

Minutes  
January 17, 2018

CHEMEKETA COMMUNITY COLLEGE

**BOARD OF EDUCATION  
MEETING MINUTES**

December 20, 2017

**I. A. EXECUTIVE SESSION**

Executive Session called to order at 4:34 pm in the Board dining room, Building 2, Room 172, on the Salem Campus. Executive Session was held in accordance with ORS 192.660(2)(d) negotiations.

**Members in Attendance:** Ed Dodson; Betsy Earls (arrived at 5:05 pm); Jackie Franke; Ken Hector, Chair; Neva Hutchinson, Vice-Chair; Ron Pittman; and Diane Watson.

**College Administrators in Attendance:** Julie Huckestein, President/Chief Executive Officer; Jim Eustrom, Vice President, Instruction and Student Services/Campus President, Yamhill Valley Campus; and Greg Harris, Director, Marketing, Public Relations, and Student Recruitment.

Executive Session ended at 4:55 pm.

**II. B. ADMINISTRATION UPDATES**

The following updates were shared or discussed with the board: the Board Work Session/ Budget Committee Orientation on January 24; district high school board visits; board calendar preview; Art for Everyone book; Marion County Circuit Court; tuition; Regional Solutions request; new program development; and board agenda preview.

A recess was taken at 5:20 pm.

**III. REGULAR SESSION**

**A. CALL TO ORDER**

Ken Hector, Chair, reconvened the board meeting at 5:25 pm. The meeting was held in the Board Room, Building 2, Room 170, at the Salem Campus.

**B. PLEDGE OF ALLEGIANCE**

Ken Hector led the group in the Pledge of Allegiance.

**C. ROLL CALL**

**Members in Attendance:** Ed Dodson; Betsy Earls; Jackie Franke; Ken Hector, Chair; Neva Hutchinson, Vice Chair; Ron Pittman; and Diane Watson.

**College Administrators in Attendance:** Julie Huckestein, President/Chief Executive Officer; and Jim Eustrom, Vice President, Instruction and Student Services/Campus President, Yamhill Valley.

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**Board Representatives in Attendance:** Isaac Acosta, Associated Students of Chemeketa (ASC); Terry Rohse, Chemeketa Classified Association; and Allison Stewart Hull, Chemeketa Exempt Association. Absent: Justus Ballard, Chemeketa Faculty Association.

**D. COMMENTS FROM THE AUDIENCE**

None

**E. APPROVAL OF MINUTES**

Diane Watson moved and Jackie Franke seconded a motion to approve the minutes of November 15, 2017.

The motion CARRIED.

**F. REPORTS**

**Reports from the Associations**

Isaac Acosta, ASC executive coordinator, said his report stands as written.

Terry Rohse, Chemeketa Classified Association, reported the report stands as written with one addition. Terry reported the Holiday Social not only was fun, but it also benefited many employees. The Classified Association purchased 14 more food cards to the 15 they received so were able to help 29 Classified employees. Terry read a thank you from a staff member thanking them for the food gift card.

Allison Stewart Hull, Chemeketa Exempt Association, said the report stands as written. Allison reported the Exempt Association raised \$217 at the Exempt Association meeting for student scholarships from a raffle for more raffle tickets for the Holiday Social, a wreath, and a Christmas cactus plant. Thanks to Lynn Irvin who came up with the idea that will be repeated next year.

**Reports from the College Board of Education**

Ed Dodson attended the 5–10 year employee recognition breakfast, the Aspen award celebration, the Mock Trial team celebration, the Holiday Social, and the CASA luncheon. He met with the Oregon Community College Association (OCCA) executive director, Andrea Henderson; attended the OCCA Forum and OCCA Board meeting at Southwest Community College in Coos Bay.

Ron Pittman participated in a phone meeting with the ACCT Pacific region board where policies and procedures were discussed.

Jackie Franke attended the Sip and See event at Eola, the Mock Trial celebration, a Marion County Board of Commissioner's meeting, a Salem City Council meeting, and a Mid-Willamette Valley Council of Governments meeting. Jackie met with Salem-Keizer School District chief financial officer Michael Wolfe, Salem Mayor Chuck Bennett, Woodburn City Administrator Scott Derickson, Salem broker Gladys Blum, and Salem-Keizer Education

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Foundation past director Krina Lee. Jackie also attended a celebration of life gathering at the Northwest Wine Studies Center. Jackie purchased beautiful pottery from the college Pottery Club and asked that the board be informed of club fund raisers.

Diane Watson attended the Aspen celebration, the Holiday Social, the Friday Chemeketa Night at the Salem Market Holiday Craft fair, and the Salem Chamber/Keizer Rotary annual luncheon.

Neva Hutchinson attended the 5–10 year employee recognition breakfast, Aspen celebration, Mock Trial celebration, a Northwest Innovations Board meeting, the CASA luncheon, and the three-day Salem Holiday Market. Neva thanked the college and the Chemeketa Foundation for working with the Salem Market staff in organizing the Friday Chemeketa Night event. She also thanked the law enforcement cadets for their help with parking; the Chemeketa Choir who provided entertainment; and Student Life workers who helped with ticket sales. Five dollars of the \$8 admission fee went to the Student Relief (student pantry) fund; a total of \$2,400 was donated.

Betsy Earls had no report.

Ken Hector attended the Mock Trial celebration, Oregon Leadership Summit in Portland, three Silverton Chamber of Commerce business group meetings, and a Foundation board meeting and holiday gathering, where the highlight was celebrating Andrew Bone's retirement and the announcement of the Andrew Bone scholarship where over \$10,000 was raised.

### **Reports from the Administration**

Jim Eustrom sadly reported the passing of Reine Thomas, who was dean of the Dallas Center and had also worked at Portland Community College and Columbia Gorge Community College. Jim introduced Jessica "Jess" Stahl, the new dean of Curriculum, Instruction, and Accreditation, who was in the audience.

### **INFORMATION**

#### **Presentation of 2016–2017 Audit Report**

Julie Huckestein thanked Katie Bunch, fiscal and audit manager, and all the staff in Business Services, the Budget Office, and Financial Aid who helped gather information for the audit report. Katie recognized accounting staff Anne Marie Swearingen, Nancy Espinosa, and Andrea Schamp, who were in the audience.

Kenneth Kuhns referred to page 11 of the audit report and briefly reviewed a few sections of the Independent Auditor's Report. He explained the college has the responsibility to keep the records from which the financial statements are prepared, and auditors have the responsibility to audit the financial statements and determine whether the information within those statements is accurate and fairly presented. He noted the records were well

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maintained, very clean, and there were no audit adjustments made to the records before being incorporated into the financial statements.

Auditors follow generally accepted auditing standards and governmental accounting standards in performing the audit and go through numerous procedures and steps to verify and challenge financial information included in the audit report. Referring to page 12, Kenneth Kuhns read the Opinion statement. Based on the audit and the report of the foundation auditors, the financial statements were presented fairly and in all material respects. It was a clean opinion, an unmodified opinion, which is the best opinion that an entity can receive, and the opinion that was earned on the financial statements that were presented for the audit.

Referring to page 105, the Independent Auditor's Report on the Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements, Ken explained that on an entity-wide basis, auditors looked at and tested internal controls and did not find any exceptions, which indicated internal controls are working properly.

Because the college received a large amount of federal funding, the audit was also prepared in accordance with government accounting standards. Referring to page 102–103, Schedule of Expenditure of Federal Awards, the college received \$40,550,938 of federal funds during the last fiscal year. Auditors are required to do a single audit on federal funds. Auditors reviewed and tested compliance with laws and regulations on an entity-wide basis, as well as related to federal programs, and as noted on page 107, no exceptions were found in the compliance with laws and regulations in the college's internal controls, so a clean opinion was issued.

Referring to the last two pages, 112–113, Independent Auditor's Comments Required by Oregon State Regulations, auditors found no areas of non-compliance in the deposit of public funds with financial institutions, indebtedness limitations, budgets, insurance and fidelity bonds, programs funded from outside sources, investments of surplus funds, or public contracts and purchasing. In closing, again, the college has earned a clean opinion. Ken commended the college and staff for the excellent job in putting together the financial statements and preparing for the audit.

Jackie Franke asked for clarification on page 105 in the Independent Auditor's Report on Internal Control. The second paragraph says "Accordingly we do not express an opinion on the effectiveness of the college's internal controls." Kenneth Kuhns explained that it is the auditors' responsibility to give an opinion on the fairness and accuracy of financial statements, not the internal control structure of the organization. However, if internal controls were not working effectively in connection to producing quality financial statements, this would be addressed in the audit report.

Kenneth Kuhns was thanked for presenting the audit report for 2016–2017.

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**College Policies #3150, Exempt Supervisory Employees: Definition; #6220, Surplus Property; #6240, Inventory; and #6410, Legal Services**

Rebecca Hillyer presented four policies that were reviewed by the President's Advisory Council. Board action will be requested in January.

**Academic Calendar for 2018–2019**

Jim Eustrom reported the written report summarizes the terms and holidays for the 2018–2019 academic calendar. Jim noted that Fall Kickoff day will, again, be on Tuesday (September 11), instead of Monday to allow returning faculty and employees a day to get settled in and to allow staff to set-up for kick-off on Monday instead of having to come in on Sunday; and the fall/winter break will again be a four-week break. The academic calendar will be brought back next month for board approval.

**2016–2017 Financial Aid and Veterans Services Update**

Ryan West, dean of Financial Aid, said his report stands as written. He reported some positive trends in financial aid including a huge decline in student loan volume which means fewer students are taking out loans. This will result in a more stable financial future for those who graduate. This is the second year of the Oregon Promise and colleges are working with the Office of Student Access and Completion (OSAC) to make the Oregon Promise program a more predictable, stable program for future years. Also, the Reauthorization of Higher Education Act will be interesting for community colleges.

Ron Pittman asked if the Oregon Promise has an impact on the smaller student loan amounts. Ryan said he believed so based on the increase of students coming to the college directly from high school to take advantage of the Oregon Promise. Even though the dollar amounts are not large, there is a psychological shift of free community college tuition. Between the Oregon Promise, Pell, and the Opportunity grants, students have more than enough to pay for tuition and fees plus textbooks so student loans are not necessarily needed.

Ryan introduced Jon Terrazas, veterans' service coordinator. Jon has been working on a number of grants. One grant that was just received will fund a new veterans' resource center that will be located in Building 2, next to the counseling and advising center, to replace the one-room veterans' lounge. Neva Hutchinson asked if student veteran numbers are growing or declining. Jon replied he is seeing the same amount of decrease that the college is experiencing.

**2017–2018 Faculty Sabbatical Leave Recommendation**

Sabbatical Review Committee member, R.Taylor, reported on behalf of the committee. The committee recommended that both Laura Scott, Developmental Writing, and Beth Hale, eLearn Technical Support, be granted one-term sabbatical leaves during spring term 2018. A summary of the sabbatical projects were shared and detailed descriptions were in the written report. Board action will be requested at the January board meeting.

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### **Statement of Budget Principles for 2018–2019**

Miriam Scharer reported the Budget Principles and Financial Environment for the 2018–2019 Fiscal Year was reviewed and revised by Executive Team and the President's Advisory Council. Miriam briefly reviewed the five budget principles; and the key factors in resources and expenses that affect the general fund resource base for next year's budget. Miriam noted the legislature appropriated \$570 million to community colleges for the 2017–2019 biennium, which is a 3.7 percent increase from the previous biennium. The budget principles were shared with the board as information only.

## **H. STANDARD REPORTS**

### **Personnel Report**

Julie Huckestein said the report stands as written.

### **Budget Status Report**

Miriam Scharer referred to the Statement of Resources and Expenditures and noted the Fund Balance of \$9,039,874, which was reflected on page 55 of the audit report. Also reflected were some tuition and fees for winter term, additional property taxes, and a state payment. There was nothing significant to report in the Budget Status Report or the Statement of Investments.

### **Purchasing Report**

Miriam Scharer reviewed the Request for Qualification (RFQ) for Site Planning and Facility Design for the Agricultural Complex on the Salem Campus, which will be advertised in the coming months. This is a qualifications-based award according to statute. Once the most qualified proposal is selected, then the college can begin the negotiation process. A recommendation for contract award will be made at the February board meeting.

Miriam drew attention to the contract award for the athletic field construction (softball and soccer) that is an action item on the consent calendar. Green Thumb Landscape & Maintenance, Inc., in Salem was awarded the contract for \$413,264 with two contingent \$10,000 performance incentive payments for early completion of the hydroseeding portion of the project and contingent upon protests, if any, from unsuccessful bidders.

### **Capital Projects Report**

Rory Alvarez said the report stands as written.

### **Recognition Report**

Julie Huckestein acknowledged all the employees in the written report.

## **I. SEPARATE ACTION**

### **Approval of Resolution Nos. 17-18-15 and 17-18-15abcdef Banking Resolutions Designating Depository**

Miriam Scharer reported these six resolutions are needed due to the retirement of Andrew Bone and the appointment of David Hallett as the new vice president of Governance and

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Administration. The college is required to change the signatories at the banks, and this change is effective January 1, 2018.

Neva Hutchinson moved and Ron Pittman seconded a motion to approve Resolution Nos. 17-18-15, Banking Resolutions Designating Depository and 17-18-15 a, US Bank; 17-18-15b, City National Bank; 17-18-15c, Marion and Polk Schools Credit Union; 17-18-15d, US Bank Corporate Trust Services; 17-18-15e, Wells Fargo; and 17-18-15f, Bank of America.

The motion CARRIED.

**Approval of Retirement Resolutions No. 17-18-14, Robin M. Bischof**

Neva Hutchinson read the retirement resolution for Robin M. Bischof.

Diane Watson moved and Betsy Earls seconded a motion to approve Retirement Resolution No. 17-18-14 for Robin M. Bischof.

The motion CARRIED.

**J. ACTION**

Ron Pittman moved and Jackie Franke seconded a motion to approve action item Nos. 1–4.

1. Approval of Advisory Committees for 2017–2018
2. Approval of College Policies #6270, Site, Building, and Room Identification; #6280, Gifts and Donations; #6510, Insurance (Risk Management); and #7010, Community Services
3. Approval of Contract Award for Athletic Fields Construction (Softball and Soccer)
4. Acceptance of 2016–2017 Audit Report

The motion CARRIED.

**K. APPENDICES**

College mission, vision, core themes, and values; campus and district maps.

**L. FUTURE AGENDA ITEMS**

None were heard.

**M. BOARD OPERATIONS**

None were heard.

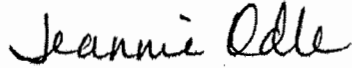
**N. ADJOURNMENT**

The meeting adjourned at 6:15 pm.

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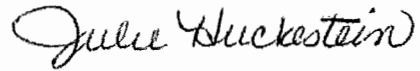
Respectfully submitted,



Board Secretary



Board Chair



President/Chief Executive Officer

Date 1/17/18