

WELCOME to the BOARD

A handbook
for new trustees

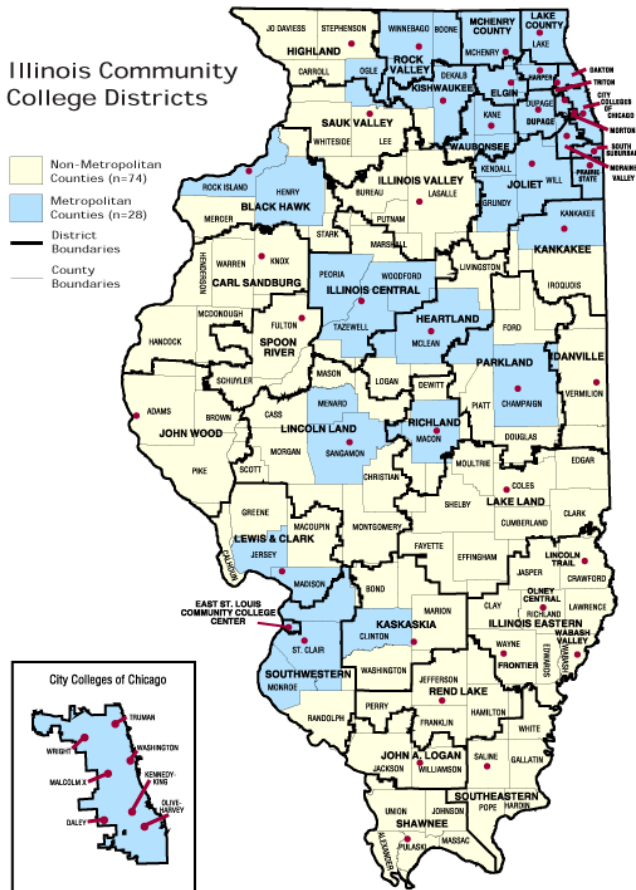
**ILLINOIS COMMUNITY COLLEGE
TRUSTEES ASSOCIATION**

401 E. Capitol Avenue, Suite 200
Springfield, Illinois 62701-1711
1-800-454-2282
217-528-8662 (fax)
iccta@communitycolleges.org
www.communitycolleges.org

2007 Edition

I C C T A
ILLINOIS COMMUNITY COLLEGE TRUSTEES ASSOCIATION

More facts and stats on Illinois community colleges



- America's oldest public community college was established in Joliet, Illinois, in 1901. Today there are 48 community colleges and 39 college districts in Illinois alone.
- Illinois community colleges serve nearly 1 million students each year.
- Earning an associate degree from an Illinois community college adds \$345,000 in lifetime earnings; taking just one course adds \$360 per year for life.
- Illinois students make 26.1% on their community college investment; Illinois taxpayers earn 13.8%.
- Tuition and fees averages \$2,100 a year at Illinois community colleges.
- The vast majority (92%) of community college students continue to live and work in Illinois after graduation; three out of four have stayed in the college district where they received their training.
- The "typical" Illinois community college student is female, white, 31 years old, enrolled part-time, and attending to improve her job skills or obtain new skills for a different career.
- Nearly two-thirds of all minorities in Illinois public higher education attend community colleges, and nearly 11,000 students with disabilities and 38,000 students with limited English proficiency are served each year.
- Nearly 92% of the state's recent community college occupational graduates (Class of 2003) are either working or pursuing additional education.
- One year after graduation, Illinois' community college occupational graduates averaged a full-time salary of \$32,178 in 2004.

- ISBE** **Illinois State Board of Education**
www.isbe.state.il.us
 A state agency, ISBE oversees all public elementary and secondary education in Illinois. Its functions are similar to those of IBHE.
- JEC** **Joint Education Committee**
 JEC is the state body that deals with issues faced by elementary and secondary schools, community colleges, and universities alike. Members are appointed by the Governor and represent the Illinois Community College Board, the Illinois Board of Higher Education, the Illinois State Board of Education, and the Workforce Investment Board.
- NEA** **National Education Association**
www.nea.org
 NEA is an independent union of teachers. Its Illinois branch is IEA.
- OMB** **Office of Management and Budget**
www.state.il.us/budget
 An agency within the state's executive branch, it oversees preparation of the state budget and has some say in the approval of capital projects.
- PC** **The Illinois Presidents' Council**
 The Presidents' Council is a voluntary organization of community college presidents and chancellors that works closely with ICCTA. It also serves as an advisory committee to ICCB.
- SURS** **State Universities Retirement System**
www.surs.org
 SURS is the state agency that manages the retirement fund for all employees of public higher educational institutions in Illinois, including community colleges.

Welcome

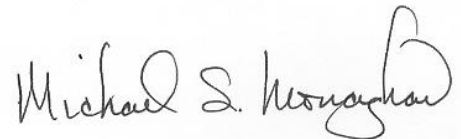
This booklet discusses some of your responsibilities as a member of a public community college board of trustees. We hope you find it informative.

As a newly elected or appointed trustee, you are embarking on an exciting undertaking that will make you a part of the life of your community college, and your community college very much a part of your life.

Governance of your college will involve you in an institution that can improve the lives of the people of your community for decades. It is an important trust. You are to be commended for your willingness to donate your time for the good of your fellow citizens.

The new trustee faces a challenging period of orientation to the board, the college and the art of trusteeship. As you become familiar with community college matters, you will learn that the Trustees Association supports you and exists, in part, to help you be the best trustee you can be.

We look forward to a long and mutually beneficial relationship between you and the Illinois Community College Trustees Association.



Michael S. Monaghan
 Executive Director

“A public office is a public trust”

The maxim quoted above is still true and underscores the title of the office that you now hold. You are an official who oversees the resources, property and future of a local community college in trust for the citizens of your district.

Your job as a trustee pays nothing, and your only reimbursement will be for legitimate expenses incurred as part of college business. But in a larger sense, you will garner enormous dividends from your service to the college. As a trustee, you will have the opportunity to work with a broad range of people and will be called upon to deal with a host of problems and challenges. As a trustee of a learning institution, you will learn along with the students.

Some history

The community college sector is still viewed by many as “the new kid on the block.” Compared to schools like the University of Illinois, our history appears quite recent. After all, the Illinois Public Community College Act was passed in 1965, and the University of Illinois — a senior institution — has been around since 1867.

But the history of community colleges did not begin in 1965. In fact, the “junior” idea began with William Rainey Harper, president of the University of Chicago. He saw the colleges as “feeders,” channeling students into the universities. The first junior or community college in the world was founded at Joliet in 1901. Today, Joliet Junior College is one of 48 public community colleges in Illinois. Nationally, there are now over 1,200 public community colleges.

Many junior colleges were created in the years after Joliet’s founding, notably in the years immediately after World War II. The colleges were founded as adjuncts to local high school districts or the University of Illinois.

ICCFA Illinois Community College Faculty Association

www.iccfa.org

A voluntary organization of faculty members from Illinois community colleges, ICCFA also acts as an advisory committee to the ICCB.

ICCTA Illinois Community College Trustees Association

www.communitycolleges.org

Based in Springfield, this voluntary organization offers legislative information, educational seminars, and an annual convention. As a liaison to the state’s education agencies (especially ICCB), the legislature, and the Governor, ICCTA coordinates lobbying efforts for community colleges.

IEA Illinois Education Association

www.ieanea.org

As the Illinois branch of the National Education Association (NEA), IEA has been very active in lobbying and in organizing elementary and secondary school teachers.

IFT Illinois Federation of Teachers

www.ift-aft.org

IFT, the Illinois branch of AFT, has been active in lobbying and in organizing unions at community colleges and Chicago public schools.

ISAC Illinois Student Assistance Commission

www.collegezone.com

ISAC oversees the financial aid programs offered to two- and four-year college students in Illinois.

FTE Full-Time Equivalent
Since community colleges enroll large numbers of part-time students, their enrollment data is adjusted to make it comparable to other segments of higher education. A full-time equivalent (FTE) student is not a real student, but a figure used to denote this adjustment in enrollment. For instance, three students might attend a community college, each taking one five-hour course. Together they generate 15 semester hours; thus, those three students (three headcounts) equal one FTE student.

GED General Education Development
The GED exam is taken to acquire the legal equivalent of a high school diploma. Many community colleges give classroom and individual instruction in preparation for the test.

IBHE Illinois Board of Higher Education
www.ibhe.org
IBHE is the board that oversees all public higher education in Illinois. IBHE generates yearly operating and capital budgets for all of state higher education.

ICCB Illinois Community College Board
www.iccb.org
ICCB is the board that oversees all community colleges in Illinois. ICCB must approve all new college programs and develops yearly operating and capital budgets for the system.

ICCCA Illinois Council of Community College Administrators
www.iccca.org
ICCCA is a voluntary organization that serves as an advisory group to ICCB. Its members include business officers, academic deans, public information directors, and other administrators.

Among these “senior” junior colleges are Kaskaskia, Black Hawk, Danville, the City Colleges of Chicago, Elgin, South Suburban, Illinois Valley, Prairie State, Highland, Rend Lake, Southwestern, Morton, Illinois Eastern, Southeastern, and Spoon River. But the real growth came with passage of the 1965 Public Community College Act.

There are several important elements of that law:

- 1) It enabled community colleges to exist as separate **units of local government** with the ability to levy taxes, charge tuition, and receive state funding.
- 2) It set up the Illinois Community College Board at the state level to coordinate the activities of the community college districts.
- 3) It codified the principle of **comprehensive** community colleges for Illinois. All Illinois community colleges are expected to offer programs in baccalaureate, occupational, adult basic and remedial education, and community service activities, as well as non-credit continuing education offerings.

While some states have only vocational institutes or transfer-oriented community colleges, Illinois was placed in the forefront of the community college movement by embracing the principle of comprehensive community colleges. This is a statewide mandate that all community colleges must meet.

Illinois community colleges received an additional boost with the 1985 enactment of legislation requiring all areas of the state to join the community college system. This ensures the promise of quality education within driving distance of every resident of Illinois.

Some statistics

Today, Illinois community colleges are coming of age as providers of education for more than one million people each year.

Half of the students enrolled in higher education in Illinois attend community colleges. Nearly 40 percent of those students are enrolled in pre-baccalaureate/transfer programs, and 28 percent are in occupational degree or certificate programs.

Your students come from all backgrounds and from all age groups. They attend evening and daytime courses on a full-time and part-time basis. Whether the students are recent high school graduates, people seeking to improve their job skills, or individuals returning to school after an absence from the workforce, they benefit from high-quality education at a reasonable cost within commuting distance of their homes.

A bird's-eye view of Illinois higher education

Community colleges are organized under the Illinois Board of Higher Education and the Illinois Community College Board. Illinois law requires the IBHE to coordinate — but not govern — the state's higher education efforts. State statutes also require the ICCB to coordinate — but not govern — community college programs. In order to offer a new program, local community colleges must receive approval from both IBHE and ICCB. In addition, IBHE and ICCB both make grants to community colleges and encourage them to contribute to statewide policy initiatives.

The ICCB consists of 11 members appointed by the Governor (with the consent of the Illinois Senate) for six-year terms. One nonvoting member is selected by the ICCB Student Advisory Committee to serve a one-year term.

AGB Association of Governing Boards

www.agb.org

A voluntary national organization in Washington, D.C., AGB includes universities, community colleges, and private, elementary and secondary schools among its membership. AGB provides a monthly newsletter, numerous special publications, periodic conventions, and liaison to the federal government. AGB is oriented primarily toward trustees.

CDB Capital Development Board

www.cdb.state.il.us

CDB is the state body responsible for the construction of public buildings. Its board and chair are appointed by the Governor. CDB provides the state portion of capital funding through its yearly budget, some supervision of bidding and architect-engineering efforts, some on-site inspection of construction progress, and final acceptance of projects.

DCOE Department of Commerce and Economic Opportunity

www.commerce.state.il.us

DCOE is the state's central source of economic development information for business and local government. It also administers state and federal grants for many job-training programs and small-business assistance centers located at community colleges.

ECS Education Commission of the States

www.ecs.org

The national Education Commission of the States has a division devoted to community college policy.

Commonly used acronyms

AACC American Association of Community Colleges

www.aacc.nche.edu

AACC is a voluntary national organization based in Washington, D.C., providing information through a bi-weekly newspaper and annual convention. A liaison to the federal government, AACC serves as an umbrella organization for all community college interests.

ABE Adult Basic Education

ABE consists of courses offered by community college districts in areas such as English as a Second Language, and reading and writing skills.

ACCT Association of Community College Trustees

www.acct.org

A voluntary national organization in Washington, D.C., ACCT provides information (a quarterly journal and periodic conventions) primarily oriented toward trustees.

ACE American Council on Education

www.acenet.edu

A voluntary national organization in Washington, D.C., ACE coordinates legislative programs and lobbying for the various segments of higher education, including community colleges, universities and private institutions.

AFT American Federation of Teachers

www.aft.org

AFT is a union affiliated with the AFL-CIO. Its Illinois branch is the Illinois Federation of Teachers (IFT).

The members of ICCB come from throughout the state and possess varied educational backgrounds. State law requires that one of ICCB's members must be a community college trustee. Another ICCB member must come from the ranks of Illinois community college faculty.

Similarly, the IBHE is comprised of 14 members appointed by the Governor and confirmed by the Senate as follows:

- 10 representatives of the general public;
- The chair of the Illinois Community College Board;
- The chair of the Illinois Student Assistance Commission;
- One public university trustee; and
- One private college or university trustee.

In addition, one nonvoting student member is selected by the IBHE's Student Advisory Committee.

Thirty-nine community college districts (with 48 colleges) and nine public universities (with 12 campuses) serve the people of Illinois. The universities include the University of Illinois at Urbana-Champaign, Chicago and Springfield; Southern Illinois University at Carbondale and Edwardsville; Northern Illinois University in DeKalb; Illinois State University in Normal; Western Illinois University in Macomb; Eastern Illinois University in Charleston; Chicago State University in Chicago; Northeastern Illinois University in Chicago; and Governors State University in University Park.

Each year, the Illinois Community College Board prepares a budget request for state appropriations for all of the system's community colleges. The annual budget request becomes part of a larger Illinois Board of Higher Education request for state funds.

The Governor reviews the IBHE request and makes a recommendation that is acted upon by the Illinois General Assembly. The legislature's action is then sent back to the Governor for final approval.

Duties and responsibilities

The duties and responsibilities of a community college board are spelled out in state law. One of the first things a new trustee should do is to become familiar with that portion of state law that deals with community colleges. This is commonly called the *Illinois Public Community College Act*. In the Illinois Compiled Statutes, it is 110 ILCS 805/1-1 to 805/8-2.

Board members should pay particular heed to the duties outlined in Sections 805/3-21 to 3-29.2 and the powers listed in Sections 805/3-30 to 3-43. Reprints of this Act are available from the Illinois Community College Trustees Association.

While no list can include all of the responsibilities that you will exercise as a board member, some of the major ones are:

- 1) Defining the role and mission of the college
- 2) Evaluating institutional performance
- 3) Approving college plans
- 4) Establishing tuition rates
- 5) Establishing tax rates
- 6) Hiring the president
- 7) Evaluating the president
- 8) Establishing institutional budgets and approving contracts and expenditures
- 9) Setting the tone for institutional leadership
- 10) Monitoring the colleges' performance
- 11) Representing the community to the college and the college to the community

Asking questions

This brochure is designed to answer some questions about the art of effective trusteeship. But it can only touch the surface. It will take time for you to develop the background and understanding needed for complete familiarity with the community college movement and the issues it faces.

One of the best ways for you to learn is to ask questions. If you don't understand the budget or a proposed policy or program, ask questions. Your board is the final decision-making authority on your college campus, and you will bear the responsibility for the decisions that are made. Make sure you understand what you are doing and why it is being done.

Your president will welcome the opportunity to help you stay informed. In addition, your peers in the Trustees Association stand ready to provide help and guidance. Informative seminars are available, using the expertise of community college leaders from around the state and nation. All of ICCTA's committee and board meetings are open for you to attend.

Feel free at any time to call ICCTA at 1-800-454-2282 and ask questions. We look forward to hearing from you.

Association of Governing Boards (AGB)

www.agb.org

This national organization presents some of the finest workshops available in the field of higher education governance. However, it is not particularly oriented toward public community colleges because the majority of its members are associated with senior universities or private institutions.

Each of these organizations plays an important role in higher education. Membership in these associations can be very beneficial to your local board. You will find communication with other trustees from around the state and nation increases your understanding of your role and your effectiveness on the board.

One of eight

As a community college trustee, you are one member of an eight-member board. All board members have equal rights and responsibilities, with one exception—the student trustee does not have the right to cast a vote.

All board decisions must be made by a vote in “open” (public) meeting. Away from the boardroom, each trustee speaks only as an individual and cannot make commitments for the board as a whole.

State law says a majority of the full voting membership of the board shall constitute a quorum. Further, it says that if a quorum is present, a majority of the members voting on the measure shall determine the outcome.

Remember that the board cannot act as individuals, but only as a board. That means that you may sometimes disagree with what becomes board policy; but once it is adopted by the board, you will bear some responsibility for implementation of that policy. As decisions are made, you are expected to speak openly for your point of view. But once the decision is final, you should support the position of the board.

Effective trusteeship requires the ability to function as part of a team. A team functions best when members refrain from bickering and second-guessing.

Officers of the board

Under Illinois statute (110 ILCS 805/3-8), boards elect their officers at an organizational meeting. The statute says the board shall elect one of its members as chair and another member as vice chair.

State law also calls for the election of a secretary, who may or may not be a member of the board. The statute further allows for the appointment of a treasurer, who may not be a member of the board. The board shall fix the compensation of the treasurer.

The board chair

As the board's chosen leader, the chair fills a unique role. Duties of the chair include presiding at meetings and taking responsibility for their orderly conduct. The chair should know parliamentary procedure and use it to assist the board in moving quickly and efficiently through the meeting's agenda.

The chair must see that all board members who wish to speak are given the opportunity. The chair regulates the discussion and sees that any needed information is supplied by college staff. Often the chair consults with the president as the agenda is put together.

Many presidents consult closely with the chair during the period when the board is not meeting. The president may turn to the chair for guidance and advice if a matter comes up that needs a quick response on the part of the president.

Different boards have different attitudes on the length of time the chair should serve. Some boards believe the board should continue with an experienced chair, while other boards believe in electing a different chair each year. State law requires the chair to be elected to a two-year term. However, it also allows a board to adopt a resolution allowing a new organizational meeting and election of a board chair every year.

The president or chancellor

An important responsibility of the board is to employ its chief executive officer: the president or chancellor.

It is the president who is responsible for the administration of the college. The president acts as academic leader, representative of the college in the community, top manager, and chief advisor to the board. As the most visible employee, the president represents the college to all of its many constituents.

Each member board elects a voting delegate and an alternate to ICCTA's Board of Representatives, which serves as the governing body of the Trustees Association. In addition, ICCTA is subdivided into nine regions. Each region holds regular meetings, where issues and concerns of local colleges are discussed.

ICCTA membership is voluntary and authorized by state statute. Dues are assessed on a combination flat-fee and appropriation formula.

The Illinois Presidents' Council (PC)

Each month, the presidents and chancellors of Illinois' 48 community colleges meet as the Illinois Presidents' Council. Its committees are active in areas such as capital needs, legislation and curriculum. Like ICCTA, the Council also functions as an advisory committee to the Illinois Community College Board.

At the national level, three groups are particularly worthy of community college membership:

Association of Community College Trustees (ACCT)

www.acct.org

This group performs many of the same functions at the national level that ICCTA performs at the state level. ACCT publishes a newsletter and a quarterly magazine featuring articles by trustees. It also hosts national meetings with educational seminars.

American Association of Community Colleges (AACC)

www.aacc.nche.edu

This is a national umbrella organization in which trustees, presidents and administrators join together to promote the community college movement. AACC publishes a bi-weekly newspaper and a monthly magazine. The group also sponsors national meetings with trustee-oriented workshops.

The best source of current news is a weekly newspaper called the *Chronicle of Higher Education* (www.chronicle.com). It contains in-depth news and analyses of higher education issues, as well as a listing of job openings.

An Internet-only source of timely education news is published daily by Inside Higher Ed at www.insidehighered.com.

Two other newspapers of interest are the bi-weekly *Community College Times*, published by the American Association of Community Colleges, and the independent *Community College Week* (www.ccweek.com). Both focus solely on community college issues and feature news articles, opinion columns, legislative updates, and job listings.

If your college does not provide you copies of these publications, let your president know that you are interested in receiving them.

Organizations

Several non-profit associations are of interest to community college trustees. You will find that your school belongs to some or all of the following groups:

Illinois Community College Trustees Association (ICCTA)

www.communitycolleges.org

At the state level, the Illinois Community College Trustees Association speaks for public community colleges. ICCTA is the colleges' lobbyist and advocate on the Springfield scene. It also provides continuing education activities for trustees. The Trustees Association serves as an information source, providing regular e-mail news updates, membership and legislative directories, legislative analyses and alerts, "Quick Survey" research, a web site, and other services designed to keep trustees well-informed.

The relationship between the board and the president should be open and mutually supportive. Without a shared sense of purpose between the board and the president, and without mutual respect and trust, a college will experience difficult times.

The president should be the major source of information and recommendations channeled to the board. As chief executive officer, the president must be responsible for all administrative recommendations that are brought to the board. While it is necessary to delegate authority in most matters, the president alone is responsible for the recommendations coming to the board from staff.

For this reason, board members should be sensitive to the president's need to be the link between trustees and administrative staff. By channeling information and requests, the president can clarify questions and monitor the accuracy of reports. When you have a question or suggestion, you generally would be wise to call the president first.

The president should be sensitive to the goals and concerns of the board and should act in accordance with its wishes. In most instances, recommendations made by the president will be acceptable to the college board. Once policy decisions have been made, and the administration has been directed to carry out those policies, the president and other employees should expect support from the board of trustees.

The presidency of an institution of higher education is a very difficult job. Demands are made on the president's time around the clock, and presidential decisions are constantly tested and challenged. That is why presidents need strong support from their boards.

Policy-making & administration

Boards are responsible for making broad policy, and staffs are responsible for administering the college. The basis of this belief is in the nature of the two jobs.

Board members are part-time volunteers, and staff members are full-time paid employees. The system works best when the part-time volunteers (trustees) are responsible for setting general policies as representatives of the community, and when staff members, on a day-to-day basis, establish procedures and make decisions to carry out those policies.

Sometimes, however, it is difficult to draw the line between policy-making and administrative matters.

An example might be as follows: The board sets the policy that next year's budget will be in balance. The president establishes procedures to be used by each department in making spending commitments, and the vice president for business affairs and others are responsible for seeing that expenditures are within the limits set when the board approved a balanced budget.

But many matters are not so clear cut. Boards must do more than simply approve budgets. Questions sometimes arise as boards monitor expenditures during the year. The board may need to act to disapprove a specific expenditure. Some might say this is an extension of policy-making. Others might claim an invasion of administrative authority.

Each board and its president should agree in writing on how they intend to divide board and presidential responsibility. Check your board policy book to be sure this has been done. If you are uncomfortable with the division, tell the board and president about your concerns.

Generally, however, boards succeed when they take the larger perspective and when day-to-day details are left to the president and staff.

Doing your homework

Good board members stay informed about happenings at their college. You will be expected to participate in some events and will also be invited to many others. Each college has community luncheons, lecture programs, athletic contests, political events and dramatic presentations at which the attendance of board members is encouraged. At certain special events, such as commencement or nurse-capping ceremonies, trustees are often expected to present.

When you attend campus events, you may be approached with suggestions for the board or criticisms of the college. Experienced trustees advise that a board member should listen carefully and report the substance of such conversations to the president. Trustees should be careful not to commit themselves or their boards to any specific course of action.

Trustees also have the responsibility to keep informed about current proposals and recommendations presented by the college administration. You will likely receive a packet of materials prior to each board meeting. The well-informed trustee reads this material well in advance of the meeting.

Should questions arise, the best procedure is to contact your president before the board meeting to make him/her aware of your questions. If your president is not able to answer you at that time, at least he/she will have been alerted so as to provide the correct research and information at the board meeting.

A good relationship between presidents and trustees eliminates surprises. Good administrators do not repeatedly bring "walk-in" items to board meetings. Good trustees make presidents aware of concerns and questions early enough that answers and recommendations can be thoroughly prepared.

You should expect to do a certain amount of reading about the field of education to improve your understanding of the many different policy matters that will arise during your time on the board.

Collective bargaining is important because it governs your relationship with your employees, affects the resources available for running the college, and has many legal ramifications with which a newly elected or appointed trustee may not be familiar. You should spend time with your administrators and board attorney reviewing collective bargaining issues and your college's background in this area.

Legislative relations

Because state law governs much of what community college trustees do, and because the state supplies money expended by community college boards, it is necessary that each college maintain solid working relationships with its state representatives and senators.

The Illinois Community College Trustees Association serves community colleges by representing their general legislative interests in Springfield. The association supplies information and testimony to legislators and their staff. In addition, ICCTA monitors legislative activity and provides updates to member trustees and presidents. Contact ICCTA at 1-800-454-2282 or iccta@communitycolleges.org to be added to the Association's e-mail alert list.

At the local level, it is essential that trustees and presidents know their legislators, befriend them, and constantly keep them abreast of college developments.

Legislators should be invited to your campus regularly, and you should keep in touch with them — even when no community college legislation is being considered. The ongoing cultivation of legislators is an important factor in higher education's success before the Illinois General Assembly.

Using the information supplied by ICCTA, trustees can be very effective when it is time to advocate a position endorsed by community colleges statewide.

The attorney and the auditor

Two people of particular importance to the board are its attorney and its auditor. Both work for the board, and they have a very special obligation to protect the interest of the board. As a result, they should communicate directly to the board. Trustees who ignore the management letters from their auditor or who act contrary to the legal advice from their board attorney often do so at risk of liability to their colleges and themselves.

The students and the faculty

Underlying all of your decisions is a concern for the welfare of the students who enroll at your community college. Those students come from all ages and backgrounds, with a variety of life situations and personal or career goals.

They are at your school because they want a better chance in life. They want to improve themselves, and they believe that the community college is the best way to achieve their goals.

Faculty work with you to help the students reach their potential. As the core of the academic workforce, faculty serve both as role models and as providers of knowledge.

Of all the employees at the college, it is the faculty who are most directly responsible for fulfilling its chief mission. Periodically, the board should review all policies regarding the hiring, firing and evaluation of teachers. In addition, the board should support efforts to reward excellence in teaching, such as ICCTA's annual Outstanding Faculty Member Award program.

The college budget

During your time on the board, you will have the opportunity to study the college's budget. It is one of your most important tasks.

The college budget is more than a collection of figures. It includes the projected revenue that you will receive during the budget year, and it details the spending plan for the college's fiscal year. It determines what tax rate and tuition levels are needed by the district.

While you probably do not need to become familiar with the budget's individual line items, you should become familiar with an overall summary of the document.

When you participate in budget discussions and approve the budget document, you are setting policies that will have great impact on the college. You should expect to be supplied with comparative data showing revenue and spending trends from the current year to the next year and for a longer period, such as the past five years.

When you study the budget, you should be told what changes the budget includes. Are new positions included in the budget? Are current employee positions eliminated? Has the acquisition of library materials decreased? Are new academic programs being added or old ones deleted? Is more or less being spent on maintenance? What is happening to the utility bills? How does this support the college's strategic plan?

Don't get lost in the details, however. Be sure to ask the most important question: "How does this budget support the board's highest priorities?"

Statements of economic interest & conflict of interest

Illinois law requires that certain holdings of public officials be made a matter of public record. Therefore, trustees must file an annual Statement of Economic Interest with the clerk of the county in which their community college's "principal office" is located. These forms must be filed by May 1 each year. The forms are available from the county clerk and should be provided to you by the college administration. Failure to file may result in forfeiture of your office.

State law also prohibits community college board members from voting on any decisions in which action by the college results in substantial gain for the individual directly or indirectly, either in person or through an association, trust, or corporation in which the individual has an interest.

A lengthy section of the Illinois Public Community College Act (110 ILCS 805/3-48) specifies which actions by boards and board members constitute a conflict of interest. Each board member should read this section of the law. If you are not clear about the provisions, you should discuss them with the board attorney. A board member who violates the conflict of interest section of the law is guilty of a Class 4 felony and will be forced to vacate his/her seat.

Collective bargaining

Illinois has collective bargaining laws for public employees, including those working at public community colleges.

All community college districts are involved in some form of collective bargaining. No matter what the state of collective bargaining in your college district, this is an important subject with which you should become familiar. The Illinois Public Community College Act includes a section on the relevant legislation.

The Open Meetings Act

In 1957, the Illinois Open Meetings Act (5 ILCS 120/1-6) became law. It applies to meetings of public community college boards, so trustees should be familiar with its provisions.

The philosophy behind the Act is that public business should be conducted openly so that the discussions and votes of public bodies can be observed. Thus, all votes taken by public boards must be taken in public. Decisions cannot be made behind closed doors.

The Act has been the subject of several court cases and opinions from the Illinois Attorney General. An explanatory booklet called *A Guide to the Illinois Open Meetings Act* is available through ICCTA.

There are exceptions to the Act. The law allows boards to meet in “closed session” to discuss board self-evaluation, litigation, acquisition of real estate, and specific kinds of personnel matters, including: collective bargaining; the appointment, employment, or dismissal of employees; testimony on a complaint against an employee; and discussion in filling a vacancy on the board. However, these exceptions refer only to the discussion of such matters. Any final action must be taken in open session. When boards vote to go into closed session, they should cite the precise exception language from the Act.

The Act requires that minutes be kept of closed meetings and allows any citizen to record public meetings. It also provides that public notice of regular meetings and of special or rescheduled meetings must be given in certain specified ways.

Any member of the public may bring suit alleging violation of the Act. Courts may nullify final actions taken at illegal meetings, order that illegal meetings not be held, and issue a writ of mandamus to force meetings to be open to the public. Violation of the Open Meetings Act is a criminal offense, a Class C misdemeanor punishable by a fine of up to \$500 and 30 days imprisonment.

The state funding formula

Another topic for board discussion is state funding.

Community colleges are supported by revenue from three major sources. Local property taxes fund approximately 40 percent of the systemwide cost; state grants supply 28.5 percent of the cost; and student tuition and fees underwrite 31.5 percent. Federal grants and miscellaneous revenue supply the remaining funds. Because of various factors, the percentage of these elements varies in the total funding of each local college.

The “funding formula” is the method used to channel state money to the individual districts. The formula is cost-based, and the money is distributed on the basis of enrollments and local funding two years prior to the fiscal year in which funds are distributed.

The formula determines how much is needed to operate all of the districts for a year. These resource requirements are determined by using the latest actual enrollments, the latest unit cost (the cost to produce a credit hour), and an adjustment for inflation in the areas of salaries, utilities, general cost increases, and other identified special needs.

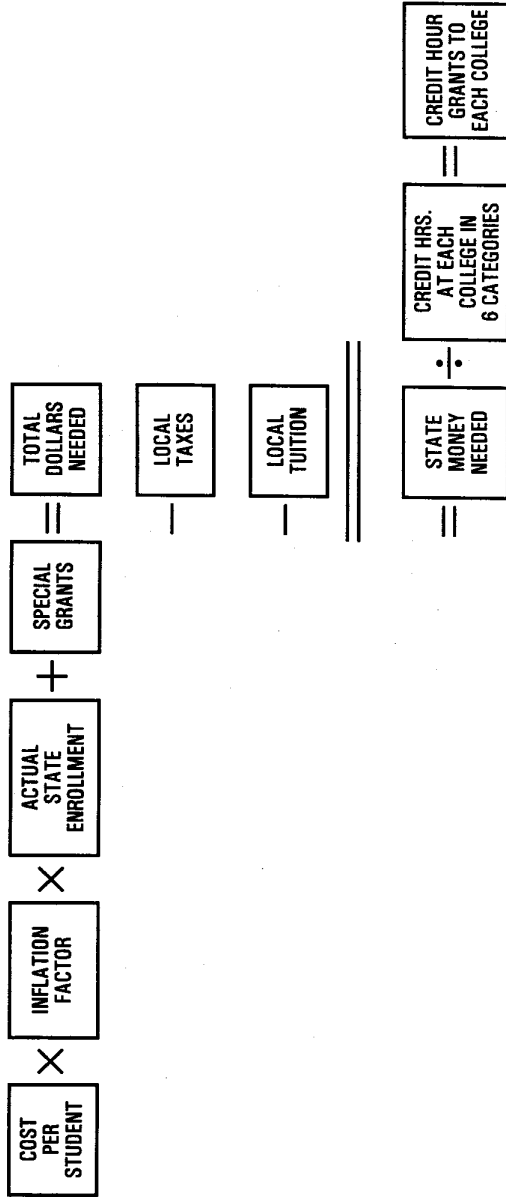
Then, all local tax monies, tuition revenue and other funds (such as non-competitive federal funds) are subtracted, and the state appropriation is the amount remaining.

The bulk of this money is distributed through credit hour grants, which are allocated based on the number of credit hours generated by eligible students. If a student is in a course that is expensive to conduct, the district gets more money per credit hour than if the student is in a lower-cost course. State money is distributed through credit hour grants in six categories.

In addition, many districts receive equalization grants, which are intended to assist areas where the equalized assessed valuation per student is below the statewide average.

The theory is that all students are entitled to a certain level of education services, whether they live in a district with a low or high assessed valuation.

The following chart shows how the credit hour grant funding formula works:



Each year, the Trustees Association works with ICCB, IBHE, the Illinois Presidents' Council, lawmakers and the Governor's office to assist in the passage of an appropriations bill that provides adequate funding for the colleges. In doing so, we compete for funding with all other higher education institutions, elementary and secondary schools, and the rest of state government.

Capital projects

Community college districts can also qualify to receive state funding for the construction and renovation of campus facilities.

The board of a community college district may decide that a specific construction or repair project is needed. The board then submits a detailed request for such a project to ICCB.

The ICCB annually collects these requests from all community colleges, evaluates the requests, and prioritizes them according to established criteria. In November of each year, ICCB forwards its recommendations of the highest-priority projects to the Illinois Board of Higher Education for inclusion in the IBHE capital funding plan for the next fiscal year.

The IBHE receives capital project requests from all institutions of higher education. After evaluating the requests, it develops a list of priority capital projects for Illinois higher education. The IBHE then submits that list to the Governor for inclusion in the Governor's budget, which is announced in early spring of each year.

The Governor then reviews the IBHE request and makes budget recommendations to the Illinois General Assembly.

As with all state funding, the Illinois General Assembly must approve any appropriations for capital projects. It is common for a capital project request to be on the priority list for several years before it is approved for funding by the legislature.