



COLLEGE OF DuPAGE

Special Board of Trustees Meeting

October 20, 2015



BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 502
COUNTIES OF DuPAGE, COOK AND WILL
STATE OF ILLINOIS

TUESDAY, OCTOBER 20, 2015 ~ SSC-2206

SPECIAL BOARD MEETING ~ 6:00 P.M.

AGENDA

1. **CALL TO ORDER / PLEDGE OF ALLEGIANCE**
2. **ROLL CALL**
3. **AGENDA APPROVAL**
4. **PUBLIC COMMENT**
5. **CLOSED SESSION**
6. **RESOLUTION TO TERMINATE THE EMPLOYMENT OF THE COLLEGE PRESIDENT**
7. **TRUSTEE DISCUSSION**
8. **PUBLIC COMMENT**
9. **COMMENTS BY BOARD CHAIRMAN**
10. **Calendar Dates / Campus Events** (Note: * = Required Board Event)
 - ***Thursday, October 22, 2015 – Regular Board Meeting – SSC-2206 – 7:00 p.m.**
 - ***Thursday, November 19, 2015 – Regular Board Meeting – SSC-2206 – 7:00 p.m.**
11. **ADJOURN**

FUTURE MEETINGS

7:00 p.m. – Regular Board Meeting – SSC-2206

Thursday, October 22, 2015

7:00 p.m. – Regular Board Meeting – SSC-2206

Thursday, November 19, 2015

**COLLEGE OF DuPAGE
SPECIAL BOARD MEETING**

BOARD APPROVAL

1. **SUBJECT**

Termination of the employment of the College President.

2. **REASON FOR CONSIDERATION**

Under the Community College Act and the College's policies, the Board is charged with the responsibility to make employment decisions regarding the College's President.

3. **BACKGROUND INFORMATION**

Over the course of its ongoing investigations since the spring of 2015, the College has found evidence of misconduct and mismanagement, which the current President of the College, Dr. Robert Breuder, participated in, oversaw, or failed to prevent. That investigation demonstrates that President Breuder violated specific policies established by the College, violated Board of Trustee and legal directives, breached his duties, and engaged in conduct damaging to the reputation of the College and the reputation of the Office of the College President. Such conduct includes the following:

1. Failing to follow directive(s) to preserve electronically stored information on his College issued iPad in violation of the April 8, 2015 litigation hold over College documents and information imposed by Trustee Hamilton, in violation of an April 26, 2015 litigation hold memorandum by the College's attorneys, in violation of College Policy, and despite his knowledge of three (3) subpoenas issued by the United States Department of Justice.

2. Electioneering and engaging in prohibited political activity during both the 2010 Bond Referendum and the 2015 Board Election, including:

(a) Using College resources, time and funds, including those paid to Unicom-ARC and Michael Walters Advertising, from December 2009 through November 2010, for:

i. Planning, conducting, and participating in a public opinion poll in connection with a campaign for a referendum question;

- ii. Surveying or gathering information from potential or actual voters in an election to determine probable vote outcome for or against a referendum question;
 - iii. Soliciting votes for a referendum question, and helping in an effort to get voters to the polls;
 - iv. Distributing and preparing for distribution campaign literature and other campaign material for a referendum question; and
 - v. Managing or working on a campaign for a referendum question.
- (b) Designating, in connection with the 2010 Bond Referendum, the passage of the Bond Referendum an "Institutional Priority," and enlisting the assistance of employees to "secure voter approval of a capital referendum," including the solicitation of employee time and financial contributions to a political action committee, the Supporters of the College of DuPage, and soliciting the acceptance of campaign contributions from College vendors to the political action committee supporting the 2010 Bond Referendum.
- (c) Using Foundation funds to pay for political activity during both the 2010 Bond Referendum and the 2015 Board of Trustee election, including:
- i. Paying Michael Walters Advertising, on behalf of the Supporters of College of DuPage, for media vehicles for the "Vote Yes" initiative for the 2010 Bond Referendum; and
 - ii. Paying Precise Printing for postcard(s) for the 2015 Board of Trustees election.
- (d) Using College funds for a Community Pulse survey, and incorporation of information therein into district-wide mailings in the weeks prior to the Board of Trustee election, including Impact Magazine, and district-wide postcards, from December 2014 through April 2015.
3. Mismanaging College and Foundation funds, including a lack of oversight, lack of accountability and failure to implement proper controls, as evidenced by:
- (a) The lack of internal controls, and failure to prevent or detect theft and fraud occurring at the WDCB radio station, from the President's date of hire through December 2013, including mismanagement of purchasing procedures.

- (b) The failure to identify and remediate similar lack of internal controls at Waterleaf Restaurant after discovery of the theft and fraud at WDCB.
- (c) The investment of College funds in violation of the Board's Investment Policy, and the Illinois Public Funds Investment Act, including, at least as of September 30, 2014:
 - i. The unauthorized investments in the IMET Convenience Fund;
 - ii. The unauthorized investments in the Northern Trust - Ultra-Short Fixed Income Fund;
 - iii. The unauthorized investments in the Northern Trust - GS Enhanced Income Mutual Fund;
 - iv. The unauthorized investments in the Goldman Sachs Short Duration Mutual Fund;
 - v. The unauthorized investments in the Deutsche Bank - Fidelity Mutual Fund; and
 - vi. The unauthorized investments in the State Street - Federated Mutual Fund.
- (d) Failing to oversee the College's investments, and failing to notify the Board that the College's investments were out of compliance with the Board's Investment Policy.
- (e) Failing to oversee the College's investments with respect to additional unauthorized College investments in IMET Convenience Fund after the College was made aware of the fraud and default therein.
- (f) Failing to thoroughly investigate violations of the Board's Investment Policy, including the unauthorized investments in the IMET Convenience Fund, and failing to require that the investigation proceed in a timely manner.
- (g) Lacking oversight of and failing to impose proper accounting and proper management methods for Waterleaf Restaurant, including:
 - i. Failing to require an accounting method that provided sufficient internal controls over accounting for inventory and that provided for a separation of duties relating to ordering, receipt, payment for, and inventory of food, wine and liquor;

- ii. Failing to require an accounting method that accounted for food, liquor and wine separately from other hard goods such as glassware, silverware, and linens rather than an accounting system that booked all purchases for the Waterleaf Restaurant as "Instructional Supplies";
 - iii. Failing to require that the report of the Waterleaf Restaurant losses to the Board in February 2015 was accurate from an accounting standpoint and failing to require that the report represented the full measure of losses of the Waterleaf Restaurant by, for example, reporting depreciation, amortization, and other business-related expenses; and
 - iv. Failing to require appropriate reporting methods to Waterleaf Restaurant management so that management could operate the restaurant as a business.
- (h) Incurring excessive and unreasonable expenditures for food and beverages at the Waterleaf Restaurant and stays at the Inn at Water's Edge through April 30, 2015.
- (i) Using College and Foundation funds to pay for a personal membership and expenses at the Max McGraw Wildlife Foundation, Dundee Township, Illinois, from 2009 through 2014.
4. Damaging the College and the Office of the College President's reputation through improper conduct with respect to a \$20,000,000 grant from the State of Illinois in spring 2014.
5. Failing to secure confidential recordings of Closed Sessions of the Board, which were sent anonymously to the Chicago Tribune and the Daily Herald, from at least December 2014.
6. Failing to respond to a request for information from the College's Freedom of Information Act Officer Barbara Mitchell, which response Ms. Mitchell made known was required to facilitate the College's response to requests made pursuant to the Illinois Freedom of Information Act, in May 2015.
7. Converting a College ADA-compliant family locker room to an executive changing room, inaccessible to individuals with disabilities, primarily for personal use and use by a few select others, in or around April 2014, and providing misleading information to the Board regarding the purpose of that project.

8. Conducting himself in a way that led to:
 - (a) A vote of "no confidence" from the College Faculty on September 10, 2014;
 - (b) Numerous, and scathing, press reports about the College in local and national press;
 - (c) An advisory visit from the Higher Learning Commission that has resulted in a finding that may lead to sanctions for the College;
 - (d) State and federal criminal investigations; and
 - (e) An audit from the Illinois Inspector General.

4. RECOMMENDATION

That the Board approves the immediate termination of the employment of the College President, Dr. Robert Breuder, and directs the College Administration to take all necessary and appropriate steps to effect the termination.