



Harper College
1200 West Algonquin Road
Palatine, Illinois

Regular Board Meeting Agenda

September 28, 2004
7:00 p.m.

- I. Call to Order**
- II. Roll Call**
- III. Approval of Agenda**
- IV. Educational Presentations**
 - Judy Thorson presents Phil Scales of NGIP: Technology Hardware Acquisition
- 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 – August 24, 2004 Regular Board Meeting Exhibit IX-A.1
 - 2. Bills Payable, Payroll for August 20, 2004, September 3, 2004 Exhibit IX-A.2
and September 17; Estimated payrolls for September 18, 2004 through
October 1, 2004
 - 3. Bid Awards Exhibit IX-A.3
 - 4. Purchase Orders Exhibit IX-A.4
 - 5. Personnel Action Sheets Exhibit IX-A.5
 - 6. First Reading of Board Purchasing Policy Exhibit IX-A.6
 - 7. Faculty Mid-Year Tenure Status Report Exhibit IX-A.7
 - 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

* 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

- A. RECOMMENDATION: Resolution Designating a Person or Persons to Prepare a Tentative Budget for 2005 Exhibit X-A
- B. RECOMMENDATION: College Protection, Health and Safety: Energy Conservation, Environmental and Handicapped Accessibility Projects Exhibit X-B
- C. RECOMMENDATION: Designation of Election Official for April 5, 2005 Consolidated Election Exhibit X-C
- D. RECOMMENDATION: Second Reading of Board Policy Modification to Tax Sheltered Annuity Exhibit X-D
- E. RECOMMENDATION: Affiliation Agreements between Harper College and
 - Rush University Medical Center
 - Biomedical Applications of Illinois, Inc., d/b/a FMC Rolling Meadows
 Exhibit X-E

XI. Announcements by the Chair

- A. Communications
- B. Calendar Dates

(Note: * = Required)

On-Campus Events

- September 30 7:30 p.m. - Jeremy Rifkin, Expert on Emerging Technologies - Performing Arts Ctr
- October 2 7:30 p.m. - Marimba Concert - Performing Arts Center
- October 7 7:00 p.m. - Mick Foley, Pro-Wrestler/Author - Building W
- October 16 7:30 p.m. - Harper Guitar Heritage Concert - Performing Arts Center
- October 17 3:00 p.m. - Harper Symphony Orchestra - Performing Arts Center
- October 30 2:00 p.m.
- & 6:00 p.m. - Gregory Popovich Comedy and Pet Theatre - Theatre - J143
- *October 26 7:00 p.m. - Regular Board Meeting - Room W214-215
- November 11 **Veteran's Day - College Open - Classes not in session**
- November 12-13 8:00 p.m. - Harper Ensemble Theatre Company - All My Sons - Performing Arts Ctr
- November 14 2:00 p.m. - Harper Ensemble Theatre Company - All My Sons - Performing Arts Ctr
- November 19-20 8:00 p.m. - Harper Ensemble Theatre Company - All My Sons - Performing Arts Ctr
- November 21 2:00 p.m. - Harper Ensemble Theatre Company - All My Sons - Performing Arts Ctr
- November 25-28 Thanksgiving Holiday - College Closed - Classes not in session**
- *November 30 7:00 p.m. - Regular Board Meeting – Room W214-215
- November 30 7:30 p.m. - Guitar Ensemble Concert - Performing Arts Center

Off-Campus Events

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

XIII. Adjournment

Minutes of the Regular Board Meeting of Tuesday, August 24, 2004

<u>INDEX</u>	<u>PAGE</u>
ROLL CALL - Regular Board Meeting	1
APPROVAL OF AGENDA	1
PRESENTATIONS	2
- Avanté Opening Celebration	2
STUDENT TRUSTEE REPORT	3
PRESIDENT'S REPORT	5
- Update on ERP System	6
- Annual Plan	6
- Enrollment	7
- Fund Balance	7
HARPER EMPLOYEE COMMENTS	8
CITIZEN COMMENTS	8
CONSENT AGENDA	
Minutes, Bills Payable, Payrolls, Financial Statements, Grants/Gifts Report	8
Bid Awards	11
Purchase Orders	11
Personnel Actions	12
First Reading: Board Policy Change re Provisions for Sarbanes-Oxley Act of 2002	13
First Reading: Board Policy Modification to Tax Sheltered Annuity	13
Purchase Order	13
NEW BUSINESS	
- Budget Hearing	16
- Adoption of Budget	16
- Affiliation Agreement Agreement and Addendum	17
- Adjunct Faculty Compensation Schedule - 2003-04	18
- Capital Renewal Project Approval for 2005 Parking Lot Rehabilitation Project	18
- Voting Delegate to ACCT Annual Meeting	19
- Approval of Contract Between Harper College and iparq Resources to Manage Harper College Parking Program	19
ANNOUNCEMENTS BY CHAIR	21
Communications	21
Calendar Dates	21
OTHER BUSINESS	21
ADJOURNMENT	22
SUMMARY OF BOARD REQUESTS	23

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 Tuesday, August 24, 2004

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 Tuesday, August 24, 2004 at 7:02 p.m. in the Wojcik Conference Center (Room W214), 1200 W. Algonquin Road, Palatine, Illinois.

Vice President Joan Kindle led the Pledge of Allegiance.

Chair Stone announced that Trustee David Hill would be arriving late due to a flight delay.

ROLL CALL: Present: Members Gillette, Hill (8:03 p.m. arrival), Howard, Kelley, Kolze, Murphy and Stone; Student Member Plazak
Absent: None

Also present: Robert Breuder, President; Joan Kindle, V.P. Student Affairs and Assistant to the President; David McShane, V.P. Information Technology; Margaret Skold, V.P. Academic Affairs; Judy Thorson, V.P. Administrative Services; Cheryl Kisunzu, Assistant V.P. Diversity/Organizational Development; Linda Kolbusz, Associate V.P. Development, Governmental Relations; Catherine Brod, Assistant V.P. for Development; Joe Accardi; Mike Alsup; Carol Blotteaux; Phil Burdick; Ned Coonan; Daniel Corr; Laura Crane; Laurie Dietz; Robert Dix; Terence Felton; Robert Getz; Sally Griffith; Vickie Gukenberger; Julie Hennig; Thea Keshavarzi; Roberta Lindenthaler; Jim Ma; Jennifer Mathes; Russ Mills; Michael Nejman; Sheryl Otto; Janie Petersen; Diana Sharp; Dennis Weeks and Deanna White. Students: Saba Mahmud, Erika Peterson, Rebeka Risteska, Eric Rodriguez and Cassi Vestweber.

Guests: Michael Puente, Daily Herald; Tim Kane, Chicago Tribune; Jon Wheeler, i-parq L.L.C.; Stephen Bero and Sue Keener, citizens.

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

Upon roll call, the vote was as follows:

Ayes: Members Gillette, Howard, Kelley, Kolze,
Murphy and Stone
Nays: None

Motion carried. Student Member Plazak voted aye.

PRESENTATIONS

There were no educational presentations.

Avanté Opening Celebration

Board members commented favorably on the events surrounding the opening of Avanté. Chair Stone noted that it was gratifying to address the campus community and witness the mood in the building, watch the smiles on everyone's faces and see the pride in the new building. She thanked Cathy Brod and Vice President Colleen Murphy for their efforts regarding Saturday's event. She also thanked the Educational Foundation, the entire department and the many people in the audience who volunteered their time to make the event a success. Chair Stone noted that she has received many phone calls from people who attended as guests, complimenting the building and all those whose dedication made it happen.

Member Kelley noted that he was awestruck by the state-of-the-art building. It is a place where people will want to learn and teach. On behalf of the Board, he expressed appreciation for all those involved in the moving process. He added that he is proud to be associated with Harper College.

Member Gillette noted that he was unable to attend the event on Saturday. He thanked the staff who worked on the specs, the architect who executed the plan, the construction company and every single tradesman who worked on it and the community who allowed it to be built. He added that the best way to thank everyone is to watch the performance of Harper students as they go through the building.

Member Howard noted that she enjoyed hearing the excitement in the faculty as she spoke with them over the weekend. The faculty was very appreciative of being included in the planning process - it is a dream come true for them. She added that, after touring the building, the President of Augustana College was overwhelming in his praise. Additionally, her son-in-law, a research chemist with a PhD in chemistry, was also tremendously impressed and talked about what an asset the buildings will be for many years to come to this community and to the students. She thanked all involved for bringing it in on-schedule and under-budget.

Member Kolze was unable to attend the events; however, he received positive feedback from many in the community who attended.

Member Murphy noted that he looks forward to getting the full tour of the building. He added that people in the community are very impressed with the new building and the campus in general. It is a credit to many people.

Dr. Breuder expressed appreciation for all the people who brought this together. The process began in 2000 with the initial unsuccessful referendum. Faculty and staff worked together to write hundreds of pages of specifications - they created a vision, turned it over to two great architects who drew it on paper, and Gilbane executed on behalf of Harper College. Avanté was finished in 24 months, which is a Herculean effort. He has thanked many people along the way, but added several more names: Mike Held and his staff for putting together the army of people who ensured no one would get lost; Mike Barzacchini who put together marketing materials that helped promote the building; Mike Alsup who ensured that it was a safe and secure evening; and Cheryl Kisunzu for putting together the internal event on Friday evening. They are consummate professionals. Dr. Breuder noted that, in the seven years that he has been at Harper College, he has never seen a larger concentration of Harper people in one place, at one time, feeling good about what was going on. He saw approximately 600-700 people all feeling good about what they helped to create for the people of this community.

STUDENT TRUSTEE REPORT

Student Member Plazak distributed information regarding Student Activities to Board members. He noted that the most important thing for a community college to do is to build community. He displayed a T-shirt with the slogan, "R.U.N. the Mix?" (Are you in the mix?), and a list of the top 10 things for new students to check out at Harper - clubs, organizations, the radio, etc. It was created by Carla Daniels in the Student Activities Office. He added that Michael Nejman, Carla Daniels and Student Activities have done a great job in showing that Harper really does offer a four-year college experience, in terms of activities. They do a great job in bringing multicultural entertainment events to the campus.

Student Member Plazak noted that the folder includes information on the eXcel Program, which is made possible

through the Educational Foundation. The goals of the program are to develop leadership confidence, enhance leadership competence, promote self-awareness and cultivate a sense of community responsibility.

In an effort to improve student communication to the Board, Student Member Plazak is setting up an e-mail database that contains the e-mail addresses of all student leaders and any student who wants to be informed about what is going on at Harper. As he receives his Board packet each month, he will look for student-related issues and immediately send out an e-mail to make students aware of them. He will also ask for student feedback.

Student Member Plazak decided to highlight the Harper College student newspaper, *The Harbinger*, at this month's Board meeting. He shared the following facts with the Board:

- *The Harbinger* has been around for 30 years.
- They average 19 issues per year.
- There is a staff of approximately 15-20, with up to 50 contributors per year.
- It is entirely student-run.
- Everyone may contribute; it is up to the editor's discretion.
- Plans for the year include increasing quality and hitting deadlines.

He Introduced Erika Peterson, Editor-in-Chief of *The Harbinger*, and asked her to share with the Board how her role at Harper is helping to move her life forward. Ms. Peterson explained that she has wanted to be a journalist since junior high school. Being Editor-in-Chief will test her character - she will manage her staff, which involves a delicate balance of professionalism and flexibility. It will also sharpen her leadership skills. She is grateful for the opportunity to better herself by doing something she believes in.

Student Member Plazak noted that next month the Board will hear from the students who are benefiting from Avanté. Student Senate President Rebeka Risteska noted that she had the opportunity to walk around, notice all the details of the new building and observe the students. They are in total awe of the chemistry floor. She spoke to several nursing students and instructors and received positive feedback. Ms. Risteska shared that the students are very happy and

proud of the new building, not just for its outward splendor, but also for what it means - a commitment to progress in education. They are excited to see Harper grow and evolve into an institution that is committed to excellence. She thanked Dr. Breuder for his vision of what Harper can become, thanked the Board for supporting that vision, and thanked the community for supporting it and making it happen.

PRESIDENT'S REPORT

Dr. Breuder noted that, after listening to Joe, Rebeka and Erika speak, it confirms for him that Harper has some of the best students anywhere in the country. He is sure his colleagues share the same sentiment. Their content, delivery, manner and style are outstanding. He added that they are a great reflection of the student body, and it is a pleasure to work with them and to learn from them.

ERP System

Dr. Breuder asked Terence Felton to give a brief update regarding the ERP system.

- Two vendors have been elevated to the "Discovery Phase."
- The College sent out Letters of Clarification a few weeks ago, outlining questions regarding functionality, cost, etc.
- After responses were received, both vendors were brought back to campus for one-day sessions to review the issues.
- A second Letter of Clarification was sent out because there continued to be questions regarding cost. The two vendors are making different assumptions, and it is difficult to compare.
- Responses from both vendors have been received; the planning group will be reviewing them tomorrow morning.
- By the end of the week, they will be able to push one of the vendors to contract negotiations.

Dr. Breuder added that GFOA makes sure that whatever the College does with one vendor, it does with another vendor, so that they get the same amount of time, the same format and the same set of circumstances. He reiterated that there is no **one** vendor that will do it all. There are some great players in this business, and they have two of them now under final consideration.

Dr. Breuder added that the Board's decision to hire GFOA was a very good one. They have brought a lot to the table. He feels confident that they will negotiate the final numbers,

get the best price for Harper College and ultimately give the College what is needed. He commended Terence Felton for his leadership.

As a representative from the Board on the ERP Committee, Member Kelley noted how impressed he is with Terence and the IT department, Presidents Council and the entire committee. They are thorough and thoughtful in their approach. He is truly impressed with the work that is being done.

Annual Plan

Board members received the Annual Plan. Dr. Breuder noted that this management tool is a logical extension of the Strategic Long-Range Plan (SLRP). The Annual Plan does not require approval from the Board. He reminded everyone that the SLRP provides broad direction over a three-year window, with its primary focus being strengths, weaknesses, opportunities and threats (SWOT). It gives rise to philosophy, mission, goals and tasks, and it gives broad direction. An Annual Plan is needed to execute the SLRP, and it contains the objectives of each of the people who report directly to the President. He explained that there is more specificity in the Annual Plans of each of the Deans, etc. Each layer gets more specific.

The Outcomes Document, which contains what happened in terms of the Annual Plan for the year 2003-04, was sent to Board members via the mail several weeks ago. There are 67 pages of detail relating to the ambitious agenda at Harper College. It was another great year with many accomplishments. The Fact Book will come to the Board in December. Dr. Breuder noted that those four documents (Strategic Long-Range Plan, Annual Plan, Outcomes Document and Fact Book) are the result of the comprehensive strategic planning at Harper College.

Member Howard stated she was impressed across the board with the quality of faculty and administration and other employees at Harper. It is reflected very clearly in the Outcomes Document. They have developed three new degrees, nine new certificates and sixty-six new courses in one year. She is very impressed with efforts in diversity. The College received the Illinois Council of Community College Administrators Innovation Award for the Center for Multicultural Learning, and achieved a 46 percent increase in direct service. She added that she is pleased to see the metrics in the report. The College is making a real effort to carefully document and measure the outcomes.

Chair Stone noted that the 6.9 percent FTE enrollment growth is amazing. Everyone at Harper should be congratulated.

Enrollment

Dr. Breuder explained that enrollment is an indicator of Harper's attractiveness and its relevance. Surveys have shown that Harper is best known for its academic reputation, which is the best variable that will attract people. From that, they can build in so many different directions.

Dr. Breuder explained that the Budget is predicated on a three percent growth in enrollment, which, on the heels of seven percent is rather ambitious. The beginning change in the economy will adversely affect enrollment. As of Monday, the first day of classes, enrollment is up 3.64 percent on the credit FTE side. He noted that, of the four collar county community colleges, two are down, one is flat and the other one is up 2.09 percent in enrollment on the first day. Dr. Breuder explained that there are only pockets of growth in the Harper district - it is mostly built-out, unlike other districts. Therefore, he is pleased with the enrollment numbers.

Dr. Breuder noted that they will continue to push the four P's (product, price, place and promotion) because it is working. They are finding that the adult population is off a little bit, but first-time in college population is up significantly. Those graduating from high school are seeing Harper as a very viable alternative for higher education. Harper also wants the adults, but the adult market is affected by the economy.

Fund Balance

Dr. Breuder thanked the 800 people who work at Harper - they are responsible for the fact that during the most difficult of economic times, Harper continues to be very judicious in the expenditure of money. Although the audit is not yet in, rarely are the numbers different from what Harper employees (Roberta Lindenthaler and Vice President Judy Thorson) internally craft. They will most likely end the year by being able to generate \$3.7M to the 01 Fund balance. That will be diluted to \$3.2M by advance paying or funding the early retirement program for FY 05. Approximately \$750,000 is anticipated to land in the O&M Fund balance, as well. Therefore, they have met and exceeded the goal of having 33 percent of the operating fund in reserves, in the event they are faced with the worst of circumstances. He explained that the State is not shouldering its responsibility for higher education. State contribution has fallen from 36 percent to 8 percent. The tax cap and PTAB are negatively

affecting the College each year. Over the past two years plus this year going forward, they will have lost some \$8M in money that should have been received from the State, had the original vision of community colleges been put into effect. For these people at Harper to do all they can and still park \$4M in the bank -- there is nothing more meaningful. Harper College is a healthy institution, despite the lack of support from the State.

Member Kelley thanked everyone. It is truly an outstanding achievement. Member Howard stated that it takes hard work on the part of everyone -- first, to create a very tight budget that still supports the vision, mission and priorities; and secondly, to stick to it and watch every penny that is spent in order to end the year on budget or under budget. That takes a lot of attention and effort by everybody.

HARPER EMPLOYEE
COMMENTS

There were no employee comments.

CITIZEN
COMMENTS

There were no citizen comments.

CONSENT AGENDA

Chair Stone noted that Board members received a revision to Exhibit IX-A.6.

With regard to Exhibit IX-A.4.b, Member Murphy noted he was pleased to see that on a smaller issue like this, the administration is reviewing on a regular basis and revising what is absolutely needed. The request, in raw dollars, is lower than what was requested last year. As a Board member, he appreciates that people are taking ownership of the process; it helps the College stay on-budget and under budget.

With regard to Exhibit IX-A.6, Member Kelley complimented Dr. Breuder and staff for taking the lead on this. He has studied the issue, taken a look at the ACCT Advisory, spoken with the persons who drafted it and had great dialogue with Vice President Thorson and Dr. Breuder. He distributed copies of the ACCT Advisory to Board members. Sarbanes-Oxley does not mandate compliance by not-for-profits, but that may change. He looks forward to further exploring this at the ACCT conference in October. Member Kelley offered to serve on the audit committee, if Chair Stone deems it appropriate.

Chair Stone noted that she asked Member Kelley, as Vice Chair of the Board, to take the lead in reviewing the aspects of this particular exhibit. She appreciates the time and effort he has put in to study this issue.

Member Murphy noted he would like to discuss this policy in more detail at the next reading. He does not want the Board to take the recommendations from ACCT lightly.

Chair Stone asked Board members to read through the Exhibit and other materials and ask questions prior to the next meeting. Member Kelley suggested postponing the second reading until October, after he attends the ACCT meeting. He plans to meet with the drafter to further their discussion. Member Kelley added that he would welcome any Trustee's comments, thoughts or questions.

With regard to Exhibit IX-A.7, Member Gillette suggested that the employee sign a letter stating that he/she understands the College is not liable for any loss arising from depreciation or other decline in the value of his/her investments. Chair Stone stated that the College is not investing the employee's money, but simply forwarding his/her money to the investment firm of the employee's choice. Although he understands that, Member Gillette stated he feels it is best to have full disclosure. A simple form letter can be read and signed by the employee. There was general consensus from the Board.

In response to Member Kelley, Vice President Thorson explained that there are four or five firms from which people choose to invest their money. There is not a third party who actually passes on the paperwork to them. Somebody fills out a deduction form, it gets turned in to payroll and, based on that authorization, the employee's money is sent on to whatever company he/she chooses.

Member Gillette explained that State Law passed the Whistleblowers Ordinance in Illinois, and the State encouraged all government bodies, specifically community colleges, to adopt the State ordinance. The ordinance would give protection to anybody who would phone in or call attention to something that was being done wrong under the Sarbanes-Oxley Act and for any illegal activity or violation of Board policy. He noted that it has nothing to do with tonight; however, he remembers the Board acted upon it once, with at least a first reading. Former Harper Trustee Patrick Botterman thought he signed it and turned it in. Member

Gillette has just found out that it was never turned in to Springfield; and therefore, it most likely had not been adopted by the Board. He asked the administration if the policy could be resurrected and if the Board could formally adopt it. He feels that the Board cannot have a policy that encourages an employee to turn in a wrongdoing without first telling the employee that his job will be protected.

Member Kelley stated he would appreciate having a copy of the policy. It is something he has discussed with the ACCT, as well as with Gary Davis, ICCTA representative. He hopes to explore it further at the ACCT conference in October and report back to the Board. Chair Stone acknowledged that this open issue needs to be addressed.

Trustee David Hill entered the meeting at 8:03 p.m. Chair Stone welcomed him.

Member Gillette asked that Exhibit IX-A.4.c be removed from the Consent Agenda.

Member Howard moved, Member Gillette seconded, approval of the minutes for the July 27, 2004 regular Board meeting; bills payable; payrolls for July 22, 2004 and August 5, 2004; estimated payrolls for August 6, 2004 through September 3, 2004; bid awards; purchase orders; personnel action sheets; first reading of Board policy changes to incorporate selected provisions from the Sarbanes-Oxley Act of 2002; first reading of Board policy modification to tax sheltered annuity; and for information: financial statements, committee and liaison reports and grants and gifts status report, as outlined in Revised Exhibits IX-A.1 through IX-B.3, (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Operating Fund	\$7,260,277.64
Tuition Refunds	8,056.24

The payrolls of July 22, 2004 in the amount of \$2,413,668.00; August 5, 2004 in the amount of \$1,735,628.15; and estimated payroll of August 6, 2004 through September 3, 2004 in the amount of \$3,840,156.45.

Bid Awards

Ex. IX-A.3.a	Award bid Q00381 to Kraft Paper Sales, the low bidder that submitted a complete bid for standard size roll toilet tissue, junior jumbo roll toilet tissue, jumbo roll tissue, multifold paper towels and roll
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paper towels, in the amount of \$47,489.20.

Ex. IX-A.3.b Award bid Q00376 to Cardinal Cartridge, Inc., the low bidder that submitted a complete bid for laser toner cartridges for printers in the amount of \$68,722.08, and to Corporate Express Imaging, the low bidder for drum kits and transfer kits for printers in the amount of \$9,106.57 for a total award of \$77,828.65.

Ex. IX-A.3.c Award bid Q00383 to Central Poly Corp., the low bidder for satisfactory trash can liners, in the amount of \$12,215.

Ex. IX-A.3.d Award bid Q00387 to Metro Professional Products, the low bidder for Butchers cleaning products, in the amount of \$64,935.80.

Ex. IX-A.3.e Award bid Q00386 for print-on-demand printing services for the period of August 25, 2004 through June 30, 2005 for the 2004/05 College Catalog and Student Handbook, which provides official information about the College, to RGC Communications and to K&M Printing Co., with purchase orders to be issued on an as-needed basis, for a total award of not to exceed \$42,000.

Purchase Orders

Ex. IX-A.4.a Rescind the award to Breen's and instead approve issuance of a purchase order to Aramark Uniform Services for an agreement to run from August 25, 2004 through June 30, 2007 for the lease and purchase of uniforms for associates in the Custodial, Utilities, Maintenance and Roads & Grounds departments, in the amount of not to exceed \$15,000 per year for fiscal years 2004/05, 2005/06 and 2006/07.

Ex. IX-A.4.b Approve issuance of a purchase order designating EBSCO Subscription

Services as the Library periodicals subscription agent for the period of July 1, 2004 through June 30, 2005, in an amount not to exceed \$64,318.13.

- Ex. IX-A.4.d Approve issuance of purchase orders in the amount of \$30,000 each to Vis-O-Graphic Printing, Inc., Elk Grove Graphics, K&M Printing Co. and Quantum Color Graphics L.L.C. for renewal of general printing and copying services for various cost centers for the period of July 1, 2004 through June 30, 2005 and the option to renew for one additional year, subject to the discretion of the administration, and approximately \$80,000 to be assigned among the four vendors throughout the year based on cost, service and print capabilities, for a total of \$200,000 per year.

Personnel Actions

Classified Staff Appointments

Debbie Hajek, Dual Credit Coordinator, p/t, Career Programs, 08/09/04, \$24,128/year

Melissa Prejna, Bilingual Assistant, p/t, ADS, 07/28/04, \$19,757/year

Gregg Zurek, Engineering Document Associate, PHY PLT, 08/09/04, \$33,150/year

Harper #512 IEA-NEA Appointments

Juan Garay, Custodian, PHY PLT, 08/02/04, \$21,341/year

David Joplin, Custodian, PHY PLT, 08/09/04, \$21,341/year

Lionel Merritt, Custodian, PHY PLT, 08/09/04, \$21,341/year

Benito Pagan, Custodian, PHY PLT, 08/09/04, \$21,341/year

Theodhoraq Spaho, Custodian, PHY PLT, 08/09/04, \$21,341/year

Princess Williams, Custodian, PHY PLT, 08/09/04, \$21,341/year

Public Safety - ICOPS Appointment

Nannette Nefczyk, Community Service Officer II, PUB SAF, 08/24/04, \$31,450/year

Classified Staff Resignations

Elizabeth Bortolotti, MCPO Program Assistant, p/t, ADS, 08/27/04, 10 years

Reshma Patel, Library Assistant I, p/t, LIB SER, 07/19/04, 3 years 11 months

First Reading: Board Policy Changes - Provisions for Sarbanes-Oxley Act of 2002

Board members received a first reading of the Board Policy Changes to incorporate selected provisions from the Sarbanes-Oxley Act of 2002 (Revised Exhibit IX-A.6).

First Reading: Board Policy Modification To Tax Sheltered Annuity

Board members received a first reading of a modification to Section 11.11.13 on Tax Sheltered Annuities and Deferred Compensation Plan.

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

Ayes: Members Gillette, Hill, Howard, Kelley, Kolze, Murphy and Stone

Nays: None

Motion carried. Student Member Plazak voted aye.

Purchase Order

Member Gillette stated that this purchase is perfectly within Illinois State law. Harper has gone to an educational consortium and received a price which they believe is a good price. However, he asked earlier today if they would contact two local vendors and get prices from them, so that everyone could see what a good price this was. He has not received information regarding the two vendors' pricing, and since he has nothing to compare, he cannot support the purchase.

Vice President McShane explained that a number of years ago, they worked very closely with Hewlett-Packard (HP) in regard to the direction of Harper College. HP provided the College with a letter indicating what their educational discount would be if we would buy directly from them. The discount was greater than any of the partners could provide. They have sent out a "Contracts Guide" listing the large consortiums which also provide the educational discounting. The College did save some money by utilizing the consortium.

Ned Coonan, Director of Technical Services, explained that one reason they deal directly with HP and through a consortium arrangement like this is that they are able to preserve the integrity of the platform at the College. They must minimize the number of hands and the number of vendors on the key systems. Vice President McShane has worked with HP to create an arrangement where Harper has "preferred status." Additionally, the consortium pricing

provided minor savings. He added that he believes this was the right choice, given the fact that Harper supports the consortium, they belong to the consortium and they wish to deal with HP directly to preserve the service contracts.

Member Hill moved, Member Kelley seconded, to approve issuance of a purchase order to American Digital Corporation for the purchase of Hewlett-Packard (HP) computer server upgrades to support initial development and configuration of the Oracle database and application server components of the upcoming ERP system project in the amount of \$118,723, as outlined in Exhibit IX-A.4.c (attached to the minutes in the Board of Trustees' Official Book of Minutes).

In response to Member Hill, Member Gillette stated he has an obligation to let the public know that the College has saved them money. He stated that a local vendor was not made aware of the bid, so he asked administration to make a phone call to get a price from them for comparison. That was not done. Additionally, he is concerned that the whole procurement was void of the purchasing department.

In response to Member Murphy, Mr. Coonan explained that the College wants HP staff only installing the upgrades. There are other people who can do it, and there are third-party sources that can do the work; however, the College wishes to preserve the four-hour response service agreement that they have directly with HP. They are not compelled to honor that if other people are servicing the machine and adding parts to it. It is important to preserve the relationship.

Vice President McShane explained that they do periodically check different vendors. Most often they tell the College there is no way they can beat the educational discount being provided by HP. Channel partners want to provide the College with service - they do not want to only handle hardware. Their interest is becoming a partner with the College, taking over and running the systems. The College does not need that kind of service.

In response to Dr. Breuder, Thea Keshavarzi said that it is not accurate that the purchasing department was not involved with this at all. The College is a member of the Educational Institution Cooperative. She, as a member of that cooperative, advertises for the cooperative in this area on all bids that are generated by the cooperative. She

stated that she volunteered to do that. The bids are generally written by the largest of the public and private sector universities in the country. Ms. Keshavarzi stated that, since she does advertise locally, anyone in the Chicago area has the opportunity to participate in the bid. The advertisement shows where a vendor can get the bid and how they can participate. They are generally 3-5 year contracts. Harper College is an active participant in all of the Educational Institution Cooperative bidding opportunities. In response to Dr. Breuder, Ms. Keshavarzi affirmed that, in her point of view, the pricing Harper received is extremely competitive.

Dr. Breuder announced that, at the September Board meeting, they will be provided with findings of an outside consultant who did a focus audit for the College on IT purchasing. His findings were presented to the Officers of the Board. They will form the basis of policy revisions, which make broader the ability of people to purchase in the area of IT than currently exists. The findings specifically denote that buying through cooperatives or governmental consortia is often the preferred way to go because of pricing.

Chair Stone added that she and Member Kelley, as Chair and Vice Chair of the Board, have spent hours with Dr. Breuder and others who are helping to craft this policy with an outside auditor. Many questions will be answered at the September Board meeting. Member Gillette requested to meet with the outside auditor to voice his concerns with respect to that policy. It was noted that Members Gillette and Hill will meet with the auditor regarding this issue. Dr. Breuder stated he would arrange the meeting.

Upon roll call, the vote was as follows:

Ayes: Members Hill, Howard, Kelley, Kolze, Murphy
and Stone
Nays: Member Gillette

Motion carried. Student Member Plazak voted aye.

NEW BUSINESS:
Budget Hearing

At 8:21 p.m., Chair Stone recessed the regular meeting and called to order the public hearing on the FY 2004-2005 budget.

In response to Chair Stone, Dr. Breuder stated he had no comments about the Budget. It has been out for 60 days and, to his knowledge, there has been no one to come in and look at the budget. There have been no questions from the Board in that 60-day window.

Chair Stone noted that the Budget has been drawn according to Board Budget Guidelines, which were last revised in 2002. If anyone is interested in a copy of the Guidelines, it will be distributed to them.

Inasmuch as there were no other persons present who desired to speak regarding the budget, Chair Stone declared the budget hearing closed and reconvened the regular Board meeting at 8:23 p.m.

Adoption of Budget

Member Gillette moved, Member Howard seconded, adoption of the FY 2004-2005 legal budget as presented, as outlined in Exhibit X-A (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Upon roll call, the vote was as follows:

Ayes: Members Gillette, Hill, Howard, Kelley, Kolze, Murphy and Stone
Nays: None

Motion carried. Student Member Plazak voted aye.

In response to Member Gillette, Vice President Skold stated that the temporary building has been programmed for the fall term. She has asked the program schedulers to decommission it by January, if possible.

Member Gillette asked if the Board could see an update of the usage of classrooms vs. time period of each day, now that the new building is open. Dr. Breuder stated that they could run a comparison based on what is projected to take place this fall.

Affiliation Agreement with Resurrection Health Care and the Business Associate

Member Kolze moved, Student Member Plazak seconded, approval of the Affiliation Agreements between Harper College and *Resurrection Health Care* and the *Business Agreement with Rush Oak Park Hospital* as submitted and

Addendum with Rush
Oak Park Hospital

authorization for the Dean of Life Science and Human Services to sign all of the above, as outlined in Exhibit X-B (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Member Howard noted that these are wonderful collaborations with healthcare providers to enable the College to offer a number of courses and give people clinical experiences. Dr. Breuder added that it is difficult to deliver instruction in some of the key areas without these partnerships.

In response to Member Hill, Dr. Breuder explained that there is a core agreement; however, many organizations want to modify it. The agreement then must go back to counsel for review, in order to make sure the College is not being exposed to undue risk.

In response to Member Hill, Vice President Thorson noted that they have 74 various affiliation agreements. Vickie Gukenberger explained that the number has changed, because more healthcare systems are actively engaging in system-wide agreements as opposed to individual institution agreements. Three or four agencies may have combined into one system, which is an advantage to Harper, although the numbers may not appear to have catapulted a great deal. Member Hill added that the increase in number of agreements is a very important metric for the Board to watch. The College is stronger as it links with others in the area. Member Hill suggested they monitor and encourage the growth.

Board members asked to see an educational presentation on the number of partners that the College has and the number of courses that are being clinically supported by these agreements.

Upon roll call, the vote was as follows:

Ayes: Members Gillette, Hill, Howard, Kelley, Kolze,
Murphy and Stone

Nays: None

Adjunct Faculty
Compensation
Schedule - 2003-04

Motion carried. Student Member Plazak voted aye
Chair Stone cautioned the Board to be mindful that the College is in the midst of union negotiations with adjunct faculty. The compensation schedule reflected in the Board exhibit may go up or down, depending on the outcome of the

negotiations. The Board is being asked to approve it tonight, so that adjunct faculty can be paid at the beginning of the school year until this contract is negotiated.

Member Gillette moved, Member Kelley seconded, adoption of the salary schedule for adjunct faculty for the fall 2004, spring 2005, summer 2005, as outlined in Exhibit X-C (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Member Kelley suggested that if the Board wishes to have a substantive discussion, it may want to consider an executive session. Member Hill clarified that, by approving the item, the Board is saying it wants people to be paid now, and it is not going to impair or impact the negotiations in any way. Chair Stone affirmed.

Vice President Thorson explained that this union was defined as "adjunct faculty who teach six hours or more for four consecutive semesters." Harper College has approximately 700 total adjuncts; however, there are only 134 individuals who fall into that union definition.

Dr. Breuder added that other groups may be forming before this calendar year is out. In that case, one would have to look at what is negotiated here. It was noted that in-depth conversation at the Board meeting was inappropriate.

Upon roll call, the vote was as follows:

Ayes: Members Gillette, Hill, Howard, Kelley, Kolze, Murphy and Stone
Nays: None

Motion carried. Student Member Plazak voted aye.

Capital Renewal
Project Approval for
2005 Parking Lot
Rehabilitation Project,
Lots 1 and 4

Member Kolze moved, Member Gillette seconded, approval of the attached application to ICCB for approval for the 2005 Parking Lot Rehabilitation Project, Lots 1 and 4 in the amount of \$700,000, as outlined in Exhibit X-D (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Upon roll call, the vote was as follows:

Ayes: Members Gillette, Hill, Howard, Kelley, Kolze, Murphy and Stone
Nays: None

Motion carried. Student Member Plazak voted aye.

Voting Delegate to
ACCT Annual
Community College
Leadership Congress

Member Howard moved, Member Kelley seconded, approval that Laurie Stone be designated and appointed as the 2004 ACCT Leadership Congress voting delegate for Harper College, as outlined in Exhibit X-E (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Chair Stone noted that she plans to attend, as well as Vice Chair William Kelley. Member Gillette noted he would also like to attend. Chair Stone asked Carol Blotteaux if she would get the information and register Trustee Gillette for the conference. Member Gillette suggested that Chair Stone, as the voting representative, attend the Springfield meeting in September. Chair Stone noted she will look at the dates and see if they work.

With a show of hands, the vote was unanimous.

Ayes: Members Gillette, Hill, Howard, Kelley, Kolze,
Murphy and Stone

Nays: None

Motion carried. Student Member Plazak voted aye.

Chair Stone noted she will be happy to represent the Board.

Approval of Contract
Between *iparq* and
Harper College for
Utilization of *iparq*
Resources to Manage
Harper College Parking
Enhancement Program

Member Kolze moved, Member Howard seconded, approval of the contract between Harper College and *iparq* pending final attorney review, as outlined in Exhibit X-F (attached to the minutes in the Board of Trustees' Official Book of Minutes).

Member Murphy stated that initially he was concerned that this action might negatively impact the relationship between Harper College and the Village of Palatine. He noted that, after touching base with individuals in the Village, he is pleased to report that they perfectly understand the situation. They recognize it is something that is a benefit to Harper College, and they give it their blessing. The relationship between the two entities remains strong, and the Village highly praised Mr. Mike Alsup. Member Murphy noted that he is pleased to see that the College is making decisions in a way that is respectful of its neighbors.

Dr. Breuder noted that, under Michael Alsup's leadership, the College has strengthened and enhanced its relationship

with Palatine and other police departments and fire departments in the area. During his watch, Mr. Alsup has established a substation on campus, whereby the actual Palatine Police Department operates right out of Harper's campus.

Dr. Breuder continued that Harper College had been doing the lion's share of the work for many years, but had not been generating money from it. With this action, the College can put money back into the campus police department to better serve the Harper community. It makes good business sense, and it does not adversely impact public relations.

Member Gillette stated his concern that this item is another sole-source, non-competitive procurement that rents a PDA and a printer for \$300 per month each. The present value of that is \$10,000. He felt that the College could find a less expensive alternative.

Mr. Alsup stated that he has drawn on his 14 years of experience running a parking system in a community college environment. There are no vendors, other than *i*parq, that will do exactly what the College would like. They are the only ones that have a totally web-based business. It bodes well for Harper to utilize technology and allow the students to appeal their tickets, pay their tickets, take care of the adjudication process 24 hours per day, seven days per week. It is a service they are happy to provide to the students.

In regard to Member Gillette's comment regarding the price of purchasing PDAs, Mr. Alsup explained that he has purchased three PDAs over the last few years at \$159 each, and they have broken. With *i*parq, the College will rent military spec, ruggedized PDAs and printers. With normal wear and tear, if one breaks, another will be sent to the College overnight at no cost. The College does not purchase the software and does not pay for any revisions. Everything is done by *i*parq's hardware and software with Harper's existing staff. It is the best deal he could find.

Dr. Breuder made the observation that this is an example where: a) the College does not have to bid this item to begin with; and b) if the College could go out and find somebody who sells it for \$10 less, it would cost the College more in time and effort to go out and find that \$10 savings. This is

the very concern that is being expressed by the outside consultant.

In response to Member Gillette, Member Kolze stated that he feels the College staff has done a good job.

Member Kolze called the question.

Upon roll call, the vote was as follows:

Ayes: Members Hill, Howard, Kelley, Kolze, Murphy and Stone
Nays: Member Gillette

Motion carried. Student Member Plazak voted aye.

Member Hill noted that these are extremely small items in \$150M college budget. He has quite a bit of experience with *iparq*, which is a uniquely competent company in this area. He assured the Board that this is a bargain.

Student Member Plazak noted that, although initially it will be difficult for him to explain to the students why Public Safety will have an easier time writing them a ticket, he commended them, and hopes it will clear up some safety issues in the parking lots.

ANNOUNCEMENTS BY CHAIR

Communications

There were no communications.

Calendar Dates

Calendar dates are printed on the Agenda for Board information. Chair Stone reminded everyone about the public dedication and celebration of Avanté on September 12. It will include a Health Fair, tours of the building and a performance from the band *Jars of Clay*. The next regular Board meeting is September 28.

OTHER BUSINESS

Member Gillette explained that, as the ICCTA representative, he has brought up the following issue with Gary Davis, who in turn has brought it to the Executive Committee. Harper College graduates nurses with an R.N. certificate. They can work in VA hospitals, but they are not eligible presently for any commission in the armed service because they do not have a four-year degree. The object is to see if they can work with the government in Washington, DC, to make RNs from community colleges eligible for a ward officer commission, and likewise for dental hygienists.

The Executive Committee wants to continue this nationwide. Member Hill noted that Congressman Kirk would be an excellent person to contact. He is a former naval officer and very focused on things of that nature.

ADJOURNMENT

Member Kelley moved, Member Murphy seconded, that the meeting be adjourned.

In a voice vote, the motion carried at 8:56 p.m.

Chair

Secretary

BOARD REQUESTS

AUGUST 24, 2004 REGULAR BOARD MEETING

1. With regard to Exhibit IX-A.7, Member Gillette suggested that the employee sign a letter stating that he understands the College is not liable for any loss arising from depreciation or other decline in the value of his investments. There was general consensus from the Board.
2. With regard to the Whistleblowers Ordinance, Member Gillette asked the administration if the policy could be resurrected and if the Board could formally adopt it. He feels that the Board cannot have a policy that encourages an employee to turn in a wrongdoing without first telling the employee that his job will be protected.
3. Member Gillette requested to meet with the outside auditor to voice his concerns with respect to the proposed IT purchasing policy. It was noted that Members Gillette and Hill will meet with the auditor regarding this issue. Dr. Breuder stated he would arrange the meeting.
4. Member Gillette asked if the Board could see an update of the usage of classrooms vs. time period of each day, now that the new building is open. Dr. Breuder stated that they could run a comparison based on what is projected to take place this fall.
5. Board members asked to see an educational presentation on the number of partners that the College has and the number of courses that are being clinically supported by these agreements.

WILLIAM RAINEY HARPER COLLEGE
DISTRICT #512
PALATINE, ILLINOIS 60067

FUND EXPENDITURES TO BE APPROVED

I.	BILLS PAYABLE	
	Operating Fund	\$ 6,341,608.70
	Tuition Refunds	\$ 884,454.86
II.	PAYROLL	
	8/20/2004	\$1,814,632.07
	9/03/2004	\$2,176,558.27
	9/17/2004	\$2,232,966.45
III.	ESTIMATED PAYROLL	
	9/18/04 – 10/01/2004	\$2,204,762.36

WILLIAM RAINEY HARPER COLLEGE

BOARD MEETING

September 28, 2004

SUMMARY OF BIDS

Exhibit IX – A.3.a The administration recommends that the Board award Q00388 for a SkyJack Scissor Lift with six foot powered deck extension, for use in Avanté, to Rental Service Corporation, the low bidder, in the amount of \$13,669.

WILLIAM RAINEY HARPER COLLEGE

BOARD ACTION

I. SUBJECT

Recommendation for the award of bid request Q00388 for a SkyJack Scissor Lift with six foot powered deck extension, for use in Avanté, the Center for Science, Health Careers and Emerging Technology, as requested by Physical Plant/Auxiliary Services for the Maintenance department.

II. BUDGET STATUS

Funds in the amount of \$13,669 are provided in the 2004/05 Operations and Maintenance Restricted Fund budget, under account number 0392-039-586.00-9310.

III. INFORMATION

A legal bid notice was published and four bids solicited. Four responses were received. The following is a recap of the bid tab sheet:

Rental Service Corporation	\$13,669
Metrolift, Inc.	14,485
United Rentals, Inc.	14,600
National Equipment Services, Inc.	16,081

This request is for a SkyJack Scissor Lift with six foot powered deck extension. The lift has a working height of 32 feet and will be utilized to repair lighting fixtures and to change light bulbs in Avanté. The additional six foot powered deck extension will provide the College the ability to extend out and reach light fixtures that current lifts cannot.

IV. RECOMMENDATION

The administration recommends that the Board award Q00388 for a SkyJack Scissor Lift with six foot powered deck extension, for use in Avanté, to Rental Service Corporation, the low bidder, in the amount of \$13,669.

WILLIAM RAINEY HARPER COLLEGE

BOARD MEETING

September 28, 2004

SUMMARY OF PURCHASE ORDERS

- Exhibit IX – A.4.a The administration recommends that the Board approve issuance of a purchase order to the University of Illinois for renewal of a standard licensing and maintenance agreement for Endeavor Voyager Library System Software for two years, from July 1, 2004 to June 30, 2006, in the amount of \$10,800 per year for a total of \$21,600.

WILLIAM RAINEY HARPER COLLEGE

BOARD ACTION

I. SUBJECT

Recommendation for approval for the issuance of a purchase order to the University of Illinois for renewal of a standard licensing and maintenance agreement for the use of Endeavor Voyager Library System Software for two years, from July 1, 2004 through June 30, 2006, as requested by Information Technology and the Resources for Learning Division.

II. BUDGET STATUS

Funds in the amount of \$21,600 will be provided, \$10,800 in the 2004/2005, and \$10,800 in the 2005/06 Education Fund budget, under account number 0195-231-534.01.

III. INFORMATION

The Voyager Library System Software provides Library Services with an automated means of circulating library material.

The Illinois Library Computer Systems Organization (ILCSO) is a statewide consortium of higher education institutions whose mission is to enhance and expand access to and effectively utilize information resources through collaborative partnerships among ILCSO members and with the Illinois Library community. Through the ILCSO consortium, Harper College receives technical support and software upgrades for its Endeavor Voyager system. The two-year renewal period is from July 1, 2004 through June 30, 2006.

The College applied for membership in the consortium during fiscal year 2003/04 and was accepted. ILCSO's services are supported by long-standing funding from the Illinois Board of Higher Education, the Illinois State Library, and the individual ILCSO

member institutions. The payment for these services is managed by the University of Illinois at Urbana-Champaign.

Through participation in the ILCSO consortium, the cost will be \$10,800 per year, which includes the annual membership cost of \$10,175 and a two-year startup data migration fee of \$625 per year. This is \$20,410, or 65.4 percent, less than last year's amount of \$31,210 directly through Endeavor Information Systems, Inc.

This purchase complies with State Statute and Board Policy.

IV. RECOMMENDATION

The administration recommends that the Board approve issuance of a purchase order to the University of Illinois for renewal of a standard licensing and maintenance agreement for Endeavor Voyager Library System Software for two years, from July 1, 2004 to June 30, 2006, in the amount of \$10,800 per year for a total of \$21,600.

WILLIAM RAINEY HARPER COLLEGE

I. SUBJECT

Personnel Actions

II. REASON FOR CONSIDERATION

Board Action is required to ratify and approve personnel actions for all employees.

III. BACKGROUND INFORMATION

- A. Ratification of Faculty Appointments.
- B. Ratification of Professional/Technical Appointments.
- C. Ratification of Supervisory/Confidential Appointment.
- D. Ratification of Classified Staff Appointments.
- E. Ratification of Harper #512 IEA-NEA Appointments.
- F. Ratification of Limited Term Position.
- G. Ratification of Supervisory/Confidential Retirement.
- H. Ratification of Faculty Resignation.
- I. Ratification of Professional/Technical Resignation.
- J. Ratification of Supervisory/Confidential Resignation.
- K. Ratification of Classified Staff Resignation.
- L. Ratification of Harper #512 IEA-NEA Resignation.

IV. RECOMMENDATION

The administration recommends that the Board of Trustees ratify the Faculty, the Professional/Technical, the Supervisory/Confidential, the Classified Staff, the Harper #512 IEA-NEA and the Limited Term Position Appointments; the Supervisory/Confidential Retirement; the Faculty, the Professional/Technical, the Supervisory/Confidential, the Classified Staff and the Harper #512 IEA-NEA Resignations; and the Overload and Adjunct Faculty Assignment Summary Sheets.

WILLIAM RAINEY HARPER COLLEGE

BOARD ACTION

I. SUBJECT

First Reading of Revision of Board Purchasing Policy

II. REASON FOR CONSIDERATION

All changes to Board Policy must go through two readings.

III. BACKGROUND INFORMATION

Each year the College selects an area of the College to do an in depth targeted audit or review. This year computer hardware procurement was selected for the targeted review. The National Institute of Government Purchasing (NIGP) was selected to perform the review. The objective of the review was (1) to determine whether or not state statute was being followed in the purchase of computer hardware and (2) to determine if the College was following “best practices” in the procurement of computer hardware. The Board has been provided with a copy of NIGP’s report prior to the meeting. The report indicated that the state statute has not kept up with modern purchasing practices, but that College policies and procedures could be updated without violating the statute.

The proposed changes to both the policy and procedures have been reviewed by NIGP and the College Attorney.

IV. RECOMMENDATION

The policy changes are submitted for consideration and to move to second reading. The procedures attached provide further detail related to suggested changes related to procurement policies and procedures.

07.03.00 PURCHASING

07.03.01 Purchasing Policy

All College purchases shall be congruent with Illinois Compiled Statutes, Chapter 110, (ILCS) 805/3-27.1

Purchases of up to \$10,000 shall have the support of three verbal or written quotations when deemed appropriate by the Director of Purchasing. **The College President or their designee is authorized to sign all contracts under \$10,000.** Exceptions are made for purchases such as new or used equipment, supplies or materials of less than \$10,000 made at a public auction.

Except as otherwise provided by Illinois Compiled Statutes, Chapter 110, (ILCS) 805/3-27.1, purchases in excess of \$10,000 shall have the support of a minimum of three formal sealed bids **whenever** possible and be awarded to the lowest **responsive**, responsible bidder **following** due advertisement in a newspaper published in the District, or in a newspaper of general circulation in the area of the District, at least ten business days before the bid **closing** date.

Items exempted by state statute from competitive sealed bidding may be procured by competitive sealed proposals in accordance with Administrative Procedures.

The Board delegates to the President, or their designee, authorization to purchase from the state/governmental contracts or cooperatives/consortia that meet the requirements of Illinois state law. The President shall inform the Board of purchases made through the state/governmental contracts or cooperatives/consortia through monthly reporting.

COMPETITIVE PRICING

(Replaces pages 271 – 272 in the Administrative Services Procedure Manual dated August 2002)

Area: Administrative Services / Purchasing and Risk Management

Location: Administrative Services Manual

Revision Date: September 1, 2004

(Procedures are based in part on the American Bar Association's Model Procurement Code (MPC).)

A. GENERAL PROVISIONS

Procedures.

The underlying purposes of these procedures are:

- (a) to simplify, clarify, and modernize the procedures related to procurement;
- (b) to permit the continued development of procurement practices;
- (c) to make as consistent as possible the procurement rules among the various departments;
- (d) to provide for increased public confidence in the procedures followed in public procurement;
- (e) to ensure the fair and equitable treatment of all persons who deal with the procurement system;
- (f) to provide increased economy in procurement activities and to maximize to the fullest extent practicable the purchasing value of public funds;
- (g) to foster effective broad-based competition within the free enterprise system;
- (h) to provide safeguards for the maintenance of a procurement system of quality and integrity; and,
- (i) to obtain in a cost-effective and responsive manner the materials, services, and construction required by College.

B. SOURCE SELECTION AND CONTRACT FORMATION

1. Methods of Source Selection.

Unless otherwise authorized by law, all contracts shall be awarded by one of the following methods:

- (a) Competitive Sealed Bidding;
- (b) Competitive Sealed Proposals;
- (c) Small Purchases;
- (d) Sole Source Procurement;
- (e) Emergency Procurements;
- (f) Cooperative or Consortium Procurements;

COMMENTARY:

Fair and open competition is a basic tenet of public procurement. Such competition reduces the opportunity for favoritism and inspires public confidence that contracts are awarded equitably and economically. Since the marketplace is different for various supplies, services, and construction, these procedures authorize a variety of source selection techniques designed to provide the best competition for all types of procurements. It also permits less formal competitive procedures where the amount of the contract does not warrant the expense and time otherwise involved. Competitive sealed bidding, competitive sealed proposals, simplified, small purchase procedures, and cooperative purchase procedures, therefore, are recognized as valid competitive procurement methods when used in accordance with the criteria and conditions set forth in this Article.

a)Competitive Sealed Bidding.

- (1) *Conditions for Use.* Contracts in excess of \$10,000, shall be awarded by competitive sealed bidding except as otherwise noted in Illinois Revised Statutes, 110 ILCS 805/3-21.1; however, this provision shall not prohibit the College from utilizing competitive sealed bidding, where appropriate, to procure items listed in subparagraphs (b), (c), (f), (g), and (h) below. Contracts specifically exempted from competitive sealed bidding include:
 - (a) Contracts for the services of individuals possessing a high degree of professional skill where the ability or fitness of the individual plays an important part.
 - (b) Contracts for the printing of finance committee reports and departmental reports.
 - (c) Contracts for the printing or engraving of bonds, tax warrants and other evidences of indebtedness.
 - (d) Contracts for materials and work which have been awarded to the lowest responsible bidder after due advertisement, but due to unforeseen revisions, not the fault of the contractor for materials and work, must be revised causing expenditures not in excess of 10% of the contract price.
 - (e) For the maintenance or servicing of, or provision of repair parts for, equipment which are made with the manufacturer or authorized service agent of that equipment where the provision of parts, maintenance, or servicing can best be performed by the manufacturer or authorized service agent.
 - (f) Purchases and contracts for the use, purchase, delivery, movement, or installation of data processing equipment, software, or services and telecommunications and inter-connect equipment, software, and services.
 - (g) Contracts for duplicating machines and supplies.
 - (h) Contracts for the purchase of natural gas when the cost is less than that offered by a public utility.
 - (i) Purchases of equipment previously owned by some entity other than the district itself.
 - (j) Contracts for repair, maintenance, remodeling, renovation or construction or a single project involving expenditure not to exceed \$20,000 and not involving a change or increase in the size, type, or extent of an existing facility.
 - (k) Contracts for goods or services procured from another governmental agency.

- (l) Contracts for goods or services which are economically procurable from only one source, such as for the purchase of magazines, books, periodicals, pamphlets and reports and for utility services such as water, light, heat, telephone or telegraph.
- (m) Where funds are expended in an emergency and such emergency expenditure is approved by $\frac{3}{4}$ of the members of the board.

COMMENTARY:

Competitive sealed bidding does not include negotiations with bidders after the receipt and opening of bids. Award is to be made based strictly on the criteria set forth in the Invitation for Bids. The Director of Purchasing and Risk Management may determine that it is in the best interest of the College to procure certain items by competitive sealed bidding, even though they may be statutorily exempt. The College should utilize the other Source Selection Methods listed in Section B.1 (Methods of Source Selection), as appropriate, to procure statutorily exempt items.

- (2) *Invitation for Bids.* An Invitation for Bids shall be issued and shall include a purchase description, and all contractual terms and conditions applicable to the procurement.
- (3) *Public Notice.* Adequate public notice of the Invitation for Bids shall be given a reasonable time prior to the date set forth therein for the opening of bids.
 - a) 10 working days for bids <\$100,000
 - b) 21 days for bids >\$100,000.
- (4) *Bid Opening.* Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. The amount of each bid, and such other relevant information as may be specified by regulation, together with the name of each bidder shall be recorded; the record and each bid shall be open to public inspection.
- (5) *Bid Acceptance and Bid Evaluation.* Bids shall be unconditionally accepted without alteration or correction, except as authorized by the Director of Purchasing. Bids shall be evaluated based on the requirements set forth in the Invitation for Bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total or life cycle costs. The Invitation for Bids shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluation that is not set forth in the Invitation for Bids.

COMMENTARY:

(1) This subsection makes clear that judgmental evaluations of products, particularly where bid samples or product descriptions are submitted, may properly be used in determining whether a product proffered by a bidder meets the acceptability standards of the specification requirements for the procurement. Such judgmental evaluations as appearance, workmanship, finish, taste, and feel all may be taken into consideration under this Subsection. Additionally, the ability to make such determinations, and to reject as non-responsive any bid which does not meet the purchase description is inherent in the definition of responsive bidder.

(2) The bid evaluation may take into account not only acquisition costs of supplies, but the **cost if their ownership** which relates to the quality of the product, including life cycle factors such as maintainability and reliability. Any such criteria must be set forth in the Invitation for Bids to enable bidders to calculate how such criteria will affect their bid price.

(3) This Subsection does not permit a contract to be awarded to a bidder submitting a higher quality item than the minimum required by the purchase description unless that bidder also has the bid price evaluated lowest in accordance with the objective criteria set forth in the Invitation for Bids. Furthermore, this procedure does not permit discussions or negotiations with bidders after receipt and opening of bids.

- (6) *Correction or Withdrawal of Bids; Cancellation of Awards.* Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards or contracts based on such bid mistakes, shall be permitted in accordance with state law. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the College or fair competition shall be permitted. Except as otherwise provided by state law, all decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Director of Purchasing and Risk Management in consultation with the College Attorney.

COMMENTARY:

- (1) Correction or withdrawal of bids before or after contract award requires careful consideration to maintain the integrity of the competitive bidding system, to assure fairness, and to avoid delays or poor contract performance. While bidders should be expected to be bound by their bids, circumstances frequently arise where correction or withdrawal of bids is proper and should be permitted.
- (2) To maintain the integrity of the competitive sealed bidding system, a bidder should not be permitted to correct a bid mistake after bid opening that would cause such bidder to have the low bid unless the mistake is clearly evident from examining the bid document; for example, extension of unit prices or errors in addition.
- (3) An otherwise low bidder should be permitted to correct a material mistake of fact in its bid, including price, when the intended bid is obvious from the bid document or is otherwise supported by proof that has evidentiary value. A low bidder should not be permitted to correct a bid for mistakes or errors in judgment.
- (4) In lieu of bid correction, the College should permit a low bidder alleging a material mistake of fact to withdraw its bid when there is reasonable proof that a mistake was made and the intended bid cannot be ascertained with reasonable certainty.
- (5) After bid opening an otherwise low bidder should not be permitted to delete exceptions to the bid conditions or specifications which affect price or substantive obligations; however, such bidder should be permitted the opportunity to furnish other information called for by the invitation for Bids and not supplied due to oversight, so long as it does not affect responsiveness.
- (6) A suspected bid mistake can give rise to a duty on the part of the College to request confirmation of a bid, and failure to do so can result in a nonbinding award, where there is an appearance of mistake. Therefore, the bidder should be asked to reconfirm the bid before award. In such instances, a bidder should be permitted to correct the bid or to withdraw it when the bidder acknowledges that a mistake was made.
- (7) Correction of bid mistakes after award should be subject to the same proof as corrections before award with a further requirement that no correction be permitted that would cause the contract price to exceed the next low bid.
- (8) Nothing in this Section is intended to prohibit the College from accepting a voluntary reduction in price from a low bidder after bid opening; provided that such reduction is not conditioned on, or results in, the modification or deletion of any conditions contained in the Invitation for Bids.

- (7) *Award.* The contract shall be awarded with reasonable promptness by issuance of a purchase order to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the Invitation for Bids. In the event all bids for a construction project exceed available funds as certified by the appropriate fiscal officer, the President or their designee is authorized in situations where time or economic considerations preclude resolicitation of work of a reduced scope to negotiate an adjustment of the bid price, including changes in the bid requirements, with the low responsive and responsible bidder, in order to bring the bid within the amount of available funds.

COMMENTARY:

When all bids are determined to be unreasonable or the lowest bid on a construction project exceeds the amount specified in this subsection, and the public need does not permit the time required to resolicit bids, then a contract may be awarded pursuant to the emergency authority in accordance with state law.

- (8) *Multi-Step Sealed Bidding.* When it is considered impractical to initially prepare a purchase description to support an award based on price, an Invitation for Bids may be issued requesting the submission of unpriced offers to be followed by an Invitation

for Bids limited to those bidders whose offers have been qualified under the criteria set forth in the first solicitation.

b) Competitive Sealed Proposals.

- (1) *Conditions for Use.* A contract greater than \$10,000 may be entered into by competitive sealed proposals:
 - (a) for the procurement of professional or consulting services, excluding architectural, engineering and land surveying services;.
 - (b) for the procurement of data processing equipment, software or services;
 - (c) for the procurement of telecommunications and inter-connect equipment, software or services;
 - (d) for the procurement of duplicating machines and supplies; or
 - (e) when the Director of Purchasing and Risk Management, or a designee, deems that the use of competitive sealed bidding is either not practicable or not advantageous to the College and the use of competitive sealed proposals are permitted by State law.

COMMENTARY:

(1) The competitive sealed proposal method (similar to competitive negotiation) is available for use when competitive sealed bidding is either not practicable or not advantageous.

(2) The competitive sealed bidding and competitive sealed proposal methods assure price and product competition. The use of functional or performance specifications is allowed under both methods to facilitate consideration of alternative means of meeting College needs, with evaluation, where appropriate, on the basis of total or life cycle costs. The criteria to be used in the evaluation process under either method must be fully disclosed in the solicitation. Only criteria disclosed in the solicitation may be used to evaluate the items bid or proposed.

(3) These two methods of source selection differ in the following ways:

(a) Under competitive sealed bidding, judgmental factors may be used only to determine if the supply, service, or construction item bid meets the purchase description. Under competitive sealed proposals, judgmental factors may be used to determine not only if the items being offered meet the purchase description but may also be used to evaluate the relative merits of competing proposals. The effect of this different use of judgmental evaluation factors is that under competitive sealed bidding, once the judgmental evaluation is completed, award is made on a purely objective basis to the lowest responsive and responsible bidder. Under competitive sealed proposals, the quality of competing products or services may be compared and trade-offs made between price and quality of the products or services offered (all as set forth in the solicitation). Award under competitive sealed proposals is then made to the responsible offeror whose proposal is most advantageous to the College.

(b) Competitive sealed bidding and competitive sealed proposals also differ in that, under competitive sealed bidding, no change in bids is allowed once they have been opened, except for correction of errors in limited circumstances. The competitive sealed proposal method, on the other hand, permits discussions after proposals have been opened to allow clarification and changes in proposals provided that adequate precautions are taken to treat each offeror fairly and to ensure that information gleaned from competing proposals is not disclosed to other offerors.

(4) The words "practicable" and "advantageous" are to be given ordinary dictionary meanings. In general, "practicable" denotes a situation which justifies a determination that a given factual result can occur. A typical determination would be whether there is sufficient time or information to prepare a specification suitable for competitive sealed bidding. "Advantageous" connotes a judgmental assessment of what is in the College's best interest. What is practicable (that is possible) may not necessarily be beneficial to the College. Consequently, both terms are used in this Section to avoid a possibly restrictive interpretation of the authority to use competitive sealed proposals. If local conditions require an enacting jurisdiction to reduce the proposed flexibility in choosing between competitive sealed bidding and competitive sealed proposals, the statutory determination under Subsection (1) (b) to use competitive sealed proposals should be confined to a determination that use of competitive sealed bidding is "not practicable".

(5) Whenever it is determined that it is practicable but not advantageous to use competitive sealed bidding, the basis for the determination should be specified with particularity.

- (2) *Request for Proposals.* Proposals shall be solicited through a Request for Proposals.
- (3) *Public Notice.* Adequate public notice of the Request for Proposals shall be given in the same manner as provided in Competitive Sealed Bidding.
- (4) *Receipt of Proposals.* Proposals shall be opened so as to avoid disclosure of contents to competing offerors during the process of negotiation. Price proposals shall be submitted in a separate sealed envelope. A Register of Proposals shall be prepared in accordance with state law, and shall be open for public inspection after contract award.
- (5) *Evaluation Factors.* The Request for Proposals shall state the relative importance of price and other factors and sub factors, if any.
- (6) *Discussion with Responsible Offerors and Revisions to Proposals.* As provided in the Request for Proposals, and under state law, discussions may be conducted with responsible offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing offerors.
- (7) *Award.* Award shall be made to the responsible offeror whose proposal conforms to the solicitation to be the most advantageous to the College taking into consideration price and the evaluation factors set forth in the Request for Proposals. No other factors or criteria shall be used in the evaluation. The contract file shall contain the basis on which the award is made. Notice of award is posted on the College's Purchasing web page.
- (8) *Results.* The Procurement Officer is authorized to provide information that furnishes the basis for the source selection decision and contract award.

COMMENTARY:

Debriefings may be given orally, in writing, or by any other method acceptable to the Procurement Official. A post-award debriefing may include _ (a) the College's evaluation of significant weaknesses or deficiencies in the proposal, if applicable; (b) the overall evaluated cost or price (including unit prices) and technical rating, if applicable, of the successful offeror and the debriefed offeror; (c) the overall ranking of all proposals, when any such ranking was developed during the source selection; (d) a summary of the rationale for award; (e) reasonable responses to relevant questions about whether source selection procedures contained in the Request For Proposal and applicable law were followed. Post-award debriefings should not include point-by-point comparisons of the debriefed proposal with those of other offerors. Any debriefing should not reveal any information prohibited from disclosure by law, or exempt from release under the [applicable public records laws], including trade secrets, or privileged or confidential commercial or manufacturing information. A summary of any debriefing should be included in the contract file.

c) Small Purchases.

Any procurement not exceeding \$10,000 may be made in accordance with small purchase procedures, provided, however, those procurement requirements shall not be artificially divided so as to constitute a small purchase under this Section. Any procurement that falls within the \$5,000 to \$10,000 range shall have the support of three verbal or written quotations from responsible vendors when deemed appropriate and/or where possible. The Director of Purchasing and Risk Management shall make final approval within this category.

d) Sole Source Procurement.

A contract may be awarded for a supply, service, or construction item without competition when the Director of Purchasing or a designee determines in writing that there is only one source for the required supply, service, or construction item.

e) Emergency Procurement.

The Board may make or authorize others to make emergency procurements when there exists an immediate threat to public health, welfare, or safety or to prevent or minimize serious disruption to College services; provided that such emergency procurements shall be made with such competition as is practicable under the circumstances. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file.

f) Cooperative and Consortium Procurement.

(1) Any Public Procurement Unit may participate in, sponsor, conduct, or administer a Cooperative or Consortium Purchasing agreement for the procurement of any supplies, services, or construction with one or more Public Procurement Units in accordance with an agreement entered into between the participants. Such Cooperative and Consortium Purchasing may include, but is not limited to, joint or multi-party contracts between Public Procurement Units and open-ended Public Procurement Unit contracts that are made available to other Public Procurement Units.

(2) All Cooperative and Consortium Purchasing conducted under this Section shall be through contracts awarded through full and open competition, including use of source selection methods substantially equivalent to those specified.

2. Cancellation of Invitations for Bids or Requests for Proposals

An Invitation for Bids, a Request for Proposals, or other solicitation may be canceled, or any or all bids or proposals may be rejected in whole or in part as may be specified in the solicitation, when it is in the best interests of the College in accordance with state law. The reasons therefore shall be made part of the contract file.

3. Qualifications and Duties

a) Responsibility of Bidders and Offerors.

- (1) *Determination of Nonresponsibility.* A written determination of nonresponsibility of a bidder or offeror shall be made in accordance with state law. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such bidder or offeror.
- (2) *Right of Nondisclosure.* Confidential information furnished by a bidder or offeror pursuant to this Section shall not be disclosed outside of the Office of the Director of Purchasing without prior written consent by the bidder or offeror.

b) Prequalification of Suppliers.

Prospective suppliers may be prequalified for particular types of supplies, services, and construction. The method of submitting prequalification information and the information required in order to be prequalified shall be determined by the Director of Purchasing.

COMMENTARY:

(1) Prequalification is not a conclusive determination of responsibility, and a prequalified bidder or offeror may be rejected as nonresponsible on the basis of subsequently discovered information. Similarly, a prior failure to prequalify will not bar a subsequent determination that a bidder or offeror is responsible with respect to any given procurement.

(2) Prequalification is only of limited utility if a procurement cannot be limited to prequalified suppliers. It should be established that unless an emergency exists or the contract is for a small purchase, a competition may not be limited to pre-qualified offerors unless public notice of the procurement was given in sufficient time for any interested firms to prepare necessary submissions and become prequalified.

c) Substantiation of Offered Prices.

The Director of Purchasing and Risk Management may request factual information reasonably available to the bidder or offeror to substantiate that the price or cost offered, or some portion of it, is reasonable, if:

- (1) the price is not:
 - a) based on adequate price competition;
 - b) based on established catalogue or market prices; or
 - c) set by law

4. Types of Contracts

a) Conditions for Use.

Any type of contract that will promote the best interests of the College may be used acknowledging that the use of a cost-plus-percentage-of-cost contract is prohibited. Except as otherwise provided by policy or procedure, all contracts over \$10,000 shall be reviewed, where appropriate, by the College attorney and approved by the Board of Trustees

b) Multi-Year Contracts.

- (1) *Specified Period.* Unless otherwise provided by law, a contract for supplies or services may be entered into for any period of time deemed to be in the best interests of the College provided the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefore.
- (2) *Use.* A multi-year contract is authorized where:
 - (a) estimated requirements cover the period of the contract and are reasonably firm and continuing; and
 - (b) such a contract will serve the best interests of the College by encouraging effective competition or otherwise promoting economies in College procurement.
- (3) *Cancellation Due to Unavailability of Funds in Succeeding Fiscal Periods.* When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be cancelled and the contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the supplies or services delivered under the contract. The cost of cancellation may be paid from any funds available for such purposes.

5. Inspection of Plant and Audit of Records

a) Right to Inspect Plant.

The College may, at reasonable times, inspect the part of the plant or place of business of a contractor or any subcontractor which is related to the performance of any contract awarded or to be awarded by the College.

b) Right to Audit Records

- (1) *Audit of Cost or Pricing Data.* The College may, at reasonable times and places, audit the books and records of any person who has submitted data in substantiation of offered prices to the extent that such books and records relate to that data. Any person who receives a contract, change order, or contract modification for which such data is required, shall maintain such books and records that relate to such cost or pricing data for [three] years from the date of final payment under the contract, unless a shorter period is otherwise authorized in writing.
- (2) *Contract Audit.* The College shall be entitled to audit the books and records of a contractor or any subcontractor under any negotiated contract or subcontract other than a firm fixed-price contract to the extent that such books and records relate to the performance of such contract or subcontract. Such books and records shall be maintained by the contractor for period of [three] years from the date of final payment under the prime contract and by the subcontractor for a period of [three] years from the date of final payment under the subcontract, unless a shorter period is otherwise authorized in writing.

6. Determinations and Reports

a) Finality of Determinations.

The determinations required are final and conclusive unless they are clearly erroneous, arbitrary, capricious, or contrary to law.

b) Reporting of Anticompetitive Practices.

When for any reason collusion or other anticompetitive practices are suspected among any bidders or offerors, a notice of the relevant facts shall be transmitted to the Attorney General.

c) Retention of Procurement Records.

All procurement records shall be retained and disposed of in accordance with records retention guidelines and schedules approved by the Secretary of State of Illinois.

d) Retention of Contracts.

- (1) *Contents of Record.* The Director of Purchasing and Risk Management shall maintain a record listing all contracts for a minimum of [five] years. The record shall contain:
 - (a) each contractor's name;
 - (b) the amount and type of each contract; and
 - (c) a listing of the supplies, services, or construction procured under each contract.

C. SPECIFICATIONS

Procedures shall set standards for the preparation, maintenance, and content of specifications for supplies, services, and construction required by the College.

1. Duties of the Director of Purchasing and Risk Management.

The using department shall have primary responsibility for the development and revision of specifications. To assure proper quality control and avoid the proliferation of conflicting specifications, the Director of Purchasing and Risk Management shall approve and monitor the use of specifications for supplies and services required by the College.

2. Relationship With Using Department.

The Director of Purchasing and Risk Management shall obtain expert advice and assistance from personnel across the College in the development of specifications. The Director of Purchasing and Risk Management may delegate to a College Department the authority to prepare and utilize its own specifications if in the best interest of the College.

3. Maximum Practicable Competition.

All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the College's needs, and shall not be unduly restrictive.

4. Specifications Prepared by Other Than College Personnel.

The requirements of this Section regarding the purposes and non-restrictiveness of specifications shall apply to all specifications prepared other than by College personnel, including, but not limited to, those prepared by architects, engineers, and designers.

D. MODIFICATION AND TERMINATION OF CONTRACTS FOR SUPPLIES AND SERVICES

Contract Clauses and Their Administration.

- (1) *Contract Clauses.* The Director of Purchasing and Risk Management may determine procedures permitting or requiring the inclusion of clauses providing for adjustments in prices, time of performance, or other contract provisions as appropriate covering the following subjects:
 - (a) the unilateral right of the College to order in writing:
 - (i) changes in the work within the scope of the contract; and
 - (ii) temporary stopping of the work or delaying performance; and
 - (b) variations occurring between estimated quantities of work in a contract and actual quantities.
- (2) *Price Adjustments.*
 - (a) Adjustments in price pursuant to clauses promulgated under Subsection (1) of this Section shall be computed in one or more of the following ways:
 - (i) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;
 - (ii) by unit prices specified in the contract or subsequently agreed upon;
 - (iii) by the costs attributable to the events or situations under such clauses with adjustment of profit or fee, all as specified in the contract or subsequently agreed upon;
 - (iv) in such other manner as the contracting parties may mutually agree;or
 - (v) in the absence of agreement by the parties, by a unilateral determination by the College of the costs attributable to the events or situations under such clauses with adjustment of profit or fee, all as computed by the College in accordance with applicable sections this procedure.
 - (b) A contractor shall be required to submit cost or pricing data if any adjustment in contract price.
- (3) *Additional Contract Clauses.* The Director of Purchasing and Risk Management may require the inclusion in College contracts of clauses providing for appropriate remedies and covering the following subjects:

- (a) liquidated damages as appropriate;
 - (b) specified excuses for delay or nonperformance;
 - (c) termination of the contract for default; and
 - (d) termination of the contract in whole or in part for the convenience of the College as reviewed by the College Attorney.
- (4) *Modification of Clauses.* The Director of Purchasing and Risk Management may vary the clauses for inclusion in any particular College contract; provided that any variations are supported by a written determination that states the circumstances justifying such variation and provided that notice of any such material variation be stated in the Invitation for Bids or Request for Proposals. Modifications reviewed by the College Attorney.

E. SUPPLY MANAGEMENT

1. Supply Management Regulations Required.

The Director of Purchasing and Risk Management shall promulgate procedures governing:

- (a) the management of supplies during their entire life cycle;
- (b) the sale, lease, or disposal of surplus supplies by public auction, competitive sealed bidding, or other appropriate method designated by regulation, provided that no employee of the owning or disposing agency shall be entitled to purchase any such supplies; and
- (c) transfer of excess supplies.

2. Allocation of Proceeds from Sale or Disposal of Surplus Supplies.

Unless otherwise provided by law, the President shall be empowered, pursuant to regulations, to allocate proceeds from the sale, lease, or disposal of surplus supplies.

F. LEGAL AND CONTRACTUAL REMEDIES

1. Authority to Resolve Protested Solicitations and Awards.

- (1) *Right to Protest.* Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the solicitation or award of a contract may protest to the Director of Purchasing and Risk Management. The protest shall be submitted in writing, prior to consideration of the purchase by the Board of Trustees.
- (2) *Authority to Resolve Protests.* The Director of Purchasing or a designee shall have the authority, prior to the commencement of an action in court concerning the controversy, to settle and resolve a protest of an aggrieved bidder, offeror, or contractor, actual or prospective, concerning the solicitation or award of a contract. Facts of the case will be reviewed with the College Attorney.
- (3) *Decision.* If the protest is not resolved by mutual agreement, the Director of Purchasing or a designee shall promptly issue a decision in writing. The decision shall,
 - (a) state the reasons for the action taken; and
 - (b) inform the protestant of its right review.
- (4) *Notice of Decision.* A copy of the decision shall be mailed or otherwise furnished immediately to the protestant and any other party intervening.

- (5) *Finality of Decision.* A decision shall be final and conclusive, unless fraudulent, or:
 - (a) any person adversely affected by the decision commences an action in court; or
 - (b) any person adversely affected by the decision appeals.
- (6) *Stay of Procurements During Protests.* In the event of a timely protest, the College shall not proceed further with the solicitation or with the award of the contract until the Director of Purchasing, after consultation with the head of the Using Department makes a written determination that the award of the contract without delay is necessary to protect substantial interests of the College.

2. Authority to Debar or Suspend.

- (1) *Authority.* After reasonable notice to the person involved and reasonable opportunity for that person to be heard the Director of Purchasing and Risk Management, after consultation with the Using Department and College attorney, shall have authority to debar a person for cause from consideration for award of contracts. The debarment shall not be for a period of more than [three years]. The same officer, after consultation with the Using Department and the College Attorney, shall have authority to suspend a person from consideration for award of contracts if there is probable cause for debarment. The suspension shall not be for a period exceeding [three months].
- (2) *Causes for Debarment or Suspension.* The causes for debarment or suspension include the following:
 - (a) conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;
 - (b) conviction under State or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a contractor;
 - (c) conviction under State or federal antitrust statutes arising out of the submission of bids or proposals,
 - (d) violation of contract provisions, as set forth below, of a character which is regarded by the Director of Purchasing to be so serious as to justify debarment action:
 - (i) deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - (ii) a recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment;
 - (e) any other cause the Director of Purchasing and Risk Management determines to be so serious and compelling as to affect responsibility as a contractor, including debarment by another governmental entity for any cause listed in regulations; and
- (3) *Decision.* The Director of Purchasing and Risk Management, in consultation with the College Attorney, shall issue a written decision to debar or suspend. The decision shall:
 - (a) state the reasons for the action taken; and
 - (b) inform the debarred or suspended person involved of its rights review.

- (4) *Notice of Decision.* A copy of the decision shall be mailed or otherwise furnished immediately to the debarred or suspended person and any other party intervening.
- (5) *Finality of Decision.* A decision of this Section shall be final and conclusive, unless fraudulent, or
 - (a) the debarred or suspended person commences an action in court; or
 - (b) the debarred or suspended person appeals.

3. Authority to Resolve Contract and Breach of Contract Controversies.

- (1) *Applicability.* This Section applies to controversies between the College and a contractor and which arise under, or by virtue of, a contract between them. This includes without limitation controversies based upon breach of contract, mistake, misrepresentation, or other cause for contract modification or rescission.
- (2) *Authority.* The Director of Purchasing and Risk Management or a designee, prior to commencement of an action in a court concerning the controversy, is authorized to settle and resolve a controversy in consultation with the College Attorney. The settlement is subject to approval by the Board of Trustees.

G. INTERGOVERNMENTAL RELATIONS

1. Sale, Acquisition, or Use of Supplies by a Public Procurement Unit.

Any Public Procurement Unit may sell to, acquire from, or use any supplies belonging to another Public Procurement Unit.

2. Cooperative Use of Supplies or Services.

Any Public Procurement Unit may enter into an agreement with any other Public Procurement Unit for the cooperative use of supplies or services under the terms agreed upon between the parties.

Any Public Procurement Unit may enter into agreements for the common use or lease of warehousing facilities, capital equipment, and other facilities with another Public Procurement Unit under the terms agreed upon between the parties.

COMMENTARY:

Jurisdictions are increasingly joining together through cooperative purchasing arrangements to acquire common goods from single vendors. One practical effect of the success of such arrangements is that the number of public entities seeking to participate in a particular Cooperative Purchasing arrangement increases after the vendor is awarded a contract by the awarding Public Procurement Unit. The vendor may have calculated its price on the basis of a specific or reasonable "guess" of the number of transactions and the volume of goods to be sold. To ensure fairness to vendors and to protect the viability of cooperative purchasing arrangements, awarding jurisdictions should give vendors the option to accept or reject purchase orders from purchasing entities not identified during the competition. Conversely, to maximize economies of scale, jurisdictions are encouraged to identify as many participants in a particular cooperative purchase at the outset.

WILLIAM RAINEY HARPER COLLEGE

BOARD INFORMATION

I. SUBJECT

Faculty Mid-Year Tenure Status Report

II. REASON FOR CONSIDERATION

Article III.M.2 of the 2002-2006 Agreement with the faculty requires that the College President notify all faculty "who shall enter upon tenure at the onset of the subsequent academic year."

III. BACKGROUND INFORMATION

Since 1980, resulting from a change in the Community College Act, Board of Trustee action is required only for the denial of tenure. The administration informs the Board of the tenure status of all probationary faculty after review by the Faculty Tenure Committee and the administrative staff.

Following are the names of faculty hired mid-year who are currently non-tenured and the academic year each would be first eligible for tenure.

FIRST YEAR EMPLOYED (MID-YEAR)

**FIRST YEAR ELIGIBLE
FOR TENURE (MID YEAR)**

2002-2003

2005-2006

Jo Ann Smith *mid-year - Computer Information Systems (BUSSS)*

Joyce Farrell *mid-year - Computer Information Systems (BUSSS)*

Sam Giordano *mid-year - Fire Science (TMPS)*

2004-2005

2007-2008

Roger House *mid-year - Chemistry (TMPS)*

Veronica Mormino *mid-year - Geography (BUSSS)*

WILLIAM RAINEY HARPER COLLEGE
Preliminary Schedule of Investments
As of August 31, 2004

Exhibit IX-B.1
September 28, 2004

	<u>Outstanding Investments</u>	<u>Earned To Date</u>
EDUCATION FUND	\$ 20,684,809	75,288
OPERATIONS, & MAINT. FUND	7,608,433	27,066
OPERATIONS, & MAINT. FUND (Restricted)	3,096,235	11,247
BOND & INTEREST	4,215,906	14,226
AUXILIARY ENTERPRISES	344,706	3,296
RESTRICTED FUNDS	8,607,349	24,617
WORKING CASH FUND	12,549,456	43,311
AUDIT FUND	139,521	564
LIABILITY, PROTECTION & SETTLEMENT	<u>325,219</u>	<u>2,501</u>
Total	<u>\$ 57,571,634</u>	<u>202,115</u>

WILLIAM RAINEY HARPER COLLEGE
Schedule of Investments
As of August 31, 2004

Exhibit IX-B.1
September 28, 2004

<u>Depository or Instrument</u>	<u>Date Purchased</u>	<u>Date of Maturity</u>	<u>Term (Days)</u>	<u>Rate (%)</u>	<u>Earnings to Maturity</u>	<u>Principal Invested @ 8/31/2004</u>	<u>Market Value</u>
Certificates of Deposits							
PMA/Discover Bank	01/17/03	09/04/03	230	1.40	13,271.54	1,500,000.00	
PMA/MBNA America NA	09/21/01	09/11/03	720	3.81	75,648.93	1,000,000.00	
Northern Trust	09/14/01	09/12/03	728	3.90	323,022.32	4,000,000.00	
PMA/Discover Bank	01/17/03	09/18/03	244	1.40	14,075.91	1,500,000.00	
PMA/MBNA America NA	04/01/03	09/29/03	181	1.29	12,823.37	2,000,000.00	
Harris Bank	10/01/01	10/01/03	730	3.70	230,052.66	3,000,000.00	
Harris Bank	10/03/01	10/03/03	730	3.65	302,445.43	4,000,000.00	
PMA/Pullman Bank	01/17/03	10/16/03	272	1.40	15,707.02	1,500,000.00	
Northern Trust	03/06/03	10/30/03	238	1.22	11,974.18	1,500,000.00	
LaSalle Bank	03/11/02	11/14/03	613	3.30	84,287.50	1,500,000.00	
LaSalle Bank	03/11/02	11/26/03	625	3.30	85,937.50	1,500,000.00	
PMA/Bank of Nashville	03/03/03	11/28/03	270	1.35	20,023.81	2,000,000.00	
PMA/Discover Bank	02/26/03	11/28/03	275	1.34	60,733.40	6,000,000.00	
PMA/Discover Bank	03/06/03	12/11/03	280	1.25	14,423.47	1,500,000.00	
PMA/Discover Bank	03/12/03	12/26/03	289	1.15	13,697.88	1,500,000.00	
PMA/Discover Bank	03/12/03	01/08/04	302	1.15	14,316.57	1,500,000.00	
PMA/Discover Bank	03/12/03	01/22/04	316	1.15	14,984.71	1,500,000.00	
PMA/Discover Bank	03/12/03	02/05/04	330	1.15	15,655.27	1,500,000.00	
PMA/Independent Bankers' Bank	08/20/02	02/11/04	540	2.55	56,790.74	1,500,000.00	
PMA/Associated Bank Illinois	05/01/03	02/19/04	294	1.54	18,662.34	1,500,000.00	
PMA/Associated Bank Illinois	05/01/03	03/04/04	308	1.50	19,555.63	1,500,000.00	
PMA/F&M Bank & Trust	05/22/03	03/18/04	301	1.20	14,843.83	1,500,000.00	
PMA/Mercantile Bank of W Michigan	07/24/03	03/18/04	238	1.10	14,377.72	2,000,000.00	
PMA/Heritage Bank of Central Illinois	08/22/03	04/15/04	237	1.30	12,702.41	1,500,000.00	
PMA/American Business Bank	06/30/03	06/29/04	365	1.22	21,983.71	1,800,000.00	
Harris Bank	08/22/03	08/19/04	363	1.29	19,322.27	1,500,000.00	
		Weighted Average: 2.02				51,300,000.00	51,300,000.00 *
Government Securities							
PMA/Federal Farm Credit Bank Note	10/01/01	10/01/03	720	3.05	124,514.32	1,995,000.00	
		Weighted Average: 3.05				1,995,000.00	2,005,008.09 **
Illinois Funds		Monthly Average		0.88		4,276,634.37	4,276,634.37
TOTALS AS OF:	8/31/2004					\$ 57,571,634.37	57,581,642.46

*Market value not available

** Current market value shows gains or losses depending on the current interest rates and the rates when the securities were purchased. The gains or losses can only occur if the securities are sold before their maturity dates.

WILLIAM RAINEY HARPER COLLEGE
FY2004/2005 BUDGET AND EXPENDITURES
August 31, 2004

Sept. 28, 2004
 Exhibit IX-B.1

OPERATIONS AND MAINTENANCE FUND

DIVISION	BUDGET	EXPENDITURES YEAR TO DATE	FUTURE COMMITMENTS	% PAID OR COMMITTED	UNCOMMITTED BALANCE
Institutional					
Admin Services	2,766,179.00	373,601.09	336,920.55	25.69%	2,055,657.36
Sub-Total	\$2,766,179.00	\$373,601.09	\$336,920.55	25.69%	2,055,657.36
VP Admin Services					
Construc/Spec Proj	95,356.00	13,649.17	71,809.32	89.62%	9,897.51
Physical Plant	9,804,302.00	1,088,679.90	4,287,041.42	54.83%	4,428,580.68
Sub-Total	\$9,899,658.00	\$1,102,329.07	\$4,358,850.74	55.17%	4,438,478.19
VP Info Technology					
Info Technology	1,355,188.00	145,843.97	610,029.25	55.78%	599,314.78
Sub-Total	\$1,355,188.00	\$145,843.97	\$610,029.25	55.78%	599,314.78
Grand Total:	\$14,021,025.00	\$1,621,774.13	\$5,305,800.54	49.41%	7,093,450.33

WILLIAM RAINEY HARPER COLLEGE

BOARD INFORMATION

I. SUBJECT

Board Committee and Liaison Reports

II. REASON FOR CONSIDERATION

Reports from liaison officers are provided as part of the Consent Agenda.

III. INFORMATION

- Kris Howard - Foundation Report
- Richard Gillette - ICCTA Report

HARPER COLLEGE EDUCATIONAL FOUNDATION

Liaison Report to the Harper College Board of Trustees September 28, 2004

The Harper College Educational Foundation Board of Directors held its quarterly meeting on September 14, 2004. Key items on the agenda were:

1. Approval of a newly created Policy Manual.
2. Approval of a new Board recruitment process.
3. Receipt of the first draft of a comprehensive revision of the Foundation Bylaws developed in accordance with Sarbanes-Oxley implications and best practices.

These reflect a strong effort by the Foundation Board to reorganize for greater Board member participation and intensified fundraising capability.

The Board also received a management letter from McGladrey & Pullen which accompanied an unqualified, clean audit . It commended the Foundation for recording pledges receivable at June 30, 2004 net of a discount for the present value of pledge amounts to be collected in the future. The Foundation's pledge balance has increased due to significant individual pledges which will be collected over time. The letter also commended the Foundation for its decision to capitalize the Harper art collection, which is now valued at an appraised value of over 1.1 million.

President Breuder presented a proposal for possible Foundation financial support for a pilot Baccalaureate degree program, if one is authorized.

In the core area of fundraising, the Board received reports which documented activities since May :

1. Completion of the Foundation's beautiful "Case for Support" publication.
2. Final result of the Golf Outing was \$75,100, net of expenses.
3. 24 proposals for funding were completed and submitted.
4. Three new scholarships were received, two of which are endowments.
5. \$110,000 was raised to support the Avanté opening events.
6. The new Stackhouse piece, "Chicago Structure," was installed.
7. \$55,000 in scholarships was provided for the beginning of the fall semester.
8. The annual Charitable Estate Planning Seminar for Professional Advisors was planned to be held October 15 in collaboration with the Northwest Community Healthcare Foundation.
9. The Jeremy Rifkin Lecture and Reception was scheduled for September 30.

On behalf of the Board of Trustees, I presented a brief written liaison report (copy attached) and thanked the Foundation Board members and staff for their ongoing and increased support for Harper College.

Kris Howard

HARPER COLLEGE FOUNDATION

Harper College Board of Trustees Liaison Report to the Foundation September, 2004

Within the past four months, the Harper College Board of Trustees has dealt with substantive business, briefly summarized as follows:

- Received the resignation of Trustee Barbara Barton, who has moved out of district, and appointed David Hill to fill the vacancy until the election in April, 2005. We are delighted to have someone with David's business experience, community connections and great integrity serving as a Harper College Trustee.
- Received and approved the College Strategic Long Range Plan, 2004-2007. This is the basic planning document for the College, which is annually extended out an additional year. The Board also received the accompanying annual plan and budget for 2004-2005 and the Institutional Outcomes Report for 2003-2004. Under Dr. Breuder's leadership the College has developed a sophisticated, comprehensive planning process which enables the College to forecast and meet the changing needs of students and the community. It also assures accountability as faculty, administration and other employees strive to meet established and measurable goals. These documents are available, and I encourage Foundation Board members to review them. This will increase both your knowledge about the College and your appreciation for the breadth of its services and its excellent management.
- Approved the 2004-2005 legal operating budget in the amount of \$60,461,503. This compares with a 2003-2004 budget of \$57,313,203, an increase of 5.49%. This increase reflects inflation, across-the-board salary increases of 5.4%, a projected 3% increase in credit enrollment and a 2% increase in non-credit enrollment. The fact that it is a balanced budget, despite revenue shortfalls from the State of Illinois and PTAB refunds, is the result of hard decisions and precise figuring by all those at Harper who manage budgets.

Cutbacks by the State of Illinois and PTAB refunds have cost Harper over \$8 million in revenue over the past three years. The State is now providing only 8% of the college budget. In 1982 it provided 38% of Harper's budget and the amount of funding has gone progressively down since then. Unfortunately there is little relief in sight. Local politicians are reluctant to address the PTAB and tax cap issues and their devastating effects on education at all levels. It is the Board's expectation that State funding will continue to decrease due to the continuing budget problems in Springfield.

- Received an update on the progress toward implementing a new ERP system. Defining current and projected specific needs and functions for every area of the College, and determining how best to integrate them, has required long hours of analysis by many staff members, assisted by an outside consultant. The Board was impressed by the careful planning being done preceding our major investment in a system so integral to efficient communications and operations.
- The opening of Avanté, our huge new science, health careers and emerging technologies classroom building is a cause for great celebration. Not only is the Board of Trustees impressed and thankful that this large and technically complex building came in on time and under budget, but we are gratified by the enthusiasm with which it has been received by students, faculty and the general public. It will provide outstanding educational opportunities far into the future.
- While on the subject of the College's business, education, I would like to point out that in 2004 the College developed three new degrees, nine new certificates and 66 new courses. Some others were deleted due to reduced need or interest and 146 courses were modified. One of the strengths of community colleges is their ability to respond quickly to changing educational needs.
- The Board of Trustees has also given clear direction that the College must respond proactively to the changing diversity of our community. In 2004 we were pleased to learn that Harper received the Illinois Council of Community College Administrators Innovation Award for our Center for Multicultural Learning, which achieved a 46% increase in direct services to students. Harper is also infusing multicultural learning across the curriculum through the Faculty Fellows Program which trains three faculty members each year in ways to incorporate multiculturalism in their classrooms. We are also seeking increased diversity in our faculty and other employees.
- As a commuter college, Harper has recognized the importance of creating opportunities for students to be involved on campus. We have many student organizations and a strong student government. This is recognized at the state level. In 2004, Harper received the Illinois Community College Student Activities Student Government Merit Award for the sixth consecutive year.

I could go on, but I believe this synopsis reflects the pride which the Board of Trustees feels in Harper College. As in any large institution, there are differences of opinion on specific issues and unexpected problems arise, but,

overall, Harper is an outstanding Community College. The Board of Trustees wants you to know how much we value your efforts and the increased funding which the Foundation provides for student scholarships, faculty opportunities, and facility enhancement. Thank you!

One final note: As you know, the Harper College Trustees are elected public officials. At the next election in April, 2005, there will be three seats open on the seven-member Board of Trustees. One will be for a partial term, for which David Hill plans to run. Two six-year seats will be open, since neither Dick Kolze nor I plan to run again. It is extremely important that we have highly qualified candidates for these two seats; individuals who are not motivated by personal or political agendas, but rather have Harper's best interests at heart. Please give thought to individuals who could bring good experience, good judgment and high integrity to service on the Harper Board of Trustees, and who would devote the time which it requires. Please feel free to call me with any questions. The filing deadlines are as follows:

- | | |
|-------------------|---|
| October 27, 2004: | First day to circulate nominating petitions (these are available at Harper in Judy Thorson's office). |
| January 17 – 25: | Filing period for petitions. |
| April 5, 2005: | Consolidated election |

Kris Howard
Harper College Trustee

WILLIAM RAINEY HARPER COLLEGE

BOARD INFORMATION

I. SUBJECT

Grants and gifts status report.

II. REASON FOR CONSIDERATION

The Board is provided with a monthly update of grants and gifts.

III. BACKGROUND INFORMATION

The attachment reports the current status of operational public and private grants to the College, and status of cash donations and in-kind gifts to the Educational Foundation.

HARPER COLLEGE
Listing of
GRANT PROGRAMS
July 1, 2004 – June 30, 2005

NOTE: CHANGES ARE IN BOLD

Reported: September 28, 2004

GRANT NAME DIVISION/DEPARTMENT MANAGER	BRIEF DESCRIPTION	FUNDING SOURCE AWARD AMOUNT	DATES STARTS-ENDS
<u>EXTENDED</u> ACHA Building Healthy Campus Community Project Health Wellness D. Evans	Cultural competency demonstration site	ACHA/CDC \$12,200	09/01/01 04/30/05
<u>CONTINUATION</u> Northern Illinois Regional Consortium ETIP GRANT Corporate Services C. McClement	Awarded through Employer Training Investment Program (ETIP) Small/Mid-sized Company component, grant is to be used to upgrade skills of workers. (Received additional funds - \$22,738)	DCEO \$212,578	07/01/03 12/31/04
<u>NEW</u> Academic Success Programming for Underrepresented Minority Students Center for Multicultural Learning L. LaBauve-Maher	To ensure that undergraduate students have access to programming and support that will better ensure their academic successes.	HECA \$45,500	08/26/04 08/31/05
<u>NEW</u> Nontraditional Scholarship Grant Career Programs J. Hennig	Tuition assistance to students entering non- traditional occupations.	ICCB \$6,250	07/01/04 06/30/05
<u>RENEWAL</u> Business/Industry Workforce Preparation Corporation Services L. Danaher	State Allocation Grant to provide local economic development in workforce training.	ICCB \$90,202	07/01/04 06/30/05
<u>RENEWAL</u> P-16 Initiative Career Programs J. Hennig	State Allocation Grant to pay for tuition for high school students taking college credit.	ICCB \$75,682	07/01/04 06/30/05
<u>RENEWAL</u> Perkins III Career Programs J. Hennig	Career and Technical education	ICCB \$303,004	07/01/04 06/30/05

<u>RENEWAL</u> Program Improvement Grant Career Programs J. Hennig	Supports improvement in career and technical educational programs.	ICCB \$31,566	07/01/04 06/30/05
<u>CONTINUATION</u> ICCB Adult Education Leadership Grant AE/LS D. Corr	Improve instruction, develop effective and appropriate curriculum, improve professional dev., and disseminate innovative practices that lead to improvement of instruction in local Adult Education and Family Literacy programs in Illinois.	ICCB \$48,145	11/01/03 10/31/04
<u>NEW</u> Paraprofessional Test Prep Course Continuing Education R. Mills/N. Nerstrom	To assist paraprofessionals in reviewing basic skills in reading, writing, and mathematics; learning test taking strategies geared toward standardized tests.	ICCB \$13,200	07/01/04 06/30/05
<u>CONTINUATION</u> Lighting Upgrade Project Physical Plant J. Ma	Improve building energy efficiency for Bldgs. A., C and L, and reduce the operating costs for the College.	ICECF \$35,539	11/01/03 10/31/04
<u>RENEWAL</u> Disabled Student Project Access & Disability Services T. Thompson	To provide services to students with disabilities.	IDHS \$134,754	07/01/04 06/30/05
<u>RENEWAL</u> Displaced Homemakers Women's Program K. Canfield	Career, educational and personal support for Women's Program participants.	IDOL \$58,410	07/01/04 06/30/05
<u>CONTINUATION</u> Scholarships for Success TMPS/Marketing Services S. Griffith/D. Loprieno	Scholarship assistance to support Math, Science, Engineering & Computer Science students.	NSF \$39,926	07/01/04 06/30/05
<u>RENEWAL</u> Midwest Center of Post-Secondary Outreach Access & Disability Services T. Thompson/D. Kavin	Provides technical assistance to A & D Service Programs	USDE/St. Paul Technical \$77,500	07/01/04 06/30/05
<u>RENEWAL</u> Midwest Center of Post-Secondary Outreach Access & Disability Services T. Thompson/D. Kavin	Provides technical assistance to A & D Service Programs	USDE/St. Paul Technical \$42,000	07/01/04 06/30/05
<u>CONTINUATION</u> COPS Public Safety M. Alsup	Universal Hiring Program Hire 3 full time officers (Full grant is \$225,000 spread over three years – 08/01/02 – 07/31/05)	USDJ \$88,740 (\$42,043 per officer x 3)	07/01/04 06/30/05

Total as of September 28, 2004

\$1,315,196

***NOTE: Several grants still not approved/pending. Waiting for State notification for FY05.**

DESCRIPTION OF ABBREVIATIONS

ACHA	American College Health Association
AE/LS	Academic Enrichment and Language Studies
COPS	Community Oriented Policing Services
DCEO	Department of Commerce & Economic Opportunity
HECA	Higher Education Cooperation Act
ICCB	Illinois Community College Board
ICECF	Illinois Clean Energy Community Foundation
IDHS	Illinois Department of Human Services
IDOL	Illinois Department of Labor
NSF	National Science Foundation
TMPS	Technology, Math & Physical Science
USDE	United States Department of Education
USDJ	United States Department of Justice

Harper College Educational Foundation August Fundraising Report FY05

Description	No. Gifts	Cash	Pledges/Stocks	In-Kind Gifts	Other	Total
Harper Symphony Orchestra	1	\$100.00	\$0.00	\$0.00	\$0.00	\$100.00
Harper Quest Celebration Events Memorial	13	\$5,167.33	\$10,250.00	\$0.00	\$0.00	\$15,417.33
Margaret Scott Scholarship Proposal	9	\$390.00	\$0.00	\$0.00	\$0.00	\$390.00
Resources for Excellence Employee Campaign FY04	60	\$1,708.22	\$0.00	\$0.00	\$0.00	\$1,708.22
Scholarship Stewardship Reports	2	\$1,500.00	\$2,000.00	\$0.00	\$0.00	\$3,500.00
Unsolicited	6	\$35.00	\$0.00	\$0.00	\$0.00	\$35.00
	1	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00
	1	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00
Grand Totals:	93	\$9,900.55	\$12,250.00	\$0.00	\$0.00	\$22,150.55

**Harper College Educational Foundation
Year to Date Fundraising Report (as of 8/31/2004)**

Description	No. Gifts	Cash	Pledges/Stocks	In-Kind Gifts	Other	Total
Golf Open 2004	1	\$100.00	\$0.00	\$0.00	\$0.00	\$100.00
Harper Symphony Orchestra	1	\$100.00	\$0.00	\$0.00	\$0.00	\$100.00
Harper Quest Celebration Events Memorial	21	\$5,167.33	\$75,750.00	\$22,000.00	\$0.00	\$102,917.33
Margaret Scott Scholarship	16	\$3,465.00	\$500.00	\$0.00	\$0.00	\$3,965.00
Pacesetter Campaign FY04	60	\$1,708.22	\$0.00	\$0.00	\$0.00	\$1,708.22
Personal Solicitation	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Proposal	2	\$1,000.00	\$3,000.00	\$0.00	\$0.00	\$4,000.00
Pacesetter Campaign FY05	3	\$6,500.00	\$2,000.00	\$0.00	\$0.00	\$8,500.00
Resources for Excellence Employee Campaign FY04	1	\$72.70	\$0.00	\$0.00	\$0.00	\$72.70
Scholarship Stewardship Reports	12	\$95.00	\$0.00	\$0.00	\$0.00	\$95.00
Stewardship	1	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00
Unsolicited	1	\$25.00	\$0.00	\$0.00	\$0.00	\$25.00
Unsolicited	2	\$600.00	\$0.00	\$0.00	\$0.00	\$600.00
Grand Totals:	122	\$19,333.25	\$81,250.00	\$22,000.00	\$0.00	\$122,583.25

WILLIAM RAINEY HARPER COLLEGE

BOARD ACTION

I. SUBJECT

Resolution designating a person or persons to prepare a tentative budget for 2005-2006.

II. REASON FOR CONSIDERATION

The Illinois Public Community College Act requires that a person or persons be designated by the Board of Trustees to prepare a budget in tentative form.

III. RECOMMENDATION

The administration recommends that the Board of Trustees adopt the following resolution:

RESOLUTION DESIGNATING A PERSON OR PERSONS
TO PREPARE TENTATIVE BUDGET

BE IT RESOLVED by the Board of Trustees of Community College District No. 512, in the Counties of Cook, Kane, Lake and McHenry, State of Illinois, that Robert L. Breuder and Judith A. Thorson be and are hereby appointed to prepare a tentative budget for said College district for the fiscal year beginning July 1, 2005 and ending June 30, 2006, which tentative budget shall be filed with the Secretary of this Board and notice of public inspection shall be timely published in accordance with the law.

WILLIAM RAINEY HARPER COLLEGE

BOARD ACTION

I. SUBJECT

College Protection, Health and Safety: Energy Conservation, Environmental Protection and Handicapped Accessibility Projects.

II. REASON FOR CONSIDERATION

Prior to adopting the 2004 Tax Levy, Harper College is required to submit to the Illinois Community College Board for approval the 2004 Life Safety projects which will be included in the 2004 Tax Levy. After the Illinois Community College Board reviews the requested Life Safety projects, and if the projects qualify and meet their approval requirements, they will provide the certification documents necessary for the tax levy process.

III. BACKGROUND INFORMATION

House Bill 1587 was signed by Governor Thompson in September 1984. This bill, which is now part of Section 3-20.3.01 of the Illinois Public Community College Act, provides a process for Community College districts to levy a tax or issue bonds for the purpose of altering or repairing their facilities for protection, health or safety, energy conservation, handicapped accessibility, and/or environmental protection reasons.

The following three (3) projects are being recommended for 2004 Life Safety Tax Levy funding that will be **Re-levied** for Tax Year 2004 because actual extension in Tax Year 2003 was not adequate to cover these projects.

Proposed Work Item	Estimated Project Cost
Walking Bridge and ADA Sidewalk Access to Tennis Court and Ball Fields – FY-2004	\$91,400
Total Project Cost	\$ 91,400

New Projects for Tax Year 2004 will be:

Proposed Work Item	Estimated Project Cost
Fire Alarm Replacement – Phase II -2004	\$400,000
Campus Wide Asbestos Replacement Abatement – Phase II - 2004	\$300,000
Total Project Cost	\$700,000

Combined Total 2004 Levy **\$791,000**

IV. RECOMMENDATION

The administration recommends that the Board of Trustees adopt the attached resolution for approval of the above projects to alter and repair facilities pursuant to Section 3-20.3.01 of the Illinois Community College Act.

The administration further recommends that the Board of Trustees approve the employment of Legat Architects to provide the architectural services specified for the 2004 Life Safety repair and renovation project listed above.

RESOLUTION FOR APPROVAL BY THE BOARD OF TRUSTEES OF
PROJECTS TO ALTER AND REPAIR FACILITIES PURSUANT TO
SECTION 3-20.3.01 OF THE ILLINOIS PUBLIC COMMUNITY COLLEGE ACT

WHEREAS, there is need for the alteration and repair of certain of the facilities of William Rainey Harper College, Community College District No. 512, Counties of Cook, Kane, Lake and McHenry; and

WHEREAS, Section 3-20.3.01 of the Illinois Public Community College Act authorizes the Board of Trustees, by proper resolution which specifically identifies the projects to levy a tax to pay for such alterations or repairs upon the equalized assessed value of all the taxable property of the district at a rate not to exceed .05 percent per year for a period sufficient to finance such alterations or repairs; and

WHEREAS, Section 3-20.3.01 of the Illinois Public Community College Act provides that any Board authorized to levy the aforesaid tax may also, or in the alternative by proper resolution, borrow money for such specifically identified purposes, not to exceed FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$4,500,000.00) in the aggregate at any one time, and as evidence of such indebtedness may issue bonds without referendum, said bonds to mature within twenty (20) years and to bear interest at such rate(s) as is authorized by applicable Illinois law; and

WHEREAS, the Board of Trustees may adopt the aforesaid Resolution(s) to levy a tax or to issue bonds in the authorized amount only on the condition that the Board: (a) makes a determination that there are not sufficient funds in the Operations and Maintenance Fund of the District to permanently pay for such alterations or repairs; (b) secures from a licensed architect or engineer a certified estimate of the amount, not less than TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00), that is necessary to make such alterations or repairs; and (c) secures from the Executive Director of the Illinois Community College Board approval of said project(s) and estimate(s); and

WHEREAS, Section 3-20.3.01 of the Illinois Public Community College Act provides that the county clerks shall extend such tax: (a) on the filing by the Board of Trustees of a certified copy of a Resolution levying said tax; or (b) on the filing by the Board of Trustees of a certified copy of a Resolution fixing the amount of bonds authorized, the date, maturities and interest thereon, provide for the levy and collection of a direct annual tax upon all the taxable property of the District sufficient to pay the principal and interest on such bonds to maturity;

NOW, THEREFORE, be it resolved by the Board of Trustees of William Rainey Harper College, Community College District No. 512, Counties of Cook, Kane, Lake and McHenry, as follows:

Section 1: That the Board of Trustees has determined and identified the projects for alteration and repair. Section 3-20.3.01 of the Illinois Public Community College Act provides that the alteration and repair of facilities of William Rainey Harper College, Community College District No. 512, listed below as necessary for energy conservation, health or safety, environmental protection or handicapped accessibility and has tentatively estimated costs of said projects as follows:

The following three (3) projects are being recommended for 2004 Life Safety Tax Levy funding that will be **Re-levied** for Tax Year 2004.

Proposed Work Item	Estimated Project Cost
Walking Bridge and ADA Sidewalk Access to Tennis Court and Ball Fields – FY-2004	\$91,400
Total Project Cost	\$ 91,400

New Projects for Tax Year 2004 will be:

Proposed Work Item	Estimated Project Cost
Fire Alarm Replacement – Phase II -2004	\$400,000
Campus Wide Asbestos Replacement Abatement – Phase II - 2004	\$300,000
Total Project Cost	\$700,000

Combined Total 2004 Levy

\$791,400

Section 2: That the Board of Trustees has determined that there are not sufficient funds available in the Operations and Maintenance Fund of the District to permanently pay for the alterations and repairs identified in Section 1 above.

Section 3: That the Board of Trustees has secured from a licensed architect a certified estimate of the costs of completion of the alterations and repairs required for the projects identified in Section 1 above.

Section 4: That the Board of Trustees shall forward the certified estimates of the costs of completion of the alterations and repairs required for the projects identified in Section 1 above to the Executive Director of the Illinois Community College Board for approval.

Passed and approved the 28th day of September 2004.

APPROVED:

Chairman
Board of Trustees
William Rainey Harper College
Community College District No. 512
Counties of Cook, Kane, Lake and
McHenry

ATTEST:

Secretary
Board of Trustees
William Rainey Harper College
Community College District No. 512
Counties of Cook, Kane, Lake and McHenry

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS

RESOLUTION CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Trustees of William Rainey Harper College, Community College District No. 512, Counties of Cook, Kane, Lake and McHenry and State of Illinois, and as such official I do further certify that attached hereto is a true, correct and complete copy of the Resolution for approval of Projects to Alter and Repair Facilities Pursuant to Section 3-20.3.01 of the Illinois Public Community College Act which was adopted by the Board of Trustees on the 28th day of September, 2004.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 28th day of September, 2004.

Secretary, Board of Trustees

WILLIAM RAINEY HARPER COLLEGE

BOARD ACTION

I. SUBJECT

Designation of Election Official for the April 5, 2005 Consolidated Election.

II. REASON FOR CONSIDERATION

Approval of this resolution by the Board of Trustees is necessary to establish the procedures to be followed in the conduct of the April 5, 2005 Election.

III. BACKGROUND INFORMATION

College legal counsel has reviewed this resolution and made appropriate changes to conform to new laws regarding Trustee Elections.

IV. RECOMMENDATION

The administration recommends that the Board of Trustees approve the attached resolution regarding the notice related to the filing of nomination petitions for Board candidacy.

EXHIBIT A

BOARD OF TRUSTEES OF WILLIAM RAINEY HARPER COLLEGE COMMUNITY COLLEGE DISTRICT NO. 512 COUNTIES OF COOK, KANE, LAKE AND McHENRY

NOTICE OF TIME AND PLACE FOR FILING NOMINATING PETITIONS

PLEASE TAKE NOTICE that petitions nominating candidates as Members of the Board of Trustees of William Rainey Harper College District No. 512, Counties of Cook, Kane, Lake and McHenry, Illinois, in the election to be held in such District on Tuesday **April 5, 2005**, must be received and filed with the Secretary of such Board, or her designated representative, between the hours of 9:00 a.m. and 5:30 p.m., in the offices of the V.P. Administrative Services of the College, Algonquin and Roselle Roads, Palatine, Illinois.

The first day for filing such nominating petitions is **January 17, 2005**, and the last day for such filing is **January 25, 2005**. The office will remain open for acceptance of petitions until 5:30 p.m. on the last day of filing.

Petitions filed with any other person other than the Secretary or his designated representatives are invalid. The Secretary has designated Ms. Judith A. Thorson, V.P. Administrative Services, as his representative for the purposes of receiving and filing nominating petitions. Ms. Thorson's office at the College is in the Wojcik Conference Center, Room W350, Algonquin and Roselle Roads, Palatine, Illinois.

Nominating papers are not valid unless the candidate named therein files with the Secretary of the Board a receipt from the County Clerk showing that the candidate has filed a Statement of Economic Interests, as required by the Illinois Governmental Ethics Act within the period for filing nominating petitions or within the same calendar year in which such nominating papers were filed. Such receipt shall be filed not later than the last day on which nominating petitions may be filed.

Forms for Nominating Petitions and Statements of Candidacy may be obtained from the office of the V.P. Administrative Services.

The procedure to be used by the Secretary (or her designated representative) for the receipt and filing of nominating petitions and accompanying documents shall be made available to any citizen upon request.

DATED at Palatine, Illinois, this **28th day of September, 2004**

Secretary, Board of Trustees
William Rainey Harper College
Community College District No. 512

**RESOLUTION ESTABLISHING PROCEDURE FOR ACCEPTING AND
CERTIFYING NOMINATING PETITIONS FOR THE ELECTION
FOR MEMBERS OF THE BOARD OF TRUSTEES
TO BE HELD ON TUESDAY, APRIL 5, 2005**

WHEREAS, pursuant to the terms of Section 3-7 of The Public College Act (110 ILCS 805/3-7), an election is to be held in William Rainey Harper College District No. 512, Cook, Kane, Lake and McHenry Counties, State of Illinois, for the election of three members for three six-year terms to such Board; and

WHEREAS, Section 5/10-6 of the Election Code and 805/3-7.10 of the Public Community College Act (110 ILCS 805/3-7.10) provide that nominating petitions, statements of candidacy and receipts evidencing the filing of economic interests statements are to be filed by candidates for such offices with the Secretary of the Board or his/her designated representative, not more than 78 nor less than 71 days prior to the Consolidated Election; and

WHEREAS, the Secretary of the Board may give notice setting forth the time and place for filing nominating petitions and accompanying documents, to be published at least once in a newspaper of general circulation within the District, not less than 10 days prior to the first day for filing nominations and accompanying documents; and

WHEREAS, it is deemed necessary by the Secretary of the Board that Judith A. Thorson, V.P. Administrative Services or her designee, act as his representative to receive and file nominating petitions.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of William Rainey Harper College District No. 512, Counties of Cook, Kane, Lake and McHenry, Illinois, as follows:

Section 1: The place for receiving and filing nominating petitions and accompanying documents for the election to be held on **Tuesday, April 5, 2005**, is hereby designated as the Office of the V.P. Administrative Services at 1200 W. Algonquin Road, Palatine, Illinois.

Section 2: Ms. Judith A. Thorson, V.P. Administrative Services, Community College District No. 512 or her designee as may be needed, is hereby designated as the assistant of the Secretary for the purpose of receiving and filing such nominating petitions and accompanying documents.

Section 3: The office of the V.P. Administrative Services will be open for the receiving and filing of nominating petitions and accompanying documents between 9:00 a.m. and 5:30 p.m., Mondays through Fridays, beginning on **January 17, 2005** and ending on **January 25, 2005**. (10 ILCS 5/10-6.2). The offices of the College will be closed on January 17, 2005 in observance of Martin Luther King Holiday. The office will remain open until 5:30 p.m. on **Tuesday, January 25, 2005**. (10 ILCS 5/1-4). Subsequent petitions shall be void. (10 ILCS 5/10-6.2).

Section 4: That for said election those persons selected by the County Board of Cook, Kane, Lake and McHenry Counties shall serve as judges of election in each election precinct, and they are hereby appointed to act as judges of election for said election.

Section 5: That said election shall be held and conducted and the returns thereof duly canvassed, all in the manner and the time as provided by law.

Section 6: That all resolutions and parts of resolutions in conflict herewith be, and the same are hereby, repealed, and this resolution shall be in full force and effect forthwith upon its passage.

APPROVED:

Chairman, Board of Trustees
William Rainey Harper College Community
College District No. 512
Counties of Cook, Kane, Lake and McHenry
State of Illinois

ATTEST:

Secretary, Board of Trustees

WILLIAM RAINEY HARPER COLLEGE

BOARD ACTION

I. SUBJECT

Second Reading of a modification to Section 11.11.13 on Tax Sheltered Annuities and Deferred Compensation Plan.

II. REASON FOR CONSIDERATION

Modifications to Board Policy require two readings before they are incorporated into the Board Policy Manual. The first reading for a modification to section 11.11.13 on Tax Sheltered Annuities and Deferred Compensation Plan took place at the Board Meeting of August 24, 2004.

III. BACKGROUND INFORMATION

In April 2002, the College instituted a 457(b) Plan for administrators as a prototype. Other employee groups have requested that this plan be expanded to cover their employees. The trial period is now complete and the plan is ready to be rolled out to all employee groups.

IV. RECOMMENDATION

The administration recommends that the Board of Trustees approve the modification to expand the 457(b) plan to cover all employee groups with the exception of students.

WILLIAM RAINEY HARPER COLLEGE

POLICY STATEMENT

Title: **Tax Sheltered Annuities and
Deferred Compensation Plan**

No. 11.11.13

Approved:

Revised:

11.11.13 Tax Sheltered Annuities and Deferred Compensation Plan –
Changed as of 4-25-02

Salary reductions for tax-sheltered annuities shall be available to all, except student employees.

~~An IRC Section 457(b) deferred compensation plan shall be available to Harper Administrators.~~

The plans are administered in accordance with IRC Section 403(b) and 457(b).

The College has no liability for any losses arising from depreciation or other decline in the value of any investments employees acquire under these plans.

WILLIAM RAINEY HARPER COLLEGE

BOARD ACTION

I. SUBJECT

Affiliation agreements between clinical agencies and Harper College are used for students in the Health Career Programs. The Affiliation Agreements between Harper College and *Rush University Medical Center* and *Biomedical Applications of Illinois, Inc., d/b/a FMC Rolling Meadows* are presented for Board review.

II. REASON FOR CONSIDERATION

An Affiliation Agreement is required between Harper College and affiliating agencies to provide for the clinical education of students in health career programs. In an effort to standardize and streamline the entire process related to developing affiliations with the many agencies in our service area the Harper Board approved a Master Affiliation Agreement in July 2003 to be used with all agencies. However, several affiliating agencies have initiated their own clinical affiliation agreement, *Rush University Medical Center Biomedical Applications of Illinois, Inc., d/b/a FMC Rolling Meadows*, whereby they require Board or appointed designee signature.

III. BACKGROUND INFORMATION

The facilities and educational opportunities available at *Rush University Medical Center* and *Biomedical Applications of Illinois, Inc., d/b/a FMC Rolling Meadows* are consistent with the clinical objectives of the Harper College Health Career Programs.

IV. RECOMMENDATION

The administration recommends that the Affiliation Agreements between Harper College and *Rush University Medical Center* and *Biomedical Applications of Illinois, Inc., d/b/a FMC Rolling Meadows* be approved as submitted and authorize the Dean of Life Science and Human Services to sign all of the above.