

FOR IMMEDIATE RELEASE
August 18, 2009
Board of Trustees Meeting

The Board of Trustees of Illinois Eastern Community Colleges approved a tentative budget for the 2009-2010 fiscal year, at the regular meeting, Tuesday, August 18 at Wabash Valley College, Mt. Carmel.

A hearing on the tentative budget will be held from 6 to 6:30 p.m. on Tuesday, September 15, at Frontier Community College, Fairfield, before the regular meeting at 7 p.m. at which time a fiscal year budget will be approved.

The tentative budget projects operating revenues of \$31,684,711 for the Education Fund and the Operations and Maintenance Fund. This figure was based on information available at the time of publication. Information has been received subsequent to the required publication that will cause changes to the final budget. The changes will be reviewed with the trustees on September 15 following the Budget Hearing.

Several actions were taken at the meeting to begin reducing expenses in light of failure of the State of Illinois to make payments owed to IECC on time. A reduction was made in paid holidays for district personnel and there were personnel cuts approved by reductions in force.

For several years, the State of Illinois has been spending more money than it collected. For the current fiscal year, (July 1, 2009-June 30, 2010) the General Assembly and the Governor developed and approved a budget that was billions of dollars out of balance. Because of this budget imbalance, the state has instituted a policy that delays paying more than \$3 billion in bills owed. The bills that are being held include money owed IECC.

The state should reimburse IECC every 90 days for credit hours that the district and its colleges have generated. Because of the State's policy to delay paying bills, IECC received its February quarterly payment from the State in July, more that 156 days late. As the fiscal year continues, it is expected that delays in payments will increase to 180 days or more.

IECC receives 52% of its operating funds from the state. Because of the delays in payments, IECC will receive only a portion of the money due. Between \$7 million and \$11 million due the district this fiscal year will not be received within this fiscal year.

IECC is presently financially sound. Four years ago, the Board of Trustees and the Administration began setting aside money into a fund in case the state had financial problems. The fund was established to allow the district to operate even though payments from the state were late. Late payments from the state create a cash flow problem for the district.

The amount owed to the district by the State of Illinois has increased dramatically. On 6/30/08 the State owed the district \$1,500,000. By 6/30/09 the district was owed \$7, 600,000. By 6/30/10 it is estimated that the State will owe the district \$11,600,000.

The IECC district will continue to explore possible new sources of revenue, along with additional cuts in expenses.

At the meeting, action was taken for the following paid holidays to now be unpaid, but observed holidays for all Administrative, Technical, Professional/Non-Faculty, Clerical and Maintenance staff beginning with the current fiscal year: Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving and Friday following, Martin Luther King Jr. Day, President's Day, Spring Break Day and Memorial Day.

The following holidays will continue to be paid and observed by Administrative, Technical, Professional/Non-Faculty, Clerical and Maintenance Staff: Winter Break, Christmas, and New Year's Day.

The following personnel will be given honorable dismissal because of reductions in force:

District Office: Jennifer Elliott, Educational Technology Specialist; Katherine Overstreet, Educational Technology Specialist; Janet Pflaum, Office Assistant; Rebecca Shultz, Systems Technician; Barbara Thomas, Administrative Assistant.

Olney Central College: Kristi Crawford, Coordinator, Community Programming & Student Activities; Robert Foerster, Coordinator, Administration of Justice Program.

CEO Terry Bruce reported that an agreement has been reached for Lakeland Community College, Mattoon, to provide future educational services to the Robinson Correctional Center and the Lawrence Correctional Center. These educational programs have previously been provided by IECC and Lincoln Trail College. Under the agreement, Lakeland College will assume all financial obligations of IECC, hire all existing IECC employees at the DOC salaries currently being paid, enroll them in the Lakeland health insurance program and place them fully on the payroll of Lakeland College, effective September 1, 2009.

The trustees approved a resolution to continue to lease the oil derrick park on the OCC campus to the City of Olney. Under the lease, the College District granted a forty-seven square feet piece of property located at the Northwest Corner of the intersection of Illinois Route 130 and St. John Street in the City of Olney. The City of Olney erected and maintained an oil derrick for the period of the lease. The original lease has expired and the City has approved renewing the lease for a further period of twenty years and continuing to pay the rent of \$1.00 per year. The City recently completely repainted the oil derrick.

The firm of J.W. Terrill was retained for a fee of \$15,000 as an outside consultant to help the district re-bid the existing health, dental and life insurance programs for district employees.

A contract was approved with Fairfield Memorial Hospital to provide program services for a new IECC Health Careers Certificate Program at Frontier Community College that involves students from Fairfield High School and Edwards County High School. Under the contract, Frontier will use the hospital's facilities and staff to educate students in the Health Careers Certificate Program and the hospital would make its facility available for that purpose.

The Hospital will provide instruction, program staff, equipment, classroom space and lab space available and will be responsible for the supervision of all hospital employees participating in the program. FCC will be responsible for administration of the program including admissions, guidance, registration, supervision of students and program faculty, curriculum quality and compliance with state and national accrediting agencies guidelines.

The trustees approved employment of Amanda Musgrave as Clerk/Secretary at Frontier Community College.

The employment status of Ada Fleeharty was changed from Coordinator, Human Resources, at the District Office, to Student Advantage Network Counselor, District Office/Olney Central College, effective September 1.

District-wide enrollment is up 16% over this same time one year ago.

All members of the Board of Trustees were present at the August meeting.

Several faculty members were present at the meeting to express concern over the personnel dismissals.

Next regular meeting of the Board of Trustees will be Tuesday, September 15, at 7 p.m., at Frontier Community College, Fairfield.