513.87. In addition, authorization for the Vice President of Information Technology to sign the contract agreement with Cardinal Cartridge.
- Ex. IX-A.3.b Award bid request Q00598 for contractual on-call hospitality staffing to augment Harper College staff to Food Team, Inc., the lowest responsible bidder, in the amount of \$21,400 in the 2008/09, \$37,200 in the 2009/10, \$38,000 in the 2010/11 and \$16,029 in the 2011/12.
- Ex. IX-A.3.c Award bid request Q00591A to Metro Professional Products, Inc., the low bidder for Butchers cleaning products, in the amount of \$47,055.13.
- Ex. IX-A.3.d Award bid request Q00599 to Precise Printing Network, Inc., for printing of the Spring 2009 Continuing Education Course Schedule, which is a major publication promoting enrollment, in the amount of \$18,060.
- Ex. IX-A.3.e Award bid request Q00595 for the campus-wide fire alarm outdoor speakers system upgrade to Simplex Grinnell, the low bidder, in the amount of \$52,695, plus a contingency fee not to exceed \$5,270, for a total amount of \$57,965 for this project.
- Ex. IX-A.3.f Award bid request Q00600 to the Carrier Corporation, the low bidder, for a Maintenance Agreement for 18 chillers in the amount of \$35,000 for the period of January 1, 2009 through December 31, 2009 with the option, subject to the discretion of the administration, to renew

for a second and third year in the amounts of \$36,050 and \$37,132 respectively for a total of \$108,182.

	Ex. IX-A.3.g	Award bid request Q00606 to Angstrom Scientific, Inc. for a Table Top Scanning Electron Microscope in the amount of \$58,900.
Requests for Proposal	Ex. IX-A4.a	Approve the request for proposal Q00605 for the College to purchase electrical power at a price based on the PJM Day Ahead Index from Exelon Energy, subject to the approval of the contract terms by the College's attorney. The contract will be for one year, from the December 2008 meter reading date to the December 2009 meter reading date. The administration also requests that it have the discretion to lock in a price when it deems appropriate. The administration further requests that, subject to its discretion, it have the right to renew the agreement for an additional year under the same terms.
Purchase Orders and Adjustments	Ex. IX-A.5.a	Approve issuance of a purchase order to Oracle USA, Inc. for the annual maintenance support for the eBusiness Suite (EBS) software licenses, Oracle Database and software technical tool set for a portion of the period of January 25, 2008 – January 24, 2009 in the amount of \$22,246.02, and for the annual renewal period of January 25, 2009 – January 24, 2010 in the amount of \$291,263.43, for the total of \$313,509.45. In addition, authorization for the Vice President of Information Technology to sign the contract agreement with Oracle USA, Inc.
	Ex. IX-A.5.b	Approve issuance of a purchase order to PeopleAdmin, Inc. for a two-year renewal for the Enterprise Applicant Tracking Module license and support and HigherEdJobs / InsideHigherEd

Integration maintenance fees for the period of December 6, 2008 through December 5, 2010, in the amount of \$25,023 each year for a total of \$50,046. In addition, authorization for the Vice President of Information Technology to sign the contract agreement with PeopleAdmin, Inc.

Ex. IX-A.5.c Approve issuance of a purchase order to Apple Computer, Inc. for 48 Macintosh computers and 7 Apple Cinema HD 23-Inch Displays in the amount of \$110,033. In addition, authorization for the Vice President of Information Technology to sign the contract agreement with Apple Computer, Inc.

Ex. IX-A.5d Approve purchase order to R. J. Galla Co., Inc. for Excess Workers Compensation Insurance with Safety National for a two year term (2009 & 2010) in the amount of \$92,648, and approve issuance of a purchase order to Cannon Cochran Management Services, Inc. (CCMIS) for third party administration of Workers Compensation claims for a one year term (2009) in the amount of \$16,485, for a total of \$109,133.

Personnel Actions

Professional/Technical Appointments

Susana Martinez, Multicultural Recruitment Specialist, STU REC OUT, 10/20/08, \$37,816/year

Heidi Spirakes, Biology Laboratory Assistant, p/t, MS, 10/06/08, \$26,770/year

Supervisory/Confidential Appointments

Matthew McLaughlin, Manager, Admissions Processing & Technical Lead, ADM PRO, 10/01/08, \$71,100/year

Philip Mortenson, Recruiting Manager, STU REC OUT, 10/27/08, \$54,354/year

Susan Skora, Manager, Registration and Student Records, ENR SVCS, 10/01/08, \$73,500/year

Classified Staff Appointments

Jennifer Bell, Box Office Assistant, p/t, EVNT MGMT,
11/10/08, \$16,328/year
 Sebastian Brozek, Computer Testing Specialist, TEST,
11/10/08, \$43,875/year
 Linda Dumelle, Clerk/Receptionist, p/t, TEST, 11/03/08,
\$8,493/year
 LeShae Hayes, Clerk/Receptionist, STU REC OUT,
11/10/08, \$24,492/year
 Monica Kirsch, Library Assistant I, LIB SER, 10/13/08,
\$28,470/year
 Fadua Martinez, Admissions Data Steward, ADM PRO,
10/13/08, \$28,275/year

Harper #512 IEA-NEA Appointments

Danilo Daus, Custodian, PHY PLT, 10/20/08, \$23,837/year
 Richard Pernice, Custodian, PHY PLT, 11/03/08,
\$23,837/year

Limited Term Employment

Leslie Bieler, CE Career & Safety Coordinator, p/t, CE,
11/03/08, \$29,640/year

Classified Staff Retirement

Janice Jacobson, Veteran's Assistant, OSFA, 12/31/08, 26
years

Classified Staff Resignation

Jolie Bibulovic, Administrative Assistant, ENR MKT,
09/18/08, 6 years 6 months

Harper #512 – IEA-NEA Resignation

Dimetrious Shotwell, Custodian, PHY PLT, 10/03/08, 3
months

Career Advisory
Committee Appointments
for the 2008-2009
Academic Year

Approve that the Career Advisory Committee
appointments for the 2008-2009 academic
year.

Notification Regarding
Harper College
Graduation Requirement

Approve elimination of the Constitution test
requirements from Harper's graduation
requirements for Associate Degrees effective
January 1, 2009.

First Reading of
Modification of
Policy 07.01.07
Annual Budget

Submitted for consideration and moved to a second
reading.

First Reading of
Modification of
Policy 07.03.01
Purchasing Policy

Submitted for consideration and moved to a second reading.

First Reading of
Modification of
Policy 13.11.00
College Personnel
Rights and
Responsibilities in
College-Supported
Inventions and Materials

Submitted for consideration and moved to a second reading.

With regard to Exhibit IX-A.11, Vice President Thorson explained that this policy revision was started in 1999. She explained the circumstances behind the delay in the policy revision – a faculty strike and a mutually agreed upon four-year hiatus.

Old Policy vs. Revised Policy

- The title is changed. “Intellectual property” is the current, most accurate term being used.
- The old policy was not really a policy; it had a little bit of context and then it referred to a manual. In the revised policy, they have set a context and made a policy statement. In general, it states that “if you created this intellectual property on your own time, it is yours. If you created it when we hired you, it is ours and if it was created with some of your time and some of our time, we share it and we have to decide what the proportion of sharing should be.”
- The old policy was designed for faculty. The revised policy broadens to include all employees.
- The old policy focused much more on individuals, because at the time it was developed, individuals tended to create things more alone. Today, teamwork and technology in the academic area are more common - usually a combination of people create a product (a faculty member working with a Pro/Tech member).
- The revised policy applies to all employees, but there is an “academic exception” for traditional academic items such as lecture notes, tests, etc.
- The revised procedures are much shorter and more concise.
- Under the old policy, a committee made the decision about how to allocate revenue if there was some shared ownership in a product. Under the new policy, it defaults to a fifty-fifty or negotiation with the individual; faculty can have their union represent them and the College would have attorneys represent them. The result of that negotiation would end in a contract that would come to the Board for approval.

Vice President Thorson explained that they benchmarked many other colleges as they looked at this. The fifty-fifty split is very common. The definition of ownership is fairly common in the policies they saw. The committee worked very effectively. Chair Stone thanked Vice President Thorson for the great summary.

Upon roll call of the Consent Agenda, the vote was as follows:

Ayes: Members Borro, Canning, Graft, Hill, Hoffman, Kelley and Stone
Nays: None

Motion carried. Student Member Garcia voted aye.

Member Canning called attention to two bios of individuals who have joined the Foundation Board: Bob Ryan is a Senior Vice President at Kimball Hill; Silvia Manetti is the new President of WINGS. Ms. Canning noted that they are happy to have them on board. They will do good things for Harper College.

Member Borro gave the ICCTA Board Highlights for the November Conference. At the ICCTA meeting, they discovered that the Illinois President's Council, the ICCB and other community college advocates are working together to protect educational funding in light of anticipated mid-year budget rescissions. On a positive note, the attendance of the seminar on wind energy and legal legislative issues had record attendance. The Association of Community College Trustees (ACCT), which is the national level of the ICCTA, is pushing very strongly for colleges to put together plans for green grants, green projects. They want colleges to pursue grants available now and in the future.

With regard to the Legislative Report, Member Kelley noted that there was a tremendous interest at the ICCTA Conference on looking for national funding, especially given Illinois' dire fiscal condition. There are a number of states facing the same thing. They are looking more and more toward the possibility of federal funding. Green initiatives are the order of the day.

NEW BUSINESS:

Educational Service Providers

Member Canning moved, Member Kelley seconded, approval of the list of Assessment Consultants. In addition, authorization for the Vice President of Strategic Planning and Alliances to sign the contract agreement(s) as required when selected employment services contactor(s) are engaged, as outlined in Exhibit X-A (attached to the minutes in the Board of Trustees' Official Book of Minutes).

In a voice vote, the motion carried.

Affiliation Agreement with Loyola University Medical Center

Student Member Garcia moved, Member Graft seconded, approval of the Affiliation Agreement between *Loyola University Medical Center* for the Nursing program(s), and authorization for the Dean of Health Careers Division to sign the above, as outlined in Exhibit X-B (attached to the minutes in the Board of Trustees' Official Book of Minutes).

In a voice vote, the motion carried.

Revised 2008-2009 Board Meeting Dates

Member Hill moved, Member Canning seconded, approval of the Revised 2008-2009 Board meeting dates, as outlined in Exhibit X-C (attached to the minutes in the Board of Trustees' Official Book of Minutes).

In a voice vote, the motion carried.

Affiliation Agreement with Elmhurst Memorial Hospital

Member Graft moved, Student Member Garcia seconded, approval of the Affiliation Agreement between Harper College and *Elmhurst Memorial Hospital* for the Diagnostic Medical Sonography program(s), and authorization for the Dean of Health Careers Division to sign the above, as outlined in Exhibit X-D (attached to the minutes in the Board of Trustees' Official Book of Minutes).

In a voice vote, the motion carried.

Annual Insurance Renewal

Member Canning moved, Member Hill seconded, acceptance of the College administration to have CIGNA provide the College with Term Life, not to exceed \$0.21 per \$1,000 of covered payroll; Accidental Death and Dismemberment, not to exceed \$0.019 per \$1,000 of covered payroll; Long-Term Disability insurance coverage, not to exceed \$0.19 per \$1,000 of covered payroll per month; and to provide short-term disability claims administration, not to exceed \$1.74 per person. In addition, acceptance that dental claims administration is provided by Delta Dental with administrative fees not to exceed \$3.16 per

person per month. In addition, acceptance that Blue Cross Blue Shield of Illinois and HMO Illinois provide the College with medical insurance coverage, not to exceed the proposed amount per level of coverage per covered individual per month, as outlined in Exhibit X-E (attached to the minutes in the Board of Trustees' Official Book of Minutes).

In a voice vote, the motion carried.

Ratification of
Professional/Technical
Contract Extension

Member Borro moved, Member Graft seconded, to ratify the two-year extension to the Collective Bargaining Agreement with the Professional/Technical Union, for the 2010/2012 years. Additionally, authorization for the Board Chair and Secretary to execute such Agreement on behalf of the Board of Trustees, as outlined in Exhibit X-F (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Upon roll call, the vote was as follows:

Ayes: Members Borro, Canning, Graft, Hill, Hoffman,
Kelley and Stone
Nays: None

Motion carried. Student Member Garcia voted aye.

Ratification of
Illinois Council of
Police (ICOPS)
Contract Extension

Member Graft moved, Member Borro seconded, to ratify the two-year extension to the Collective Bargaining Agreement with the Illinois Council of Police and Sheriffs Union, for the 2010/2012 years. Additionally, authorization for the Board Chair and Secretary to execute such Agreement on behalf of the Board of Trustees, as outlined in Exhibit X-G (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Upon roll call, the vote was as follows:

Ayes: Members Borro, Canning, Graft, Hill, Hoffman,
Kelley and Stone
Nays: None

Motion carried. Student Member Garcia voted aye.

Ratification of
Harper 512 Association,
IEA-NEA Contract
Extension

Exhibit X-H was removed from the Agenda.

Ratification of Harper College Adjunct Faculty Association, IEA-NEA, Adjunct Faculty Counselors and Librarians Contract Extension

Member Graft moved, Student Member Garcia seconded, to ratify the two-year extension to the Collective Bargaining Agreement with the Harper College Adjunct Faculty Association, IEA-NEA, Adjunct Faculty Counselors and Librarians, for the 2010/2012 years. Additionally, authorization for the Board Chair and Secretary to execute such Agreement on behalf of the Board of Trustees, as outlined in Revised Exhibit X-I (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Upon roll call, the vote was as follows:

Ayes: Members Borro, Canning, Graft, Hill, Hoffman, Kelley and Stone
Nays: None

Motion carried. Student Member Garcia voted aye.

Ratification of Harper College Adjunct Faculty Association, IEA-NEA Contract Extension

Exhibit X-J was removed from the Agenda.

ANNOUNCEMENTS BY CHAIR

Communications

Chair Stone encouraged everyone to see the wonderful production, *A Raisin in the Sun*. She congratulated the department and especially Laura Pulio for putting it together. It was a great experience.

Calendar Dates

Calendar dates are printed on the Agenda for Board information. The next regular Board meeting will be Tuesday, December 16. The College will be closed November 27 through 30, 2008 for Thanksgiving break and December 24, 2008 through January 4, 2009 for holiday break.

OTHER BUSINESS

There was no other business.

ADJOURNMENT

Member Kelley moved, Member Hoffman seconded, to adjourn the meeting.

In a voice vote, the motion carried at 8:40 p.m.

Chair

Secretary

BOARD REQUESTS

NOVEMBER 20, 2008 REGULAR BOARD MEETING

1. Member Kelley noted that he would like to see a chart comparing the actual bond issuance of the \$88 million dollar bonds in 2001 and how those interest rates were staggered compared to what they are considering now.
2. In response to Member Kelley, Ms. Malinowski stated that they can provide the Board with the minimum and maximum interest rates within a calendar year over time to show the swing in interest rates. Member Kelley stated that he would like to also see 2008 broken out quarterly.
3. Member Kelley asked if they could itemize the best estimate of the usual and customary fees that would be associated with the bond issuance under the Parameters Resolution. He wants to understand all fees that Harper pays.
4. With regard to the limited tax bonds, Vice President Thorson stated that they will put together a list and explain why each approach was appropriate at the time (i.e., technology purchase, creating short-term debt, or taxable bonds).

WILLIAM RAINEY HARPER COLLEGE
BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT #512
COUNTIES OF COOK, KANE, LAKE AND McHENRY, STATE OF ILLINOIS

Minutes of the Special Board Meeting of Wednesday, November 12, 2008

CALL TO ORDER: The special meeting of the Board of Trustees of Community College District No. 512 was called to order by Chair Stone on Wednesday, November 12, 2008 at 7:01 p.m. in the Wojcik Conference Center (Room W214), 1200 W. Algonquin Road, Palatine, Illinois.

ROLL CALL: Present: Members Borro, Canning, Graft, Hill, Hoffman, Kelley and Stone; Student Member Garcia
Absent: None

Also present: Catherine Brod, V.P. for Development; Phil Burdick, Assistant V.P. for Communications and Legislative Relations; Maria Coons, Interim V.P. Enrollment and Marketing; Joan Kindle, V.P. Student Affairs and Assistant to the President; David McShane, V.P. Information Technology; Sheila Quirk-Bailey, Associate V.P. for Strategic Planning and Alliances; Margaret Skold, V.P. Academic Affairs; Judy Thorson, V.P. Administrative Services; Mike Alsup; Mike Babb; Carol Blotteaux; Dave Braunschweig; Erin Brooks; Arlene Bublick; Kathleen Canfield; Laura Crane; Kim Dell'Angela; Tom Dowd; Sally Griffith; Yvonne Harris; Mia Igyarto; Njambi Kamoche; Ashley Knight; Laura LaBauve-Maher; Justin LeBreck; Cindy Luxton; Maria Moten; Mark Mrozinski; Regan Myers; Sheryl Otto; Michelé Robinson; Eric Rosenthal; Tammy Rust; Katherine Sawyer; Diana Sharp; John Smith; Doug Spiwak; Sarah Stark; Nancy Wajler. Students: Sadaf Syed.

Guests: Douglas Darch, Seyforth-Shaw; Kim Pohl, Daily Herald.

APPROVAL OF AGENDA Member Graft moved, Member Kelly seconded, approval of the Agenda.

In a voice vote, the motion carried.

EXECUTIVE SESSION Member Graft moved, Member Kelley seconded, that the meeting adjourn into closed session for the purpose of discussing personnel matters.

In a voice vote, the motion carried at 7:03 p.m.

It was moved and seconded to end the closed session. The Regular meeting reconvened at 7:28 p.m.

In a voice vote the motion carried.

NEW BUSINESS

Voluntary Separation Agreement with President Breuder

Student Member Garcia moved, Member Hill seconded, adoption of a Voluntary Separation Agreement with President Breuder, as outlined in Exhibit X-A (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Ayes: Members Borro, Canning, Graft, Hill, Hoffman, Kelley and Stone

Nays: None

Motion carried. Student Member Garcia voted aye.

Chair Stone explained that, because the Board has adopted a Voluntary Separation Agreement with Dr. Breuder and he will be separated from the College earlier than originally anticipated, it is necessary to consider appointment of an Interim President of Harper College. The presidential search is in process; however, a new president is not expected to be chosen until late spring.

Appointment of an Interim President

Member Hill moved, Member Hoffman seconded, that the Board appoint Dr. John Pickelman as Interim President of the College to serve on an as-needed basis, pending completion of the presidential search process, with the understanding that the terms and conditions of Dr. Pickelman's employment will be developed by the Board Chair and the College attorney in consultation with Dr. Pickelman and submitted for Board approval at a subsequent meeting, as outlined in Exhibit X-B (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Chair Stone shared the following background information about Dr. Pickelman. Dr. Pickelman is the Chancellor Emeritus of the North Harris Montgomery Community College District in Houston, Texas. He held the position of Chancellor for nearly 17 years until his retirement in 2007. The District serves a geographical area of 1,400 square miles with a resident population in excess of one million. It comprises five comprehensive colleges with a total Fall 2007

remarkable achievement, which will allow Harper to go forward in a very positive and exciting way. The Board recognizes what has been accomplished.

Chair Stone announced that, this past Saturday the Harper Hawks football team won the Region IV championship. The big game was against College of DuPage (COD), with an ending score of 42 (Harper) to 6 (COD).

ADJOURNMENT

Student Member Garcia moved, Member Graft seconded, to adjourn the meeting.

In a voice vote, the motion carried at 7:44 p.m.

Chair

Secretary

BOARD REQUESTS

NOVEMBER 12, 2008 REGULAR BOARD MEETING

There were no Board requests.