

Illinois Council of Community College Presidents
September 10, 2004
Springfield, Illinois

Call to Order

The meeting was called to order at 9:30 a.m. by President Jonathan Astroth.

Minutes and Treasurer's Report

K. Miller distributed the financial report through August 2004. It was noted that the financial report through June 2004 was in the packet. The minutes and financial reports were approved on a motion by B. Luther and seconded by R. Behrendt. Motion passed unanimously.

K. Miller reminded the Presidents that approximately 12 Colleges have yet to submit their dues for this year.

Committee Reports

Administrative Services (reported by B. Simpson)

The Committee will monitor an attempt to consolidate pension funds. The Committee will focus their efforts on the restoration of two years of sick leave toward SURS retirement, and a means by which spouse and dependent insurance premiums can be reduced.

Presidents were also encouraged to establish an annuitants association on their campus. This cohort can be advocates for community college issues.

Adult Education (reported by C. Guengerich)

C. Guengerich and G. Obrzut met with Senator De Valle to discuss his concerns regarding funding for Adult Education. G. Obrzut is confident that there is progress and he feels it is worth extending the study time to address the questions of the Senator. The Senator has been a strong supporter of Adult Education.

Curriculum and Transfer Services (reported by B. Mees)

The Committee will continue to monitor changes in nursing at the federal level.

Eight nominations have been received for the vacant nursing board position at the state level.

Presidents were encouraged to financially support the AACC nursing task force because of the changes occurring in this field.

Presidents were reminded that ICCB will form a task force to study the baccalaureate degree issue and the role of Illinois Community Colleges.

It was noted that Illinois State University (ISU) discontinued their support for the Illinois Consortium for International Studies and Programs (ICISP). ISU remains a member of the organization: however, due to financial constraints they cannot continue to provide office space or pay for the benefits of clerical staff for ICISP. This committee will attempt to find a new location for support staff, possibly on a community college campus.

Federal Relations (reported by V. Crawley)

It was noted that not much action has occurred at the federal level because all of the attention is on the presidential campaign.

The committee will monitor:

- Reauthorization of the Higher Education Act
- Single definition of higher education and the likely impact on community colleges
- Dual Enrollment
- Perkins
- Homeland Security Issues – V. Crawley has been appointed to a task force convened by AACC.

The Department of Labor may be formulating a proposal of how community colleges can strengthen their role in workforce development. This comes on the heels of President Bush's comments during the Republican National Convention regarding community colleges and workforce development.

The federal government is analyzing the rising costs of textbooks.

The presidents were reminded of the ACCT/AACC National Legislative Seminar in February.

Finance Committee (reported by M. Shirley)

The Committee continued to meet over the summer on equalization issues. At this point, the committee is recommending the following regarding the Property Tax Extension Limitation Law (PTELL):

1. Replace the CPI with the Employer Cost Index
2. The protection, health, and safety tax should be exempt from PTELL.

B. Luther suggested that the equity tax also be excluded from PTELL. The Committee did discuss this issue but it did not receive support.

The Committee is assessing the viability of two equalization formulas. The existing formula would remain intact for the non-PTELL districts. A second formula would be created for districts under PTELL. It would cost an additional \$60 million to fund this second formula. The committee discussed reducing that amount by ½ for the first year. This could be implemented in FY2006 if all necessary approvals are obtained.

Governance Committee (reported by T. Ludwig)

Dr. Marguerite Boyd has been named the president of Truman College after serving on an interim basis.

Mentors for new presidents:

Ray Cummiskey, President of Southeastern – Mentor is B. Luther

Larry Choate, President of Shawnee – Mentor is B. Mees

T. Ludwig distributed a document detailing a proposal to increase dues for the Illinois Council of Community College Presidents from \$500 to \$2000 annually to enable the employment of a full-time lobbyist (*see attached*). The motion was made by T. Ludwig and seconded by T. Bruce. The question was posed whether ICCTA dues from the Colleges would be reduced as a result of this action. Leadership of ICCTA and Presidents Council will enter discussions on how the two organizations might work closer in the future. The outcome of these discussions will determine the role of this lobbyist with ICCTA and may have an impact on the eventual dues structure of ICCTA.

The supervisor of the lobbyist would be the executive committee of Presidents Council.

G. Obrzut indicated that this would be a plus in the eyes of ICCB because their actions have to be limited because of their governmental agency status.

Motion passed unanimously.

Leadership

No report.

Legislative Committee (reported by T. Bruce)

The committee will monitor and/or support the following items:

- ◆ PTELL – Replace CPI with Employer Cost Index
- ◆ Restore 2 years of sick leave toward SURS retirement
- ◆ Move the bid threshold from \$10,000 to \$25,000
- ◆ Monitor bills which propose moving funding for K-12 districts from property to sales and income tax.

Special emphasis was placed on the fact that state funding for community colleges is down 14% from FY02. At times there is a focus on overall total funding (i.e. tuition, local tax, state aid). We need to keep the focus on the reduction in state funding; i.e. an increase in local tax does not make up for a reduction in state aid.

B. Mees noted that G. Alongi (ICCB Board Chairman), J. Rendleman (President ICCTA & Trustee, John A. Logan College), and G. Obrzut (CEO, ICCB) worked hard this past legislative session to protect the interests of community colleges.

Student Development Committee (reported by J. Goodnow)

J. Goodnow expressed appreciation to G. Saunders, J. Weber, A. Jacobs, G. Davis, and T. Ludwig for their efforts in working with ISAC to integrate changes that are beneficial for community college students. Also noted was the support provided by Senator Welch to allow the application of MAP for the summer semester.

Presidents were encouraged to attend the ISAC public forum on September 24, 2004. The intent of this forum is to accept comments on college affordability issues and the current student aid environment. J. Weber and G. Davis will draft a white paper for presentation at the forum.

Discussion ensued regarding the lobbying efforts of private colleges to overturn a tuition cap (set at the level of U of I tuition) for MAP awards. This Committee expressed a need to re-instate the cap because tuition should not be the driving force of the MAP grant.

Technology Committee (reported by John Wozniak for Walt Packard)

The issue with Acacia Media continues. B. Simpson cautioned the Presidents not to sign any agreement from Acacia, even if it appears that there would not be a financial cost to the College. Everyone was encouraged to follow the progress of Acacia's attempts by going to www.streamingmedia.com.

Jeff Newell, Director of Illinois Community Colleges Online (ILCCO), spoke to the Council about the direction of ILCCO. Specifically, ILCCO is moving to a membership package because federal funding will end June 30, 2005. Member colleges will be asked to pay a \$4,000 membership fee to support ILCCO services. Mr. Newell distributed information about ILCCO's accomplishments and future direction (*attached*). C. Sobek emphasized that ILCCO is the only organization to serve as "one voice" for the community college system; and therefore its continued existence is important to the Colleges.

Workforce Development Committee (reported by M. Boyd)

J.D. Ross and M. Boyd have been appointed to a health care task force of the Illinois Workforce Development Board.

Lavon Nelson (ICCB staff) reported that a significant number of Critical Skill Health Initiative training proposals have been submitted by community colleges, and we should capture a majority of those funds. DCEO is strongly encouraging the Colleges to make sure that the proposals are data driven.

Nothing of significance is happening with the Workforce Investment Act because attention is focused on the presidential campaign. However, the role of partners on local workforce boards could become an issue.

Agency/Association Reports

Illinois Community College Trustees Association (reported by G. Davis)

G. Davis distributed his report to the Council and introduced Narcisa Polonio, Director of Board Services for ACCT. He called the Council's attention to a statement by J. Robert Barr, chairman of the Illinois Student Assistance Commission. This statement was part of the packet which Gary distributed. The statement sums up the Chairman's frustration regarding reform initiatives and opposition to reform.

G. Davis also distributed a draft document titled "FY06 Budget Development." J. Astroth developed a similar document on behalf of the Council. Both documents will be submitted to IBHE as input into the budget development process (*attached*).

Illinois Community College Board (reported by G. Obrzut)

Mr. Obrzut indicated a desire to request more dollars for FY06 than what is reflected in the ICCTA report.

The Department of Corrections has experienced numerous budget and resultant staff reductions. The Presidents were asked to contact ICCB staff if any of the Colleges experience difficulties with DOC as a result of their reductions.

Mr. Obrzut expressed his satisfaction for the progress of the Equalization Task Force as they approach their twenty-third meeting.

The ICCB will vote on changes to funding in Adult Education at their September or October meeting. Action has been delayed to address concerns expressed by Senator De Valle.

A meeting will be scheduled next week between ICCB staff and Colleges eligible to levy the Equity Tax to address recent concerns regarding a potential decrease in what the Colleges can assess. This is an agenda item for the September ICCB meeting.

Mr. Obrzut announced the addition of Randy Barnett to ICCB staff. He will serve in the role of Vice President for Governmental Affairs.

The ICCB will be seeking comments from five advisory groups in the development of their budget.

Capital projects have been put on hold by the state.

There was brief discussion of the research project by Jerry Corcoran. Mr. Corcoran will be researching "Stakeholder Perceptions of the Community College System." He has identified seven Colleges to assist in conducting the interviews. A motion was made by J. Goodnow and seconded by J. Wozniak to support the research project. The motion passed unanimously.

Mr. Obrzut indicated that Chairman Kaplan (IBHE) has expressed concerns with the lack of success of Minority Transfer Centers. ICCB will be researching this issue.

New Business

The Council heard a presentation on “The Importance of Older Adults to Community College Campuses.” Presenters were:

- Jane Angelis, Director of the Illinois Intergenerational Initiative
- Anita Revelle, Institute for Learning in Retirement, Illinois State University
- B. Simpson, President, John Wood
- T. Schmidt, President, Carl Sandburg

Ms. Angelis also discussed the Retiree Volunteer Program. This is an effort to create a statewide network for linking retirees with schools. The program will be officially launched on December 7, 2004, by Senate President Emil Jones, Jr.

Other Announcements

The agenda for the Fall Retreat has been distributed. The Consortium for Community College Development will provide the program.

J. Astroth introduced Barry Hancock to talk about a program for training IHSA Officials. This program is in collaboration with the Illinois High School Association. The pilot program will initially be hosted at Logan, COD, Moraine Valley, and Heartland. The program may be rotated among other Colleges after the pilot has been implemented. The Colleges will have to work together to address the varying levels of tuition.

Presidents Council and ICCTA are exploring options for a closer working relationship. Three trustees and the executive committee of the Council will be the group to initiate discussions.

Ed Forst announced that the annual ICCCA will be held on November 17-19, 2004, at the Holiday Inn in Chicago. ICCCA is trying to design a new system that provides more assistance for new administrators. ICCCA supported the need for a lobbyist. On October 8, 2004, ICCCA will hold an Education Summit at Triton on topics such as the AAT.

J. Goodnow announced that Paul McCarthy is now the Phi Theta Kappa Presidential Ambassador for Illinois.

G. Saunders reminded everyone that the Core Values Institute will be held in February and focus on best practices.

A handout was distributed from the Illinois Community College Faculty Association announcing the 2004 Fall Teaching and Learning Excellence Conference. It is scheduled for November 18-19, 2004, at the Renaissance Hotel in Springfield.

Respectfully submitted



Keith Miller
Secretary, Treasurer

Illinois Council of Community College Presidents
Governance Committee Issue
September 17, 2004

In order to face the challenges of this next year where many of the issues of the last year still remain unresolved, the Illinois Council of Community College Presidents must consider its own role and how it does business. The real question is how do we best organize to provide educational leadership and take advantage of the opportunities in this new environment? Simply from my perspective and to begin the conversation, I would propose the following:

- The equalization discussion needs to be changed to a discussion of tax cap legislation that we can all work on together to get the law changed. The legal change would be to raise the percentage to 5% or greater of the CPI. We could unify and help everyone with this change.
- The Illinois Council of Community College Presidents must provide leadership to the system while the trustees focus on governance and policy making. The ICCTA and presidents must work closely together.
- ICCB is our coordinating board, but is now has a different role.
- In order to provide leadership the needed, the Illinois Council of Community College Presidents may wish to consider having its own staff and lobbyist. The trustees faced this necessity in building their own organization as we do now. The Executive Committee would supervise and hire the staff and lobbyist.

Proposal: A motion to increase Illinois Council of Community College dues from \$500 to \$2,000 for the purpose of retaining a lobbyist, Mr. Ed Duffy, to represent the Council. The budget for a lobbyist for the full year equals sixty thousand dollars. The budget for the legislative session only is approximately thirty thousand dollars.

Dues Revenue at current \$500 equals $38 \times \$500 = \$19,000$.

Dues Revenue at \$1,350 equals $38 \times \$1,350 = \$51,300$ or \$32,300 for a lobbyist budget.

Dues Revenue at \$2,000 equals $38 \times \$2,000 = \$76,000$ or \$57,000 for a lobbyist budget.

Motion: I move that the Illinois Council of Community College Presidents increase its dues by \$1,500 to enable the employment of a full time lobbyist for calendar year with the funds to be disbursed in the manner specified by the ICOP-ICCTA study group.

Illinois Community Colleges Online Membership Package

Presidents Council Meeting

September 10, 2004

Summary

For FY2006, ILCCO is moving to a Membership Package for Illinois community colleges. Federal funding, which has supported ILCCO, will end June 30, 2005. Colleges participating as ILCCO members will continue to receive services through ILCCO as in the past. Member colleges will be asked to pay a \$4,000 membership fee to support ILCCO services.

ILCCO is seeking grant funding opportunities that will provide expanded opportunities for Illinois colleges and provide a base of financial support for ILCCO activities.

Benefits of ILCCO Membership

- A voice for community colleges in online learning
- Unified organization to seek grant funding that will benefit the entire system
- Faculty development opportunities to develop online teaching skills
- Expanded access for students through shared online courses and programs

Direction of ILCCO

- Focus on leadership to assist colleges in meeting the demands of online learning
- Continue course sharing
- Expand into program sharing
- Provide faculty and professional development
- Pursuing a statewide or regional model of course management system operations
- Pursuing grant opportunities to expand curriculum, faculty and professional development, and expanded services
- Conduct an online assessment research project examining assuring quality in online education, expanding online capacity, and retention of online student enrollments

To Date

- 46 of the 48 Illinois community colleges have used ILCCO for course sharing, course development, or faculty development.
- 1,400 educators have been served through the Learning Academy for faculty development.
- 43 colleges have had faculty attend training through the ILCCO Learning Academy. .
- 36 colleges have developed online courses through ILCCO.
- 26 colleges have shared courses and students, averaging 17 colleges per semester.
- 5,000 students are being served annually through courses developed through ILCCO.
- 450 students annually achieve their learning goals through course sharing.
- 281 online courses were developed through ILCCO.
- 4 statewide, web-based software systems developed to support students, distance learning, and faculty development.

Financial Information

The below table provides information on the level of service ILCCO can provide based on number of participants. The table chunks activities into groups of available dollars, but it is expected that services will be adjusted as needed to meet the needs of ILCCO member colleges.

Colleges	Amount	Total	Level of Service
20	\$4,000	\$80,000	ILCCO Tools, Course Sharing, Advocacy
25	\$4,000	\$100,000	Grantwriting
30	\$4,000	\$120,000	Illinois Online Conference
35	\$4,000	\$140,000	Online & Regional Faculty & Professional Development
40	\$4,000	\$160,000	Online & Regional Faculty & Professional Development
48	\$4,000	\$192,000	Research Projects & Activities

For more information, please contact:

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FISCAL YEAR 2006
BUDGET DEVELOPMENT
COMMUNITY COLLEGES

The Illinois Community College Trustees Association (ICCTA) appreciates the opportunity to participate in the process to develop the Fiscal Year 2006 budget. This process affords the 39 community college districts the opportunity to identify priorities and to review practices, programs and offerings.

Community college districts rely on three major sources of revenue to finance their programs: 1) local property taxes; 2) student tuition and fees; and 3) state grants. (The small percentage of overall funding that comes from federal and other funding is not included in the following comparisons.) Under the 1965 Illinois Public Community College Act, three major sources of funding would each equally account for 1/3 of the statewide funding. Comparing the relationship between those three funding sources, in FY2004 local property taxes provided 43.3% of statewide funding, student tuition grew to 30.8% and state funding dropped to 25.8%. By comparison, in FY2002 local property taxes accounted for 43.5% of statewide funding, student tuition was 28.9% and state funding was 27.6%.

	<u>FY2002</u>	<u>FY2004</u>
State Funding (GRF)	27.6%	25.8%
Local Property Taxes	43.5%	43.3%
Student Tuition and Fees	28.9%	30.8%

It should be noted that all three funding sources are limited in some way: 1) Local property tax growth is limited by "property tax caps" in the community college districts that are the most capable of producing local revenue; 2) Tuition and fees that the colleges can charge the student are also "capped" in state law to no more than 1/3 of per capita costs; and 3) State revenue available to the colleges has been reduced for the past three years.

For FY2005 the community colleges received spending authorization for state grant funding totaling \$280.1 million, a decrease of \$46.5 or 14.2% below the comparable appropriation of \$327 million for FY2002. Additionally, special appropriations totaling \$15.4 million were approved for the City Colleges of Chicago, Lincoln Land Community College and Illinois Valley Community College bringing the total FY2005 GRF appropriation to \$295.5 million, a decrease of \$31.5 million or 9.6% below FY2002 state support. Since FY2002, most of the funding level has been maintained for the base operating grants and the equalization grants, but major losses have occurred in other allocated grants to colleges. The \$14.6 million appropriated in FY2002 for Advanced Technology Grants was eliminated in FY2004. In FY2003 the Special Populations Grant of \$13.3 million was eliminated and the Workforce Development Grant totaling \$19.3 million in FY2002 was reduced by \$11.8 million to \$7.5 million in FY2004.

State funding has declined for higher education during the past three years and massive increases in student tuition and fees have been passed on to the students. Community college districts throughout the state have dramatically increased tuition, and because state law limits tuition charges in community college districts, some districts may not be able to raise much more revenue from tuition. It is ironic that while access to a post-secondary education is an absolute requirement for most of today's jobs and a college education is increasingly needed for most people to maintain a middle class income, the State of Illinois has been reducing support for higher education.

Plentiful evidence shows that higher education in Illinois does not now seem to fit into Illinois government's definition of "education" as it did several years ago. Today when government officials propose to increase

support for education, they seldom include higher education in their highest priorities. Yet throughout the 1970's, 1980's, and 1990's higher education was included in an informal formula that assigned new state dollars to all of education. During those years, for every two dollars of increased support that was appropriated to the common schools, about \$1 was appropriated to higher education.

After several years of declining state support, it is imperative that the higher education community advances an initiative to convince government officials to identify higher education as a high budget priority for Fiscal Year 2006.

COMMUNITY COLLEGE NEEDS IN FISCAL YEAR 2006

The Illinois Community College Trustees Association is recommending a \$50 million three year funding plan to commence in Fiscal Year 2006. The plan calls for a budget in FY2006 that begins to restore the state's support for community college grants to \$327 million by Fiscal Year 2008, the level it was in Fiscal Year 2002. This requires a \$31.5 million increase above the current Fiscal Year 2005 funding level of \$295.5. Additionally, \$18.5 million or \$6.17 million per year over the next three years is needed to fund a 2% future inflation factor. The ICCTA recommends funding community college grants in Fiscal Year 2006 (the first year of the three year funding plan) with a \$31.5 million or 10.7% increase above the Fiscal Year 2005 budget from state funds. The Fiscal Year 2006 budget should focus on the following:

- 1) Restore state funding for community colleges to the level that is was in Fiscal Year 2002.
- 2) Move toward full funding of the Equalization Grant. This grant ensures an equal level of local support for a community college student regardless of where the student lives.
- 3) Move toward correcting the chronically underfunded Adult Education programs.

The Fiscal Year 2007 and Fiscal Year 2008 budgets could focus on state budget initiatives including:

- 1) Maintain adequate funding for the productivity-based Base Operating and the Equalization grants.
- 2) Restore funding for Workforce Development Grants.
- 3) Restore funding for the Special Populations Grant to the community college budget. The now unfunded Special Populations grant was once funded at \$13.3 million.
- 4) Restore funding for Advanced Technology Grants. \$14.6 million that was appropriated in FY2002 has been eliminated.
- 5) Increase funding for the Base Operating Grant which is allocated to all community colleges. This grant has remained at the same funding level since FY02.

Dear Members of the Illinois Board of Higher Education:

On behalf of the Illinois Council of Community College Presidents, thank you for the opportunity to comment on the FY2006 budget.

As we consider the future of Illinois as reflected in its support of higher education in the FY06 budget, one overriding trend emerges: continued erosion of state support for public higher education, including community colleges. Most alarming, this erosion has occurred in both absolute and relative terms. From FY02-04, not only has the State reduced funding overall (in excess of \$300 million or nearly 13% when excluding retirement funding), but it has also reduced state effort as measured by higher education's share of general fund appropriations (from 11.5% to 10.3%). Indeed, Illinois now ranks below the national average for state support of public higher education when accounting for state population and the wealth of state residents.

As FY06 approaches, we must note the following:

1. College education is increasingly a prerequisite to a middle class income, yet at the same time even community colleges are becoming less affordable as a result of tuition increases necessary to counterbalance reduced state support.
2. Demographic data reveal an *increase* in the number of potential college students over the next several years.
3. About half of all freshmen enter community colleges, including the greatest number of low-income and minority students. If universities become increasingly selective and expensive, this phenomenon is likely to grow.
4. Community colleges are an excellent investment on the part of the State. Recent research¹ demonstrates a nearly 14% return to the State on each dollar invested in community colleges. Moreover, investment in higher education is the best insurance against economic vicissitudes. In a recent article in the *New York Times*, Jeff Madrick, author of *Why Economies Grow*, observed, "Even without the climate advantages of a city like San Jose, California, Boston evolved into what we now think of as an 'information city.' By comparison, Detroit, with lower levels of education, languished."

Considering the irony of declining state support during a time of increasing need for higher education, it is imperative that Illinois do more to support higher education. FY05 state funding for community colleges was \$31.5 million less than FY02 funding. The presidents of Illinois community colleges ask the IBHE to reaffirm access to higher education as an Illinois priority and urge the IBHE to help reverse the trend of asking community college students -- those of least means -- to increasingly bear the cost of their education.

Specifically, the Illinois Council of Community College Presidents supports a \$50 million, three-year plan to restore community college funding to FY02 levels of \$327 million. FY06 should recapture the \$31.5 million lost since FY02. In addition, \$18.5 million is needed to address inflation of 2% per year over the three-year period.

The priorities addressed in this budget would include the following:

1. Restoration of funding to FY02 levels.
2. Full funding of the equalization grant.
3. Amelioration of chronic underfunding of adult education.
4. Improvement of credit hour funding.
5. Restoration of funding for defunct grants in special populations and workforce development.

Thank you for the opportunity to participate in the FY06 budget development process.

Jonathan M. Astroth
President Heartland Community College
2004-2005 President, Illinois Council of Community College Presidents

1. Christophersen, Kjell A. and Robison, Henry M. The Socioeconomic Benefits Generated...CC Benefits Inc., June 10, 2002