

**ILLINOIS EASTERN COMMUNITY COLLEGES**

**BOARD OF TRUSTEES**

**MONTHLY MEETING**

**November 18, 2003**



**Location:**

**Frontier Community College  
2 Frontier Drive  
Fairfield, IL 62837**

**Dinner – 6:00 p.m. – Classroom Building West Rooms 104 and 105  
Meeting – 7:00 p.m. – University of Illinois Extension Conference Room**

**Illinois Eastern Community Colleges  
Board Agenda**

**November 18, 2003**

**7:00 p.m.**

**Frontier Community College**

1. Call to Order & Roll Call.....Chairman Lane
2. Oath of Office and Seating of Trustees Elected April 1, 2003 .....Board Secretary
3. Organization of New Board.....Bruce
  - A. Roll Call
  - B. Election of Chairman
  - C. Election of Vice-Chairman
  - D. Election of Secretary Pro Tempore
  - E. Election of Secretary
  - F. Appointment of Ethics Officer
  - G. Resolution for Adoption of Rules, Regulations and Actions of Prior Boards
  - H. Resolution for Time and Place of Board Meetings
4. Disposition of Minutes.....CEO Bruce
5. Recognition of Visitors and Guests .....Bruce
  - A. Visitors and Guests
  - B. IECEA Representative
6. Public Comment
7. Reports
  - A. Trustees
  - B. Presidents
  - C. Cabinet  
Coal Mining Technology/Telecom
8. Policy First Reading (and Possible Approval).....Bruce
  - A. None
9. Policy Second Reading .....Bruce
  - A. None
10. Staff Recommendations for Approval
  - A. FY2004 Institutional Effectiveness Plan..... Cantwell
  - B. FY2004 Capital Renewal Application .....Browning
  - C. Adoption of FY2004 Resolution for Capital Renewal Grant Application.....Browning
  - D. Discontinue Flexible Spending Account.....Browning
  - E. New Premium Conversion Plan Agreement .....Browning
  - F. Current PHS Project Update & Phase 7 “Carryover” Projects .....Browning
  - G. Affiliation and HIPAA Agreement with St. Mary’s Medical Center..... Bruce
11. Bid Committee Report.....Browning

12.	District Finance	
	A. Financial Report .....	Browning
	B. Approval of Financial Obligations .....	Browning
13.	Chief Executive Officer's Report .....	Bruce
14.	Executive Session .....	Bruce
15.	Approval of Executive Session Minutes.....	Bruce
16.	Approval of Personnel Report .....	Bruce
17.	Collective Bargaining .....	Bruce
18.	Litigation .....	Bruce
19.	Acquisition and Disposition of Property.....	Bruce
20.	Other Items	
21.	Adjournment	

Minutes of a regular meeting of the Board of Trustees of Illinois Eastern Community Colleges - Frontier Community College, Lincoln Trail College, Olney Central College, Wabash Valley College - Community College District No. 529, Counties of Clark, Clay, Crawford, Cumberland, Edwards, Hamilton, Jasper, Lawrence, Richland, Wabash, Wayne and White, and State of Illinois, held in the Science Building Room 61, at Wabash Valley College, 2200 College Drive, Mt. Carmel, Illinois, Tuesday, October 21, 2003.

**AGENDA #1 – “Call to Order & Roll Call”** – Mr. James W. Lane, Jr., Chairman, who chaired the meeting, called the meeting to order at 7:00 p.m. and directed the Board Secretary, Mr. Harry Hillis, Jr., to call the roll.

**Roll Call:** The Secretary called the roll of members present and the following trustees answered to their names as called and were found to be present:

Dr. G. Andrew Fischer, Mr. Walter L. Koertge, Mr. James W. Lane, Jr., Mr. Larry Rost, Mr. Kevin C. Williams, Miss Marilyn J. Wolfe. Also present was Mr. Joseph Kiser, student trustee. Trustees absent at roll call: Mrs. Brenda K. Culver. There being a quorum present, the Chair declared the Board of Trustees to be in open, public session for the transaction of business.

(Note: In accordance with Board of Trustees Policy No. 100.4, the student trustee shall have an advisory vote, to be recorded in the Board Minutes. The advisory vote may not be counted in declaring a motion to have passed or failed.)

Also present at this meeting, in addition to trustees:

Mr. Terry L. Bruce, Chief Executive Officer/Chief Operating Officer.

Dr. Harry Benson, President of Wabash Valley College.

Dr. Jack Davis, President of Olney Central College.

Dr. Michael Dreith, President of Frontier Community College.

Dr. Carl Heilman, President of Lincoln Trail College.

Mr. Roger Browning, Chief Finance Officer.

Mrs. Tara Buerster, Director of Personnel.

Ms. Christine Cantwell, Associate Dean of Academic & Student Support Services.

Ms. Kathleen Pampe, Associate Dean of Education to Careers Program.

Ms. Pamela Schwartz, Associate Dean of Institutional Development.

Mr. George Woods, Dean of Community Development & Workforce Education.

**AGENDA #2 – “Disposition of Minutes”** – Open meeting minutes of the Regular Meeting, Tuesday, September 16, 2003, were presented for disposition.

**Board Action:** Dr. Fischer made a motion to approve the minutes of the foregoing meeting as prepared. Mr. Rost seconded the motion. The Chair asked trustees in favor of the motion to say “Aye” and those opposed to say “No.” The viva voce (by the voice) vote was taken and the Chair declared the “Ayes” have it and the motion is adopted.

**AGENDA #3 – “Recognition of Visitors & Guests”** –

**#3-A. Visitors & Guests:** Visitors and guests present were recognized, including Mr. Matt Fowler, Dean of Instruction for Wabash Valley College.

**#3-B. IECCEA Representative:** None.

**AGENDA #4 – “Public Comment”** – None.

**AGENDA #5 – “Reports”** –

**#5-A. Report from Trustees:** Mr. Lane reported on attendance by Mrs. Brenda Culver, member of the Board of Trustees, at a presentation regarding the Statewide Trend Analysis, a study that is now underway.

**#5-B. Report from Presidents:** Dr. Benson, Dr. Davis, Dr. Dreith, Dr. Heilman presented informational reports from each of the four colleges.

**#5-C. Report from Cabinet:** Mr. Woods presented an informational report on Coal Mining Technology/Telecom.

**#5-D. Special Report – HLC Visitation:** Dr. Jack Davis and Ms. Pamela Schwartz, presented an informational update on the status of IECC preparation for the upcoming Accreditation Visit of the Higher Learning Commission, April 18-20, 2005.

**AGENDA #6 – “Policy First Readings (and Possible Approval)” –**

**#6-A. Family and Medical Leave Act Policy Revisions:** The Board of Trustees adopted policy pertaining to the Family and Medical Leave Act (FMLA) in 1993. Over the decade since the implementation of the FMLA, court decisions and rules and regulations have clarified the operation of the Act. The proposed policy revisions track the newest court decisions and rules and regulations pertaining to this Act. In most regards, the new policy does not change, but merely clarifies language in the Act. Policy revisions make clear that you must state the reasons for your leave, give notice for your leave, provide medical certification, report while you are on leave, clarifies that the leave is unpaid, that medical benefits will be continued, clarifies exempt positions, allows intermittent leave, and clarifies that other leaves will run concurrently.

The CEO recommended that second reading be waived and the revised Family and Medical Leave Policy (400.20) be adopted as presented in the Board of Trustees mailing for this meeting.

**Board Action:** Mr. Williams made a motion to waive second reading and adopt the revised Family and Medical Leave Policy (400.20) as recommended. Dr. Fischer seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**AGENDA #7 – “Policy Second Readings” – None.**

**AGENDA #8 – “Staff Recommendations for Approval”** – The following staff recommendations were presented for approval.

**#8-A. Banner Honoring Richard Roth:** The CEO recommended approval of a request from members of the Lincoln Trail College Foundation to place a banner in the LTC Gymnasium during the dedication of the new gym floor, recognizing the many contributions of the late Richard J. Roth to the IECC District and to LTC. Mr. Roth served as a member of the Board of Trustees from 1977-1985 and President of the LTC Foundation from 1988-1990. He was a strong supporter of LTC athletics and was instrumental in establishing the Ambassadors Club, an athletic booster club. The dedication ceremony for the new gymnasium floor and placement of the banner honoring Richard Roth will be held during halftime at the LTC-Lewis & Clark basketball game, Saturday, November 8, 2003.

**Board Action:** Mr. Lane made a motion to approve the request of the LTC Foundation for placement of a banner in the LTC Gymnasium honoring Richard J. Roth as recommended. Mr. Kiser seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**#8-B. Dual Admissions Agreement with Indiana State University:** Ms. Cantwell reviewed a Dual Admissions Agreement between Illinois Eastern Community Colleges and Indiana State University, Terre Haute, providing a mechanism whereby IECC students can be admitted smoothly to programs offered by ISU. The agreement provides that a student admitted to one of the IECC colleges will be granted admission to Indiana State upon completion of the courses specified in the agreement. IECC transfer degree students would automatically become eligible to complete the requirements for a baccalaureate degree of their choice, subject to conditions detailed in the agreement.

The CEO recommended approval of the Dual Admissions Agreement with Indiana State University.

**Board Action:** Mr. Williams made a motion to approve the Dual Admissions Agreement between Illinois Eastern Community Colleges and Indiana State University as recommended. Dr. Fischer seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**#8-C. Transfer Agreement with Eastern Illinois University:** Ms. Cantwell reviewed a Transfer Agreement between Illinois Eastern Community Colleges and Eastern Illinois University, Charleston. For several years, the administrative board of EIU was called the Board of Governors. That Board initiated a program to grant degrees commonly known as a “Board of Governors” Degree. EIU now has its own Board of Trustees and is now offering a BOT/B.A. Degree. IECC and the Board of EIU propose to form a cooperative relationship through this transfer agreement to allow a smooth transfer of students into the BOT/B.A. Degree program. This agreement will minimize duplication of instruction and build on community college and university learning experiences and is subject to conditions detailed in the agreement.

The CEO recommended approval of the Transfer Agreement with Eastern Illinois University.

**Board Action:** Dr. Fischer made a motion to approve the Transfer Agreement between Illinois Eastern Community Colleges and Eastern Illinois University as recommended. Mr. Rost seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**#8-D. Certification of Equalization Eligibility:** The CEO recommended that the Board of Trustees accept a Certificate of Eligibility to Receive Equalization Grants from the Illinois Community College Board. Each year, the ICCB reviews the equalized assessed valuation in each community college district in Illinois and determines if a district is eligible to receive equalization funding. The ICCB determined that Illinois Eastern is eligible to receive equalization grants in fiscal years 2003 and 2004.

**Board Action:** Mr. Koertge made a motion to accept the Certificate of Eligibility to Receive Equalization Grants from the Illinois Community College Board as recommended. Mr. Williams seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**#8-E. Certification of Eligibility for Special Tax Levy:** Each year the Illinois Community College Board (ICCB) reviews the tax levies of districts eligible for equalization grants and notifies those districts which had combined educational and operations and maintenance tax rates of less than 25.54 cents per \$100 of equalized assessed valuation. Those districts are eligible to levy at a combined educational and operations and maintenance purposes rate of up to and including 25.54 cents per \$100 of equalized assessed valuation. At its September 19, 2003 meeting, the Illinois Community College Board certified IECC as eligible to levy such additional tax because IECC's current combined maximum authorized operating tax rates is 25.00 cents. This tax rate would allow the IECC Board of Trustees to levy an additional 0.54 cents and would raise an additional \$54,284.

The CEO recommended that the Board not levy the additional 0.54 cents.

**Board Action:** Mr. Williams made a motion to not levy the additional 0.54 cents, but to keep the combined operating funds tax rate at 25.00 cents per \$100 equalized assessed valuation as recommended. Miss Wolfe seconded the motion. The Chair asked trustees in favor of the motion to say "Aye" and those opposed to say "No." The viva voce (by the voice) vote was taken and the Chair declared the "Ayes" have it and the motion is adopted.

**#8-F. Budget Increase for HVAC/Data Center Project:** Mr. Browning reviewed a recommendation from Mr. Marion Poggas, Image Architects Inc., Carbondale, Illinois, to increase the budget for the HVAC/Data Center Acoustics Upgrade project. The CEO recommended adoption of the following resolution:

### **Resolution to Approve Budget Modification for ICCB Project #529-BE-1503-0503**

WHEREAS, pursuant to the provisions of the statutes of the State of Illinois, Community College District No. 529 (Hereinafter referred to as IECC) is authorized to complete necessary projects dealing with protection, health, and safety of students, employees, or visitors; and,

WHEREAS, on May 27, 2003 IECC received approval from the Illinois Community College Board for ICCB Project #529-BE-1503-0503 with an approved budget of \$39,325; and,

WHEREAS, the board has received reports from a licensed professional architect/engineer that there are contingencies attributable to this project that have caused the estimated cost of this project to increase; and,

WHEREAS, the revised projected costs associated with ICCB Project #529-BE-1503-0503 are:

General Work – Partition, Door, and Ceiling, \$6,000.

Modify Fire Suppression System, \$5,000.

HVAC, \$25,000.

Electrical, \$40,000.

Miscellaneous, \$5,000.

Subtotal, \$81,000.

Contingency, \$8,100.

A/E Compensation, \$8,900.

Project Total: \$98,000

Now, be it resolved by the Board of Trustees of Community College District 529 as follows:

1. The recitals set forth above are incorporated herein and made a part hereof.

2. The physical facilities described in the projects set forth above require alterations or repair and are necessary for the protection, health, and safety of the students, employees, or visitors of IECC.

3. There are not sufficient funds available in the Operations & Maintenance Fund of IECC to complete the projects set forth above.

4. The cost of the project above, as determined in the certified estimate of a licensed architect, is not less than \$25,000.

**Board Action:** Dr. Fischer made a motion to adopt the foregoing Resolution for Budget Modification for ICCB Project #529-BE-1503-0503, the HVAC/Data Center Acoustics Upgrade project as recommended. Mr. Rost seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**#8-G. Certification of Compliance with the Truth in Taxation Law:** The CEO recommended approval for the Chairman to sign the Truth in Taxation Certificate of Compliance, containing the following statements relative to this community college district:

I, the undersigned, hereby certify that I am the presiding officer of the Board of Trustees of Illinois Eastern Community Colleges, Community College District No. 529, State of Illinois, and as such presiding officer, I certify that the levy ordinance, a copy of which is attached, was adopted pursuant to, and in all respects in compliance with the provisions of Sections 18-60 through 18-85 of the "Truth in Taxation" law.

The taxing district published a notice in the newspaper and conducted a hearing, meeting the requirements of the Truth in Taxation Law, and a copy of the ad is attached. This certificate applies to the 2003 levy.

**Board Action:** Mr. Williams made a motion to approve the Certificate of Compliance with the Truth in Taxation Law and authorize the Chairman to sign the certificate as recommended. Dr. Fischer seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**#8-H. Certification of Tax Levy for FY2005:** Mr. Browning reviewed the Certificate of Tax Levy, showing the following sums to be levied on the taxable property of this community college district:

Educational Purposes \$1,925,000; Operations & Maintenance Purposes \$825,000; Local Government & Governmental Employees Tort Immunity Act purposes \$90,000; Social Security & Medicare Insurance purposes \$175,000; Financial Audit purposes \$30,000, Worker's Compensation & Unemployment purposes \$225,000. Number of bond issues of the community college district which have not been paid in full: 1. The Certificate of Tax Levy shall be filed with the county clerk of each county in which any part of the community college district is located on or before the last Tuesday in December 2003.

**Board Action:** Dr. Fischer made a motion to approve the Certificate of Tax Levy as recommended. Mr. Koertge seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**#8-I. Designation of Tax Levy Year:** Mr. Browning reviewed certain GASB guidelines regarding tax levies. Under guidelines established by the Governmental Accounting Standards Board (GASB), governmental entities may designate the fiscal year that their tax levy is to be recognized as income. Currently, the Board of Trustees does a levy and extension for taxes based upon calendar years which overlap our school year and fiscal year. The following resolution clarifies that under GASB guidelines, taxes levied for the year 2003 will be collected late in calendar year 2004 and that such levy will be allocated 100% to fiscal year 2005.

The CEO recommended adoption of the following clarifying resolution.

### **Resolution Setting Forth Tax Levies for 2003**

Be it resolved by the Board of Trustees of Illinois Eastern Community Colleges District #529, Counties of Clark, Clay, Crawford, Cumberland, Edwards, Hamilton, Jasper, Lawrence, Richland, Wabash, Wayne and White and State of Illinois, as follows:

That the Board hereby incorporates, by reference, all prior resolutions adopted in calendar year 2003 concerning tax levies and extensions.

Be it further resolved by the Board of Trustees of Illinois Eastern Community Colleges District #529, Counties of Clark, Clay, Crawford, Cumberland, Edwards, Hamilton, Jasper, Lawrence, Richland, Wabash, Wayne and White and State of Illinois, as follows:

That the sum of One Million Nine Hundred Twenty-five Thousand Dollars (\$1,925,000) be levied as a tax for Educational purposes; and the sum of Eight Hundred Twenty-Five Thousand Dollars (\$825,000) be levied as a tax for Operations and Maintenance purposes; and the sum of One Hundred Seventy-Five Thousand Dollars (\$175,000) be levied as a special tax for Social Security and Medicare purposes; and the sum of Thirty Thousand Dollars (\$30,000) be levied as a special tax for Financial Audit purposes; and the sum of Ninety Thousand Dollars (\$90,000) be levied as a special tax for purposes of the Local Government and Governmental Employees Tort Immunities Act; and the sum of Two Hundred Twenty Five Thousand Dollars (\$225,000) be levied as a special tax for Worker's Compensation and Unemployment purposes on the equalized assessed value of the taxable property of Community College District #529, Counties of Clark, Clay, Crawford, Cumberland, Edwards, Hamilton, Jasper, Lawrence, Richland, Wabash, Wayne and White and State of Illinois, for the year 2003 to be collected in the year 2004; and that the levy for the year 2003 be allocated 100% for Fiscal Year 2005.

**Board Action:** Mr. Williams made a motion to adopt the foregoing resolution regarding designation of the tax levy year as recommended. Dr. Fischer seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**AGENDA #9 – “Bid Committee Report”** – None.

**AGENDA #10 – “District Finance”** – The following district financial matters were presented:

**#10-A. Financial Reports:** The monthly financial reports were presented, including the treasurer's report, showing a balance in all funds of \$11,650,699.23, as of September 30, 2003.

**#10-B. Approval of Financial Obligations:** District financial obligations (Listing of Board Bills) for the month of October 2003, totaling \$2,701,232.27, were presented for approval.

**Board Approval for Payment of Financial Obligations:** Miss Wolfe made a motion to approve payment of the district financial obligations for the month of October 2003, in the amounts listed, and payments from the revolving fund for the month of September 2003. Mr. Rost seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**AGENDA #11 – “Chief Executive Officer's Report”** - Mr. Bruce presented informational reports relative to the following topics:

1. Statewide Community College Enrollment.
2. LTC Banner Dedication (Richard Roth) – November 8, 2003.
3. Greenville College Bachelor Degree Class at FCC.
4. Reorganization of Board of Trustees in November.
5. Spring Semester Enrollment – District +2%.
6. Equalization Finance Advisory Committee.

**AGENDA #12 – “Executive Session”** – None.

**AGENDA #13 – “Executive Session Minutes”** – The CEO recommended that minutes of a closed meeting held during the regular meeting, Tuesday, September 16, 2003 be approved and remain closed at this time.

**Board Action:** Mr. Williams made a motion to approve, as prepared, minutes of a closed meeting held on Tuesday, September 16, 2003, but that closed meeting minutes of that date will remain closed and not be opened to public inspection at this time. Mr. Koertge seconded the motion. The Chair asked trustees in favor of the motion to say “Aye” and those opposed to say “No.” The viva voce (by the voice) vote was taken and the Chair declared the “Ayes” have it and the motion is adopted.

**AGENDA #14 – “Approval of Personnel Report”** – The CEO presented the following amended Personnel Report and recommended approval.

**400.1. Authorization to hire Correctional Center employee for FY04 pending DOC approval. Employment is contingent upon Department of Corrections and Illinois Eastern Community Colleges requirements.**

A. Classified

1. Lori Watts, Records Assistant, Lawrence Correctional Center/Robinson Correctional Center.

**400.2. Change in Status**

A. Classified

1. Lona Peavler, Business Office Clerk, District Office, to Payroll Clerk, District Office, effective December 1, 2003.

**400.3. Interim Assignment**

A. Classified

1. Gayle Zaring, Interim Career Advisor Duties at Lincoln Trail College. Amount: Based upon an additional \$350 per month.

#### **400.4. Leave Request**

##### A. Part-Time Hourly

1. Julie Rutan, Lincoln Trail College, Family Medical Leave, effective on or about January 5, 2004 with up to 12 weeks of leave. The requested leave is unpaid.

#### **400.5. FY03-04 Educational Level Changes**

##### A. Lincoln Trail College – Extra-Curricular

1. Carrie Mallard, Scholastic Bowl Coordinator, \$350.
2. Susan Polgar, Phi Theta Kappa Advisor, \$150.
3. Diane Reed, Phi Theta Kappa Advisor, \$150.

#### **400.6. Termination of Employment**

##### A. Classified

1. Melanie Kent, Administrative Assistant, District Office, effective October 22, 2003.

#### **400.7. Resignations**

##### A. Faculty

1. Elizabeth Tate, Nursing Instructor, effective September 17, 2003.

##### B. Professional/Non-Faculty

1. Amber Ramsey, Youthful Offender Counselor, IECC/LTC Robinson Correctional Center, effective October 3, 2003.
2. Kristina Zane, Career Advisor, Lincoln Trail College, effective October 17, 2003.

#### **400.8. Retirements**

##### A. Faculty

1. Victor Connor, Art Instructor, effective December 31, 2003.

##### B. Classified

1. Cynthia Frost, Payroll Clerk, District Office, effective December 31, 2003.
2. John Stoll, Custodian, Olney Central College, effective December 31, 2003.

#### **Personnel Report Addendum**

#### 400.4. Leave Request

##### B. Classified

1. Eva Hubble, District Office, Family Medical Leave, effective on or about October 27, 2003 with up to 12 weeks of leave. The requested leave is unpaid with allowance for substitution of paid leave time.

**Board Action to Amend Personnel Report:** Dr. Fischer made a motion to amend the Personnel Report, to add an addendum containing Section 400.4.B.1, as recommended. Mr. Koertge seconded the motion. The Chair asked trustees in favor of the motion to say “Aye” and those opposed to say “No.” The viva voce (by the voice) vote was taken and the Chair declared that the “Ayes” have it and the motion is adopted.

**Board Action to Approve Amended Personnel Report:** Mr. Rost made a motion to approve the foregoing amended Personnel Report as recommended. Miss Wolfe seconded the motion and on a recorded roll call vote ordered by the Chair the following trustees voted yea:

Dr. Fischer, Mr. Koertge, Mr. Lane, Mr. Rost, Mr. Williams, Miss Wolfe. Student advisory vote: Yea. Trustees voting nay: None. Trustees absent: Mrs. Culver. The motion having received 6 yea votes and 0 nay votes, the Chair declared the motion carried.

**AGENDA #15 – “Collective Bargaining”** – The CEO reported that the next collective bargaining session is set for November 4, 2003.

**AGENDA #16 – “Litigation”** – None.

**AGENDA #17 – “Acquisition & Disposition of Property”** – None.

**AGENDA #18 – “Other Items”** – None.

**AGENDA #19 – “Adjournment”** – Mr. Williams made a motion to adjourn. Mr. Koertge seconded the motion. The Chair asked trustees in favor of the motion to say “Aye” and those opposed to say “No.” The viva voce (by the voice) vote was taken. The Chair declared the “Ayes” have it, the motion is adopted, and the meeting adjourned at 8:30 p.m.

Approved:      Chairman: \_\_\_\_\_

Secretary: \_\_\_\_\_

**Agenda Item #1**

**Call to Order & Roll Call**

**Agenda Item #2**

**Oath of Office and Seating of Trustees Elected April 1, 2003**

**Agenda Item #3**

**Organization of New Board**

- A. Roll Call**
- B. Election of Chairman**
- C. Election of Vice-Chairman**
- D. Election of Secretary Pro Tempore**
- E. Election of Secretary**
- F. Appointment of Ethics Officer**
- G. Resolution for Adoption of Rules, Regulations and Actions of Prior Boards**
- H. Resolution for Time and Place of Board Meetings**

**Agenda Item #3F**

**Appointment of Ethics Officer**

**Agenda Item #3F**

The Board hereby appoints Harry Hillis, Board Secretary as Ethics Officer for the Board, and for the district, pursuant to statute. He shall serve until his successor is appointed and qualified.

**Agenda Item #3G**

**Resolution for Adoption of Rules, Regulations and Actions of Prior Boards**

**RESOLUTION FOR ADOPTION OF RULES, REGULATIONS, POLICIES AND  
ACTIONS OF PRIOR BOARDS**

BE IT RESOLVED by the Board of Trustees of Illinois Eastern Community Colleges, District No. 529, State of Illinois, that all rules, regulations, policies and actions of prior Boards of Trustees of this community college district are hereby adopted in full, including any changes and revisions.

Procedures: The Board agrees to follow past practices and procedures. The Secretary shall rotate the order of calling upon Board members to cast votes on each roll call vote. *Roberts Rules of Order* will be followed for general procedural guidelines, but will not be adopted. When voice votes are taken, any trustee may ask for a roll call vote on that issue.

**Agenda Item #3H**

**Resolution for Time and Place of Board Meetings**

**RESOLUTION**

**Resolution for Time and Place of Board Meetings**

Resolved, that the Board of Trustees regular monthly meetings shall be held as follows during the calendar year 2004:

Tuesday, January 20, 2004, 7 p.m., Wabash Valley College  
Tuesday, February 17, 2004, 7 p.m., Frontier Community College  
Tuesday, March 16, 2004, 7 p.m., Lincoln Trail College  
Tuesday, April 20, 2004, 7 p.m., Olney Central College  
Tuesday, May 18, 2004, 7 p.m., Wabash Valley College  
Tuesday, June 15, 2004, 7 p.m., Frontier Community College  
Tuesday, July 20, 2004, 7 p.m., Lincoln Trail College  
Tuesday, August 17, 2004, 7 p.m., Olney Central College  
Tuesday, September 21, 2004, 7 p.m., Wabash Valley College  
Tuesday, October 19, 2004, 7 p.m., Frontier Community College  
Tuesday, November 16, 2004, 7 p.m., Lincoln Trail College  
\*Tuesday, December 14, 2004, 7 p.m., Olney Central College

\*Board meetings in December will be held on the second Tuesday of the month due to Winter Break.

**Agenda Item #4**

**Agenda Item #4**

**Disposition of Minutes**

**Agenda Item #5**

**Recognition of Visitors and Guests**

- A. Visitors and Guests**
- B. IECEA Representatives**

**Agenda Item #6**

**Public Comment**

**Agenda Item #7**

**Reports**

- A. Trustees**
- B. Presidents**
- C. Cabinet**
  - Coal Mining Technology/Telecom**

**Agenda Item #8**

**Policy First Reading (and Possible Approval)**

**Agenda Item #9**

**Policy Second Reading**

**Agenda Item #10**

**Staff Recommendations for Approval**

**Agenda Item #10A**

**FY2004 Institutional Effectiveness Plan**

**MEMORANDUM**

TO: Board of Trustees  
FROM: Terry L. Bruce  
DATE: November 18, 2003  
RE: FY2004 Institutional Effectiveness Plan

The Institutional Effectiveness Plan sets forth the District's ten mission objectives and indicates the progress toward each of the goals. This plan was previously named the Assessment Plan. Because of its length, the plan has been sent to you by e-mail under separate cover.

Summarized, those objectives are:

To provide high quality education to transfer students, technical, adult, and continuing education students and to provide remedial education.

To advise, counsel, and place students wishing to transfer or find employment.

To provide curricula and programs to meet the educational goals of students, and provide community education and activities as a cultural resource center for the area.

To provide professional growth opportunities for the college staff and provide resources and equipment to support all components of the college.

To provide economic development and workforce training to expand the area's industrial base.

Mr. Chairman, I recommend approval of the FY2004 Institutional Effectiveness Plan for Illinois Eastern Community Colleges.

TLB/rs

**Agenda Item #10B**

**FY2004 Capital Renewal Application**

MEMORANDUM

TO: Board of Trustees  
FROM: Roger Browning  
DATE: November 18, 2003  
SUBJECT: FY2004 Capital Renewal Application

Enclosed is Illinois Eastern Community Colleges FY2004 Capital Renewal Grant application with an estimated cost of \$323,912. The projects in this application were identified by the Presidents and Superintendents at each campus. We would request that the Board of Trustees approve this FY2004 Capital Renewal Grant application as presented so that it may be submitted to the Illinois Community College Board for their consideration.

**CAPITAL PROJECT APPLICATION FORM**  
*(One Application Form per Project)*

District/College and District # Illinois Eastern Community Colleges Dist. #529

Contact Person Roger Browning

Project Title FY2004 Capital Renewal Projects

Project Budget \$323,912 check here if the proposed project is to be financed with a combination of local, state, federal, foundation gifts, etc and disclose on funding attachment 2 Date: November 18, 2003

**Application Type (check the appropriate application type and follow instructions):**

Locally Funded New Construction--complete/submit Sections I, II and III.

Locally Funded Remodeling--complete/submit Sections I and III.

Locally Funded New Construction and Remodeling--complete/submit Sections I, II and III.

Protection, Health and Safety--complete/submit Section I and Attachment PHS.

Capital Renewal Project--complete/submit Section I and the Architect Recommendation form.

ADA Project--complete/submit Section I, Attachment ADA and the Architect Recommendation form.

**Section I (submit for ALL project approval requests)**

- A. Board of trustees action--attach a copy of the local board's resolution and certified minutes
- B. A detailed description identifying the scope of work to be accomplished (*complete the narration section and attach*)
- C. A detailed description of the project's programmatic justification (*complete the narration section and attach*)
- D. Board of trustees approved budget (*use the appropriate format on Attachment #1*)
- E. Funding source (*use the appropriate format on Attachment #2*)

**Section II**

- A. Is the requested project included in the District Site and Construction Master Plan? (See ICCB Rule 1501.602c for a definition of such a plan) Yes  No

If no, please update your District's Site and Construction Master Plan and submit to the ICCB.  
Anticipated date of completion

- B. Submit the new square footage allocation (*use Square Footage Summary Attachment*)

- C. Has the site been determined professionally to be suitable for construction purposes?  
Yes  No

If yes, how was suitability determined (i.e., soil borings, inspection for hazardous materials, etc.)

---

**Section III**

- A. Submit the remodeled square footage allocation (*use Square Footage Summary Attachment*)

ATTACHMENT TO APPLICATION FOR  
CAPITAL RENEWAL GRANT FUNDS

Illinois Eastern Community Colleges District No. 529  
November 18, 2003

1. A narration which justifies the use of capital renewal funds for the project:

Lincoln Trail College: The interior walls of the Arts Building are constructed of wood studs and low quality wood paneling which does not meet fire safety requirements. The existing interior lighting fixtures are original to the building (approximately 30 years old) and age has reduced their performance and lighting efficiency.

Olney Central College: The Vocational Technology Building is in need of upgrade. Existing exterior doors and windows have deteriorated. Existing floor covering is in need of replacement. Interior partitions and walls need to be repaired/modified/relocated to create functional and code-compliant spaces.

Wabash Valley College: The existing fluorescent lighting fixtures in the Spencer Sport Center gymnasium is original to the facility, nearly 30 years old. The fixtures are in constant need of repair and attention, and lighting efficiency has been compromised over time. Toilets in the Applied Arts Building need upgrading. Metal partitions, fixtures, fittings and finishes have deteriorated from constant use over the past 30 years.

Frontier Community College: The nursing program has been relocated to the Campus from its former off-campus location and enrollment at the College has increased 21%. Additionally, several new vocational programs are being started on campus. As a result, parking areas on the Campus are inadequate for the additional students and staff, and lawn areas and public roads are being used for parking. This is causing hazardous situations and traffic congestion for both pedestrian and vehicular traffic.

2. A project scope:

Lincoln Trail College: Remove the existing wood paneling on the walls throughout the Arts Building and replace with gypsum board, finished and painted. Replace the light fixtures in the building with new fixtures.

Olney Central College: Replace exterior doors and windows in the Vocational Technology Building. Remove and replace deteriorated floor covering throughout. Remove, relocate and repair existing stud and plywood/gypsum board partitions and walls, using new studs and gypsum board.

Wabash Valley College: Replace the original fluorescent lighting fixtures in the Spencer Sport Center gymnasium with new metal halide fixtures. Replace existing toilet partitions, plumbing fixtures and fittings, and repair and refinish walls and ceilings.

Frontier Community College: Construct a new on-campus parking lot to provide parking for the students and staff.

ATTACHMENT TO APPLICATION FOR  
CAPITAL RENEWAL GRANT FUNDS

Illinois Eastern Community Colleges District No. 529  
November 18, 2003

Page Two

3. Estimated Project Budget:

LTC: Repair/upgrade walls – Arts Building	\$44,000
Replace lighting – Arts Building	21,000
OCC: Upgrade/repair Vocational Tech Building	30,960
WVC: Replace lighting – Spencer Sport Center Gym	30,325
Upgrade toilets – Applied Arts Building	20,195
FCC: New parking lot	<u>104,167</u>
Subtotal	\$250,647
Contingency	25,065
Construction Administration Fee	8,300
A/E Compensation	28,900
On-Site Observation & Reimbursables	<u>11,000</u>
<b>Total Estimated Project Cost</b>	<b>\$323,912</b>

**Attachment #1**

Project Budget

**Check One:**

- New Construction
- X Remodeling

**Project Name**

**Miscellaneous Improvements - LTC, OCC, WVC & FCC**

	<u>Budget Amounts</u>
Land	
Site Development	\$104,167
Construction (including Fixed Equipment)	84,960
Mechanical	10,195
Electrical	51,325
General Conditions (CDB Construction Administration Fee)	8,300
Contingency (10%)	25,065
A/E Professional Fees and Reimbursables	39,900
<b>Total</b>	<b>\$323,912</b>

**Protection, Health and Safety Project Name**

Budget Amounts

- Project Costs
- Contingency
- A/E Professional Fees
- 
- Total

**Attachment #2  
Funding Source**

**District/College Name** Illinois Eastern Community Colleges  
**Project Name** FY2004 Capital Renewal Projects

**Check the source(s) of funds:**

Available fund balance \_\_\_\_\_ Fund name(s): \_\_\_\_\_  
(Including excess funds from  
previously approved protection,  
health, and safety projects)

Bond Proceeds \_\_\_\_\_ Type of bond issuance(s): \_\_\_\_\_  
(including protection, health,  
and safety bonds)

Protection, Health and \_\_\_\_\_ Tax rate/fiscal year: \_\_\_\_\_  
Safety Tax Levy  
(ILCS 805/3-20.3.01)

Contract for Deed \_\_\_\_\_ Term of Contract for Deed in months: \_\_\_\_\_  
(ILCS 805/3-36)

Lending Arrangement with a \_\_\_\_\_ Term of Lending Arrangements in months: \_\_\_\_\_  
Financial Institution  
(ILCS 805/3-37)

Lease Agreement \_\_\_\_\_ Term of Lease in months: \_\_\_\_\_  
(ILCS 805/3-38)

Capital Renewal Funding \_\_\_\_\_  Proposed Fiscal Year Source(s): FY2004

ADA \_\_\_\_\_  
Access for All Funding \_\_\_\_\_ Proposed Fiscal Year Source(s)

**ARCHITECT RECOMMENDATION FORM**

(To Be Submitted For Capital Renewal or ADA proposed projects)

1. Provide your preference for architectural and/or engineering services:
- Capital Development Board in-house services (skip to 2)
  - Capital Development Board to select A/E firm (skip to 2)
  - Using an A/E firm with whom we have a satisfactory relationship. *Attach a separate letter which states the projects completed over the last five years by the A/E firm and the college's satisfaction with that work. List the A/E firm below (only one needed).*
  - College recommended A/E firm (must supply the name, address, phone number, and contact person of your top three choices).

1st Choice: Image Architects Inc.  
1118 West Main Street  
P.O. Box 850  
Carbondale, IL 62901

2<sup>nd</sup> Choice: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3rd Choice: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Provide the following if the A/E firm was college recommended:

The firm recommended  is not \_\_\_\_\_ (is or is not) CDB certified as a minority business enterprise/female business enterprise company.

The firm recommended was chosen using a quality-based selection process.  
 Yes  No

If A/E firm will use a consultant, please provide the following information:

Name of consultant/firm  
Type of work to be performed (mechanical, electrical, etc.)  
Percentage of work estimated to be completed by a consultant  
 Minority or  Female owned business? Yes or No

2. Please attach a copy of the local board minutes approving the project.

*Please return this form along with any attachments and the board minutes to:*  
Edward Smith  
Director for System Finances  
Illinois Community College Board  
401 East Capitol Avenue  
Springfield, Illinois 62701-1711

**Agenda Item #10C**

**Adoption of FY2004 Resolution for Capital Renewal Grant  
Application**

**Agenda Item #10C**

MEMORANDUM

TO: Board of Trustees  
FROM: Roger Browning  
DATE: November 18, 2003  
SUBJECT: FY2004 Resolution for Capital Renewal Grant Funds Application

The attached Resolution for Capital Renewal Grant Funds application is a required part of the Capital Renewal application process. I would request that the Board of Trustees adopt the attached resolution and that it be included in the FY2004 Capital Renewal application.

RB/cr

Attachment

## Resolution for Capital Renewal Grant Funds Application

BE IT RESOLVED by the Board of Trustees of Illinois Eastern Community Colleges, District #529, that authorization is hereby given to file with the Illinois Community College Board, this district's FY2004 Capital Renewal Grant Application and attachments thereto, including justification narration and project scope, with an estimated cost of \$323,912, as follows:

1. The capital renewal allocated amount is \$323,912.
2. The estimated project budget is hereby approved in the following amounts:

LTC:	Repair/upgrade walls – Arts Building	\$44,000
	Replace lighting – Arts Building	21,000
OCC:	Upgrade/repair Vocational Tech Building	30,960
WVC:	Replace lighting – Spencer Sport Center Gym	30,325
	Upgrade toilets – Applied Arts Building	20,195
FCC:	New parking lot	<u>104,167</u>
	Subtotal	\$250,647
	Contingency	25,065
	Construction Administration Fee	8,300
	A/E Compensation	28,900
	On-Site Observation & Reimbursables	<u>11,000</u>
	<b>Total Estimated Project Cost</b>	<b>\$323,912</b>

Resolution adopted by roll call vote this 18th day of November 2003.

Approved: Chairman: \_\_\_\_\_

Secretary: \_\_\_\_\_

**Agenda Item #10D**

**Discontinue Flexible Spending Account**

**Agenda Item #10D**

MEMORANDUM

TO: Board of Trustees  
FROM: Roger Browning  
DATE: November 18, 2003  
SUBJECT: FSA Plan – Discontinuance

The last two years IECC has attempted to fund and administer a Flexible Spending Account (FSA) Program to allow employees to pay for unreimbursed medical expenses, and childcare expenses, on a pre-tax basis. The District believed that through employee meetings, the sessions at the District Workshop devoted to the topic, and by word-of-mouth of the employees who did participate that there would be enough interest generated and participation in the program to make it viable.

Unfortunately, that has not happened. Currently there are 23 participants out of 330 eligible full-time employees (or approximately 7% participation) in the medical reimbursement portion of the program, and there are 0 participants in the child care reimbursement portion of the program. Because of the extremely low participation rate, the Cabinet has recommended that the FSA Program be discontinued after December 31, 2003.

December 31st is the end of our plan year and a natural time to discontinue the program. Employees will not lose their contributions to the plan as long as they follow the same general rules that have always been applicable: 1) the qualifying expense must have been incurred by December 31, 2003, and 2) claim for reimbursement of such expense must be made within 90 days after the December 31, 2003 year end.

I want to emphasize that this recommendation is only for the FSA Program. The Premium Conversion program whereby employees can elect to pay their portion of dependent medical and dependent dental premiums in pre-tax dollars should continue to be offered.

I request that the Board of Trustees approve the Cabinet recommendation to discontinue the Flexible Spending Account Program at the end of the current plan year, December 31, 2003.

**Agenda Item #10E**

**New Premium Conversion Plan Agreement**

**Agenda Item #10E**

MEMORANDUM

TO: Board of Trustees  
FROM: Roger Browning  
DATE: November 18, 2003  
SUBJECT: IECC Premium Only Plan

IECC currently offers a Flexible Benefit Plan whereby employees can elect to pay their portion of dependent medical and dependent dental premiums in pre-tax dollars. This plan has been in existence since 1994 and it desperately needs to be updated to reflect current tax laws and regulations.

After reviewing our options, I believe it would be beneficial to the District to adopt the prototype plan offered by Kemper CPA Group. This prototype plan has been approved by the Internal Revenue Service as a “qualified plan” under Section 125 (f) of the Internal Revenue Code. The plan document is attached for your review (Exhibit A).

This plan would replace our existing Flexible Benefit Plan effective January 1, 2004. There will be a one-time set up fee of approximately \$300 for Kemper to get our group set up using their prototype document. Then, there will be an annual fee of approximately \$100 for Kemper to perform the annual discrimination testing and to prepare any IRS required filing.

I would ask that the Board of Trustees approve the IECC Premium Only Plan by adopting the attached resolution which incorporates by reference the Plan Document (Exhibit A) and the Summary Plan Description (Exhibit B).

**RESOLUTION OF THE BOARD OF TRUSTEES FOR THE ADOPTION OF  
ILLINOIS EASTERN COMMUNITY COLLEGES PREMIUM ONLY PLAN**

On this date, the Board of Trustees of Illinois Eastern Community Colleges did meet to discuss the implementation of Illinois Eastern Community Colleges Premium Only Plan to be effective January 1st, 2004. Let it be known that the following resolutions were duly adopted by the Board of Trustees of Illinois Eastern Community Colleges and that such resolutions have not been modified or rescinded as of the date hereof;

RESOLVED, that the form of Cafeteria Plan, as authorized under Section 125 of the Internal Revenue Code of 1986, presented to this meeting is hereby adopted and approved and that the proper officers of the Employer are hereby authorized and directed to execute and deliver to the Plan Administrator one or more copies of the Plan.

RESOLVED, that the Plan Year shall be for a 12 month period beginning on January 1<sup>st</sup>, and ending December 31<sup>st</sup>.

RESOLVED, that the Employer shall contribute to the Plan amounts sufficient to meet its obligation under the Cafeteria Plan, in accordance with the terms of the Plan Document and shall notify the Plan Administrator to which periods said contributions shall be applied.

RESOLVED, that the proper officers of the Employer shall act as soon as possible to notify employees of the adoption of the Cafeteria Plan by delivering to each Employee a copy of the Summary Plan Description presented to this meeting, which form is hereby approved.

The undersigned certifies that attached hereto as Exhibits A and B respectively are true copies of the Plan Document, and Summary Plan Description for Illinois Eastern Community Colleges Premium Only Plan approved and adopted in the foregoing resolutions.

The undersigned further certifies and attests that the above resolutions were made with the consent of the Board of Trustees of Illinois Eastern Community Colleges on this date:

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

**EXHIBIT A**

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**ILLINOIS EASTERN COMMUNITY COLLEGES PREMIUM ONLY PLAN**

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# ILLINOIS EASTERN COMMUNITY COLLEGES PREMIUM ONLY PLAN

## ARTICLE I

### INTRODUCTION

**1.1 Creation and Title.** The Employer hereby creates a cafeteria plan under the terms and conditions set forth in this document. The Plan is to be known as Illinois Eastern Community Colleges Premium Only Plan.

**1.2 Effective Date.** The provisions of the Plan shall be effective as of January 1st, 2004.

**1.3 Purpose.** The purpose of the Plan is to allow employees to select among cash compensation and certain nontaxable benefits, namely coverage under one or more benefits programs maintained by the Employer. The Employer intends that the Plan qualify as a cafeteria plan under Section 125 of the Code, and that the benefits provided under the Plan be eligible for exclusion from Federal income tax.

## ARTICLE II

### DEFINITIONS

As used in this Plan document, the following terms shall have the following meanings:

**2.1 "Benefit Entry Date"** means for each Eligible Employee the day that the Employee becomes eligible to participate in each of the Plan's Benefits. If the Plan does not have different eligibility requirements for each benefit, the Benefit Entry Date will be the same as the Plan Entry Date.

**2.2 "Benefits"** mean cash and the various qualified benefits under Section 125(f) of the Code sponsored by the Employer and made available by the Employer through the Plan, including, but not limited to, health and dental insurance premium benefits.

**2.3 "Benefits Accounts"** mean the accounts established by the Plan Administrator under the Plan for each Participant's Benefits for purposes of administering the Plan.

**2.4 "Election Form"** means the form or forms, including a Salary Reduction Agreement, evidencing an Eligible Employee's selections from among the various Benefits and the amount to be contributed towards various Benefits for a Plan Year or portion of a Plan Year.

**2.5 "Change in Status"** Change in Status shall mean the marriage or divorce of the Participant; the adoption, birth, or death of a child or other Dependent of the Participant or the

Participant's Spouse; the emancipation or coming of age of a child of the Participant so that the child is no longer eligible as a Dependent under the Plan; the employment of the Participant or Participant's Spouse; change in the Participant's residence; the Participant beginning or ending adoption proceedings; automatic changes upon cost increases or decreases; significant cost increases; significant curtailment of coverage; addition or elimination of similar benefit package option allowing (prohibiting) employees that previously opted out of other benefits to make an election change; change in coverage under employer plan of spouse or dependent; FMLA leaves; changes in 401(k) contributions; HIPAA special enrollment rights; a COBRA qualifying event; a judgment, decree or order, or; Medicare or Medicaid entitlement. **The Plan intends to allow all Status Changes as are permissible under applicable government regulations.**

**2.6 "Code"** means the Internal Revenue Code of 1986, as amended from time to time.

**2.7 "Compensation"** means all the earned income, salary, wages and other earnings paid by the Employer to a Participant during a Plan Year, including any amounts contributed by the Employer pursuant to a salary reduction agreement which are not includable in gross income under Sections 125, 402(g)(3), 402(h), 403(b) or 457(b) of the Code.

**2.8 "Dependent"** means an individual who is a dependent within the meaning of Section 152(a) of the Code of a Participant or a former Participant in the Plan.

**2.9 "Effective Date"** shall be January 1st, 2004.

**2.10 "Eligible Employee"** means an Employee, as defined in Section 2.11 below, who is eligible to participate in the Employer's Group Medical Plan, except for: (1) Employees who are self-employed individuals as defined in section 401(c) of the Internal Revenue Code (including sole proprietors and partners in a partnership), (2) Employees who own (or are considered to own within the meaning of section 318 of the Internal Revenue Code) more than 2 percent of the outstanding stock of an S corporation or stock possessing more than 2 percent of the total combined voting power of all stock of such corporation.

**2.11 "Employee"** means a person who is currently or hereafter employed by the Employer, or by any other employer aggregated under sections 414(b), (c), (m), (n) or (o) of the Code and the regulations there under, including a Leased Employee subject to section 414(n) of the Code. Excluding individuals who are not contemporaneously classified as Employees of the Employer for purposes of the Employer's payroll system (including, without limitation, individuals employed by temporary help firms, technical help firms, staffing firms, employee leasing firms, professional employer organizations or other staffing firms whether or not deemed to be "common law" Employees or "Leased Employees" within the meaning of section 414(n) (o) of the Code) are not considered to be Eligible Employees of the Employer and shall not be eligible to participate in the Plan. In the event any such individuals are reclassified as Employees for any purpose, including without limitation, common law or statutory employees, by any action of any third party, including, without limitation, any government agency, or as a result of any private lawsuit, action, or administrative proceeding, such individuals shall notwithstanding such reclassification, remain ineligible for participation hereunder. Notwithstanding foregoing, the exclusive means for individuals who are not contemporaneously classified as an Employee of the Employer on the Employer's payroll system to become eligible to participate in this Plan is through an amendment to this Plan, duly executed by the Employer, which specifically renders such individuals eligible for participation hereunder.

The Plan Administrator shall have full and complete discretion to determine eligibility for participation and benefits under this Plan, including, without limitation, the determination of those individuals who are deemed Employees of the Employer (or any controlled group member). The Plan Administrator's decision shall be final, binding and conclusive on all parties having or claiming a benefit under this Plan. This Plan is to be construed to exclude all individuals who are not considered Employees for purposes of the Employer's payroll system, and the Plan Administrator is authorized to do so, despite the fact that its decision may result in the loss of the Plan's tax qualification.

**2.12 "Employer"** means Illinois Eastern Community Colleges or any of its affiliates, successors or assignors which adopt the Plan.

**2.13 "Participant"** means any Employee who has met the eligibility requirements of Section 3.1 of the Plan and has elected to participate in the Plan by providing the Plan Administrator with an executed Election Form.

**2.14 "Plan"** means Illinois Eastern Community Colleges Premium Only Plan, as described herein.

**2.15 "Plan Administrator"** means the Employer or such other person or committee as may be appointed by the Employer to administer the Plan.

**2.16 "Plan Entry Date"** is the date that coincides with the Participant's Entry Date in the Employer's Group Medical Plan.

**2.17 "Plan Year"** means the 12-consecutive month period beginning on January 1<sup>st</sup> and ending on December 31<sup>st</sup>.

**2.18 "Salary Reduction Agreement"** means the agreement by an Employee authorizing the Employer to reduce the Employee's Compensation while a Participant during the Plan Year for purposes of making contributions toward Benefits under the Plan.

**2.19 "Spouse"** means an individual who is legally married to a Participant but shall not include an individual separated from a Participant under a decree of legal separation.

**2.20 "Timely Submitted"** means, unless the Plan Administrator has specific and special cause to alter the definition of this phrase, within 30 calendar days of event that has triggered the Change in Status.

**ARTICLE III**  
**PARTICIPATION**

**3.1 Eligibility.** Each Employee, as defined in section 2.11 above, shall be eligible to participate in the Plan if the Employee is eligible to participate in the Employer's Group Medical Plan and so long as the Employee is employed by the Employer as of his or her Entry Date.

**3.2 Commencement of Participation.** An Eligible Employee shall become a Participant in the Plan after providing the Plan Administrator with an executed Election Form setting forth the Benefits to be made available to the Eligible Employee for the immediately following Plan Year or remaining portion of the Plan Year. As part of the Election Form, the Participant shall also execute a Salary Reduction Agreement, which authorizes the Employer to withhold from the Participant's Compensation an amount the Participant elects to have contributed to the Plan. The Participant must, before the end of the first Plan Year of participation and, before the end of each subsequent Plan Year, provide the Plan Administrator with a newly executed Election Form. Each new Election Form shall specify the type and amount of Benefits to be made available to the Participant for the immediately following Plan Year or remaining portion of the Plan Year. For the initial Plan Year only, if a Participant fails to execute a valid Election Form before the Plan's original Effective Date, the Participant shall be ineligible to participate in the Plan for the initial Plan Year. Should a Participant fail to execute a valid Election Form for any Plan Year before the start of the Plan Year, the Election Form for the immediately preceding Plan Year shall be deemed to be effective for the subsequent Plan Year.

**3.3 Term of Participation.** Each Participant shall be a Participant in the Plan for the entire Plan Year or the portion of the Plan Year remaining after the Participant's Entry Date, if later than the first day of the Plan Year. A Participant shall cease to be a Participant in the Plan on the earliest of:

- (a) the date the Participant dies, resigns or terminates employment with the Employer, subject to the provisions of Section 3.4;
- (b) the date the Participant fails to make required contributions under the Plan;
- (c) the end of the plan year the Participant ceases to be an Employee; or
- (d) the date the Plan terminates.

**3.4 Treatment of Rehired Employees.** A Participant whose employment terminates and who is subsequently re-employed with less than 30 days separation of service will not rejoin the Plan until the first day of the following Plan Year, unless the Employee should incur an applicable Change in Status.

A Participant whose employment terminates and who is subsequently re-employed with more than 29 days separation of service may rejoin the Plan upon meeting Plan Eligibility Conditions and may make new benefit elections. Any unused reimbursement Benefits Accounts balance prior to the initial separation of service date will be forfeited.

**3.5 HIPAA Portability.** Notwithstanding any other provisions in this Article III, any Employee who becomes eligible under the Health Portability and Accountability Act of 1996

("HIPAA") for coverage by an Accident or Health benefit under the Plan shall be allowed to participate in the Plan, so long as such Employee complies with the provisions set out in HIPAA.

**3.6 COBRA Continuation Coverage.** Under COBRA, this section 3.6 shall not apply to any group health plan of the Employer for any calendar year if all employers maintaining such plan normally employed fewer than 20 employees on a typical business day during the preceding calendar year. Notwithstanding any other provisions in this Article III, any Participant, Spouse or Dependent eligible for continuation coverage under the Plan under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") as amended from time to time, shall be allowed to continue to participate in the Plan, so long as such Participant, Spouse or Dependent complies with the provisions set out in COBRA.

The Employer shall adopt rules relating to continuation coverage, as provided under Section 4980B of the Code or applicable state law, as may be required from time to time, and shall advise affected individuals of the terms and conditions of such continuation coverage.

**3.7 Family Medical Leave Act.** Under the FMLA, the provisions of this section 3.7 shall not be available to Employees for such Plan Years in which the Employer has 50 or fewer Employees. For Plan Years in which the Employer has more than 50 Employees, the Employer must make FMLA leave available to Employees for up to 12 weeks in connection with the birth or adoption of a child, or to care for a close relative, or because of a serious health condition of the Employee.

Payment Options for coverage while on unpaid Family Medical Leave Act leave for group plans:

(a) Pre-pay before commencement of leave through pre-tax or after-tax Salary Reduction Agreement from any taxable compensation, including cashing out of unused sick or vacation days, provided all other plan requirements are met.

(b) Pay-as-you-go. Employees may pay their share of premium payments on the same schedule as payments would be made if the employee were not on leave, or under another schedule permitted under Department of Labor regulations.

The Employer shall not be required to continue the health coverage of an Employee who fails to make required premium payments while on FMLA leave. However, if the Employer chooses to continue the health coverage of an Employee who fails to make required premium payment while on FMLA leave, the Employer is entitled to recoup those payments after the Employee returns from FMLA leave.

**ARTICLE IV**  
**CONTRIBUTIONS**

**4.1 Source of Contributions.** The Employer shall contribute amounts deemed necessary to meet its obligations under the Plan. Contributions to the Plan for the Plan Year shall be limited to the amounts determined by the Election Form entered into by Participants for the Plan Year. Contributions to the Plan shall be made to, and all Plan assets shall be held in such accounts or funds as the Employer deems appropriate.

**4.2 Change in Participant's Election.** No Participant in the Plan shall be allowed to alter or discontinue the Participant's elected Benefits under the Plan during a Plan Year except when due to and consistent with a Change in Status.

Upon the occurrence of a Change in Status, the Participant may file a new Election Form, which will serve to revoke the Participant's previous Election Form. The new Election Form, if determined by the Plan Administrator to be timely submitted and consistent with the Status Change, shall be effective prospectively and apply only to those Benefits accruing to the Participant, the Participant's Spouse or the Participant's Dependents after the effective date of the new Election Form.

Further, any changes a Participant is permitted to make on account of the Plan Administrator determining the Participant qualifies to make a change in his elections under the plan due to a Change in Status is limited to either an increase in benefits, or an amount not less than claims paid to date.

With respect to an election change under the special enrollment period provisions of HIPAA, "timely submitted" shall mean submitted no later than the last day of such special enrollment period. With respect to any other change in election, the Plan Administrator shall determine if the new Election Form has been timely submitted consistent with the nature of the Change in Status.

The Participant's Election Form for a given Plan Year shall terminate and Benefits under the Plan shall cease upon the date a Participant is no longer eligible to participate under the terms of this Plan.

**4.3 Increases or Decreases in Premiums.** Should a third party benefit provider, such as an Insurance Company, increase or decrease premiums for any health benefits being offered under this Plan during the Plan Year, any Participant participating in such benefit shall have his contributions increased or decreased automatically in an amount sufficient to pay for such increase or decrease. However, in the case of a significant increase in premium, if there is a similar benefit offered outside the Plan at the time of said increase, the Participant may select such similar benefit rather than pay the increase.

**4.4 Maximum Contribution.** The Maximum Contribution any individual can make under this Plan is an amount equal to the sum of the costs for each of the highest cost premium-type Benefit Options offered under the Plan in each Benefit Category. The term "Benefit Option" refers to any category of Benefits offered under this Cafeteria Plan in which the Participant has the opportunity to choose one benefit from several different Options in that category. The term "Benefit Category" refers to any category of Benefits offered under this Plan and may include (but is not limited to) Health and Dental Insurance.

**4.5 Nondiscrimination.** The Plan is intended to not discriminate in favor of highly compensated individuals as to eligibility to participate, contributions and benefits in accordance with applicable provisions of the Code. The Plan Administrator may take such actions as excluding certain highly compensated individuals from participation in the Plan or limiting the contributions made with respect to certain highly compensated participants if, in the Plan Administrator's judgment, such actions serve to assure that the Plan does not violate applicable nondiscrimination rules.

## ARTICLE V

### PARTICIPANTS' ACCOUNTS AND PAYMENT OF BENEFITS

**5.1 Participants' Benefit Accounts.** The Plan Administrator shall establish separate Benefits Accounts based on the Benefits selections made by each Participant. Contributions shall be credited to the proper Benefits Accounts of each Participant. Each Benefits Account shall be designated as a "Premium Account".

**5.2 Premium Account.** A "Premium Account" is an account established with the intent of paying for premium-type Benefits pursuant to an insurance policy issued by an insurance company to provide medical, vision, psychological or psychiatric, prescription drugs, or other qualified benefits under Section 125.

**5.3 Payment of Benefits.** The Plan Administrator shall pay the Benefits authorized under the Plan other than insurance benefits administered by a third-party benefit provider. Payment shall be made by the Employer, (or the designated Plan Administrator), in a timely manner upon receipt of a Premium Notice from the Benefit Provider providing such benefit.

## ARTICLE VI

### PLAN ADMINISTRATION

**6.1 Plan Administrator.** The Plan Administrator shall be responsible for the administration of the Plan.

**6.2 Plan Administrator's Duties.** In addition to any rights, duties or powers specified throughout the Plan, the Plan Administrator shall have the following rights, duties and powers:

(a) to interpret the Plan, to determine the amount, manner and time for payment of any benefits under the Plan, and to construe or remedy any ambiguities, inconsistencies or omissions under the Plan;

(b) to adopt and apply any rules or procedures to insure the orderly and efficient administration of the Plan;

(c) to determine the rights of any Participant, Spouse, Dependent or beneficiary to benefits under the Plan;

(d) to develop appellate and review procedures for any Participant, Spouse, Dependent or designated beneficiary denied benefits under the Plan;

(e) to provide the Employer with such tax or other information it may require in connection with the Plan;

(f) to employ any agents, attorneys, accountants or other parties (who may also be employed by the Employer) and to allocate or delegate to them such powers or duties as is necessary to assist in the proper and efficient administration of the Plan, provided that such allocation or delegation and the acceptance thereof is in writing;

(g) to report to the Employer, or any party designated by the Employer, after the end of each Plan year regarding the administration of the Plan, and to report any significant problems as to the administration of the Plan and to make recommendations for modifications as to procedures and benefits, or any other change which might insure the efficient administration of the Plan.

However, nothing in this section 6.2 is meant to confer upon the Plan Administrator any powers to amend the Plan or change any administrative procedure or adopt any other procedure involving the Plan without the express written approval of the Employer regarding any amendment or change in administrative procedure, or Benefit Provider. Notwithstanding the preceding sentence, the Plan Administrator is empowered to take any actions he sees fit to assure that the Plan complies with the nondiscrimination requirements of Section 125 of the Code.

**6.3 Information to be Provided to Plan Administrator.** The Employer, or any of its agents, shall provide to the Plan Administrator any employment records of any employee eligible to participate under the Plan. Such records shall include, but will not be limited to, any information regarding period of employment, leaves of absence, salary history, termination of employment, or any other information the Plan Administrator may need for the proper administration of the Plan. Any Participant or Dependent or any other person entitled to benefits under the Plan shall furnish to the Plan Administrator his correct post office address, his date of birth, the names, correct addresses and dates of birth of any designated beneficiaries, with proper proof thereof, or any other data the Plan Administrator might reasonably request to insure the proper and efficient administration of the Plan.

**6.4 Decision of Plan Administrator Final.** Subject to applicable State or Federal law, and the provisions of Section 6.5, below, any interpretation of any provision of this Plan made in good faith by the Plan Administrator as to any Participant's rights or benefits under this Plan is final and shall be binding upon the parties. Any misstatement or other mistake of fact shall be corrected as soon as reasonably possible upon notification to the Plan Administrator and any adjustment or correction attributable to such misstatement or mistake of fact shall be made by the Plan Administrator as he considers equitable and practicable.

**6.5 Review Procedures.** In cases where the Plan Administrator denies a benefit under this Plan for any Participant, Spouse or Dependent or any other person eligible to receive benefits under the Plan, the Plan Administrator shall furnish in writing to said party the reasons for the denial of benefits. The written denial shall be provided to the party within 30 days of the date the benefit was denied by the Plan Administrator. The written denial shall refer to any Plan or section of the Code upon which the Plan Administrator relied in making such denial. The denial may include a request for

any additional data or material needed to properly complete the claim and explain why such data or material is necessary, and explain the Plan's claim review procedures. If requested in writing, and within 180 days of the claim denial, the Plan Administrator shall afford any claimant whose request for claim was denied a full and fair review of the Plan Administrator's decision, and within 60 days of the request for review of the denied claim, the Plan Administrator shall notify the claimant in writing of his final decision on the reviewed claim.

With respect to the denial of any claim for benefits from an insurance company or other third-party benefit provider, paid for as a premium-type Benefit under the Plan, the review procedures of the insurance company or other third-party benefit provider shall apply.

**6.6 Extensions of Time.** In any case where the Plan Administrator determines special circumstances apply, the Plan Administrator may extend the amount of time any Participant, Spouse, Dependent or designated beneficiary may need to appeal a claim, upon proper application to the Plan Administrator.

**6.7 Rules to Apply Uniformly.** The Plan Administrator shall perform his duties in a reasonable manner and on a nondiscriminatory basis and shall apply uniform rules to all Participants similarly situated under the Plan.

**6.8 Indemnity.** The Employer does hereby agree to indemnify and hold harmless, to the extent allowed by law and over and above any liability coverage contracts or directors and officers insurance, any sole proprietor, member, partner, officer or director of the Employer, designated by the Employer or the Plan Administrator who has been employed, hired or contracted to assist in the fulfillment of the administration of this Plan. In addition, the Employer agrees to pay any costs of defense or other legal fees incurred by any of the above parties over and above those paid by any liability or insurance contract.

## ARTICLE VII

### GENERAL PROVISIONS

**7.1 Amendment and Termination.** The Employer may amend or terminate this Plan at any time by legal action of the authorized agents of the Employer, subject to the limitation that no amendment shall change the terms and conditions of payment of any benefit a Participant, Spouse, Dependent or designated beneficiary was or might have been entitled to under the Plan at the time of the amendment or termination. The Employer may also make amendments apply retroactively to the extent necessary so that the Plan remains in compliance with Section 125 of the Code or any other provision of the Code applicable to the Plan.

**7.2 Nonassignability.** Any benefits to any Participants under this Plan shall be nonassignable and for the exclusive benefit of Participants, Spouses, Dependents and designated beneficiaries. No benefit shall be voluntarily or involuntarily assigned, sold or transferred.

**7.3 Not an Employment Contract.** By creating this Plan and providing benefits under the Plan, the Employer in no way guarantees employment for any employee or Participant under this Plan. Participation in this Plan shall in no way assure continued employment with the Employer.

**7.4 Participant Litigation.** In any action or proceeding against the Plan, or the administration thereof, employees or former employees of the Employer or any other person having or claiming to have an interest under the Plan shall not be necessary parties to such action or proceeding. The Employer, the Plan Administrator, or their registered representatives shall be the sole source for service of process against the Plan. Any final judgment which is not appealed or appealable shall be binding on the Employer and any interested party to the Plan.

**7.5 Addresses, Notice and Waiver of Notice.** Each Participant shall furnish the Employer with his correct post office address. Any communication, statement or notice addressed to a Participant at his last post office address as filed with the Employer will be binding on such person. The Employer or Plan Administrator shall be under no legal obligation to search for or investigate the whereabouts of any person benefiting under this Plan. Any notice required under the Plan may be waived by such person entitled to such notice.

**7.6 Required Information.** Each Participant, Spouse or Dependent shall furnish to the Employer such documents, evidence or information as the Employer considers necessary or desirable to ensure the efficient operation and administration of the Plan and for the protection of the Employer.

**7.7 Severability.** In any case where any provision of this Plan is held to be illegal or invalid, such illegality or invalidity shall apply only to that part of the Plan and shall not apply to any remaining provisions of the Plan, and the Plan shall be construed as if such illegal or invalid provision had never existed under the Plan.

**7.8 Applicable Law.** The Plan shall be construed under the laws of the State of Illinois, to the extent not preempted by any Federal law.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Employer: ILLINOIS EASTERN COMMUNITY COLLEGES

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**EXHIBIT B**

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**ILLINOIS EASTERN COMMUNITY COLLEGES PREMIUM ONLY PLAN**

**SUMMARY PLAN DESCRIPTION**

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## Summary Plan Description

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## Article I

### INTRODUCTION TO YOUR PLAN

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Illinois Eastern Community Colleges offers a "Premium Only Plan" as part of your employee benefits program. This Plan was instituted on January 1st, 2004. This Plan is intended to qualify under Section 125 of the Internal Revenue Code (IRC). Under IRC Section 125, you can take advantage of the tax-free benefits offered under the Plan, as described in this summary.

Your Plan is a "Salary (or wage) Reduction" plan. This means that you pay your share of the cost of your benefits by electing to have your compensation reduced. To pay your share, you must file an Election Form which contains a "Salary (or wage) Reduction Agreement" with the Plan Administrator. This form lists both the benefits selected plus the amount you have agreed to contribute to pay for those benefits. Then, the Employer will deduct from your paycheck, an amount sufficient to pay for your portion of your benefits.

Any money you contribute to pay for your benefits is not subject to Federal income, Social Security or Unemployment taxation. Therefore, your benefit costs are quite low, and in some cases, can even result in a net increase in spendable income to you, after paying for your benefits. This can be illustrated by the following example:

	<b>With Your Plan</b>	<b>Without Your Plan</b>
	-----	-----
Gross Taxable Wages	\$25,000.	\$25,000.
Pre-tax Contribution	\$1,800.	N/A
	-----	-----
Taxable Wages	\$23,200.	\$25,000.
Estimated Taxes*	\$4,554.	\$5,015.
After-tax Contribution	N/A	\$1,800.
	-----	-----
Take-home Pay	\$18,646.	\$18,185.

\* Joint Return, 15% (federal) marginal tax rate, includes social security taxes and 3% calculation for state income taxes.

By paying for benefits before taxes are calculated, estimated total taxes are reduced by \$461, which is \$38.42 per month more in take-home pay for our example person. In other words, paying for benefits without a Cafeteria Plan costs this person \$38.42 more per month. Please consult your tax advisor for a more accurate estimate for your situation.

This Summary Plan Description is a brief description of the Plan and your rights, benefits and obligations under the Plan. This Summary Plan Description is not meant to interpret, extend or change any provision contained in the main Plan Document. The provisions of Illinois Eastern Community Colleges Premium Only Plan can only be accurately understood by reading the Plan Document. This Document is on file with the Employer and may be read by you or your dependents or your legal representative by contacting the Benefits Coordinator. The Benefits Coordinator's office will make the Document available to you at any reasonable time. You may request a copy of the Plan from the Plan Administrator, who may charge you a fee for copying the Plan for you.

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## **Article II**

### **GENERAL INFORMATION**

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You may need the following information if you have any questions about your Plan.

#### **1. GENERAL PLAN INFORMATION**

The name of this Plan is Illinois Eastern Community Colleges Premium Only Plan.

The provisions of your Plan became effective on January 1st, 2004.

This Plan's records are maintained on a 12-month period known as the Plan Year. The Plan Year for your Plan is January 1<sup>st</sup> through December 31<sup>st</sup>.

Your Plan shall be governed by the Laws of the State of Illinois.

#### **2. EMPLOYER INFORMATION**

The name, address and tax identification number of the Employer are:

Illinois Eastern Community Colleges  
233 E. Chestnut Street  
Olney, IL 62450  
(618) 393-2982  
37-0906196

### **3. PLAN ADMINISTRATOR INFORMATION**

The name, address and telephone number of your Plan Administrator are:

Illinois Eastern Community Colleges (Attn: Roger Browning)  
233 E. Chestnut Street  
Olney, IL 62450  
(618) 393-2982

Your Plan Administrator is responsible for the administration of your Plan. Should you need to see any records or have any questions regarding the Plan, contact the Plan Administrator.

### **4. BENEFITS COORDINATOR**

The Personnel Office is the Plan's Benefits Coordinator. If you need additional information about the plan or the benefits offered, the Employer will be able to assist you.

### **5. LEGAL REPRESENTATIVE**

The following person has been named your Plan's agent for service of legal process:

Legal Agent (Attn: Roger Browning)  
Illinois Eastern Community Colleges  
233 E. Chestnut Street  
Olney, IL 62450

Service of process can also be made upon the Plan Administrator.

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## **Article III**

### **PARTICIPATION IN YOUR PLAN**

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All employees who meet the participation requirements are eligible to participate in this Plan.

To qualify as a participant under this plan you must be eligible to participate under a Health Insurance Program offered by the employer.

If you become eligible under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) for coverage by an Accident or Health Benefit available under the Plan you shall be allowed to participate in the Plan, so long as you comply with the provisions set out in HIPAA. See your Plan Administrator for details.

The Plan Entry Date is the date that coincides with your Entry Date in the Employer's Group Medical Plan. This is the first day of the month immediately following the date you meet the Plan's eligibility requirements.

## **ELECTION FORM**

You will be required to file an Election Form before either one of two dates. If your plan has different eligibility requirements, you will have different benefit entry dates for each benefit. If your plan has one set of eligibility requirements, the benefit entry dates will be the same as the plan entry dates. The Election Form needs to be filed before any applicable benefit or plan entry dates. The Election Form is an agreement between you and your Employer, where your Employer lists the benefits offered for the Plan Year. It will also specify the amount you have agreed to contribute towards the cost of these benefits, in the Salary (or Wage) Reduction Agreement part of the form. This is an agreement between you and your Employer, which states that you agree to have your compensation reduced by the amount necessary to pay for the benefits. Any money you contribute to this Plan will not be subject to Federal income taxation.

If you do not file a new Election Form with the Plan Administrator before the start of the new Plan Year, it will be assumed that you selected the same benefits as in the previous Plan Year, and your compensation will be reduced accordingly by the Employer. If you do not want to participate in your Plan for the new Plan Year, you must inform the Plan Administrator in writing of your wish. For purposes of the Plan's first Plan Year only, if you do not file an Election Form with the Plan Administrator before the Plan's Effective Date, you will not be able to participate in the Plan during that first Plan Year.

## **LIMITATIONS ON CONTRIBUTIONS**

The Maximum Contribution you can make to this Plan is an amount equal to the total cost of purchasing the most expensive premium-type benefit available from each Benefit Category. "Benefit Category" refers to each category of benefits such as health insurance, group term life insurance, or disability insurance. These are examples only, the actual benefits offered under this Plan are detailed in Section VI.

## **CHANGE IN ELECTIONS/CHANGE IN STATUS**

The laws governing Premium Only Plans generally do not allow you to change the terms of your Election Form during a Plan Year. There are, however, a few exceptions to this rule. You may change your benefit elections if there is a change in your status. Your changes would be limited to: the marriage or divorce of the Participant; the adoption, birth, or death of a child or other Dependent of the Participant or the Participant's Spouse; the emancipation or coming of age of a child of the Participant so that the child is no longer eligible as a Dependent under the Plan; the employment of the Participant or Participant's Spouse; change in the Participant's residence; the Participant beginning or ending adoption proceedings; automatic changes upon cost increases or decreases;

significant cost increases; significant curtailment of coverage; addition or elimination of similar benefit package option allowing (prohibiting) employees that previously opted out of other benefits to make an Election change; change in coverage under employer plan of spouse or dependent; FMLA leaves; changes in 401(k) contributions; HIPAA special enrollment rights; a COBRA qualifying event; a judgment, decree or order, or; Medicare or Medicaid entitlement. The Plan intends to allow all Status Changes as are permissible under applicable government regulations. See the attached Addendum for a summary of Status Changes.

You do need to submit any changes to your election within 30 days of any applicable event.

Any changes you are permitted to make on account of the Plan Administrator determining you qualify to make a change in your elections under the plan due to a Change in Status is limited to increasing benefits only.

Also, you (or your estate) will not be required to make further contributions to the Plan once you have died, retired, terminated employment, or have a change in job status so that you are no longer eligible to participate under this Plan.

Note that the new benefit elections can start only after your change in status has taken place and the new form has been filed. For example, assume that you have a change in status from the list above. You could request a change in your benefits ahead of time to be effective on the date of the event. However, making other unrelated changes or changes that are effective before the date of the event would not be approved.

Also, you may be required to increase your contribution if the Plan's cost for a particular benefit should increase during the Plan Year. If, however, premiums for health insurance offered under the Plan are raised significantly during the year, you will have the option of either paying your share of the increased premiums or selecting another health insurance option offered outside the Plan.

## **ENDING PLAN PARTICIPATION AND LEAVES OF ABSENCE**

### **Ending Plan Participation**

A Participant whose employment terminates and who is subsequently re-employed with less than 30 days separation of service will not rejoin the Plan until the first day of the following Plan Year, unless the Employee should incur an applicable Change in Status.

A Participant whose employment terminates and who is subsequently re-employed with more than 29 days separation of service may rejoin the Plan upon meeting Plan Eligibility Conditions and may make new benefit elections. Any unused reimbursement Benefits Accounts balance prior to the initial separation of service date will be forfeited.

## **Continuing Plan Participation Under COBRA and FMLA**

Special rules, called COBRA provisions, apply to certain health or medical plans. If you terminate employment or have another "qualifying event" that affects your health plan, your Benefits Coordinator will give you an explanation of COBRA and your rights to continued coverage, if COBRA applies to your plan.

The Family and Medical Leave Act ('the FMLA') requires employers with 50 or more employees to provide unpaid leave for eligible employees at the time of the birth or adoption of a child or at the time of a serious health condition affecting the employee or a family member.

If you are on an unpaid leave under the FMLA rules, you may continue to participate in the plan, by making contributions under one of the options elected by your employer.

The payment options for coverage while on unpaid Family Medical Leave Act leave for group health plans are:

i) Pre-pay. Under this option, you will pay your share of premium payments that will be due during your leave, before your FMLA leave begins. The payments may be either pre-tax or after-tax, according to the terms of your Salary Reduction Agreement.

ii) Pay-as-you-go. Under this option, you will pay your share of premium payments on the same schedule as if you were not on leave, or under another schedule according to Department of Labor regulations. If you fail to make payments under this Pay-as-you-go option, your Employer is not required to continue coverage. However, if your Employer chooses to continue coverage, your employer is entitled to collect these amounts from you after you return from the FMLA leave.

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## **Article IV**

### **PAYING FOR BENEFITS UNDER YOUR PLAN**

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#### **INTRODUCTION**

There is one basic type of benefit offered under your plan: Premium Benefits.

Premium benefits are insurance benefits, such as health and dental.

## **PAYMENT OF PLAN EXPENSES**

The cost of the plan includes administrative expenses and the amount paid to provide benefits such as premium payments to insurance companies. The amount needed to provide your benefits depends on the selections you made on the Election Form. You pay the cost of the benefits under your Plan through salary (or wage) reductions.

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### **Article V**

## **ADMINISTRATION OF YOUR PLAN**

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The Plan Administrator is responsible for the administration of your Premium Only Plan. The duties of the Plan Administrator include determining who is eligible to participate, interpreting laws and regulations and how they apply to your Plan and whether or not certain expenses should be allowed under the Plan.

When you are ready to enter the Plan, you must file an Election Form and Salary (or Wage) Reduction Agreement with the Plan Administrator. After becoming a participant in the Plan, file all change requests with the Plan Administrator. The Plan Administrator will determine, in accordance with the various laws that apply to Premium Only Plans, whether or not to grant your requests.

The Plan Administrator can demand any documents or evidence deemed necessary to properly administer your Plan. If the Plan Administrator feels that you have submitted insufficient data to make a determination, or that the request made is not allowed under the Plan, the Plan Administrator can deny your request. After the request has been denied, you will be allowed an opportunity to appeal. The Plan Administrator must furnish you in writing the reasons for the denial of your claim for benefits. The written denial must be provided to you within 30 days of the date the claim for benefits was received by the Plan Administrator. The written denial must refer to the Plan provision, or section of the Internal Revenue Code upon which the Plan Administrator relied in making such denial. The denial may include a request for any additional data or material needed to properly complete the claim and explain why such data or material is necessary, and explain the Plan's claim review procedures. If requested in writing, and within 180 days of the claim denial, the Plan Administrator is required to give you a full and fair review of the Plan Administrator's decision, and within 60 days of the request for review of the denied claim, the Plan Administrator shall notify you in writing of his final decision on the reviewed claim.

With respect to the denial of any claim for benefits from an insurance company or other third-party benefit provider, paid for as a premium-type Benefit under the Plan, the review procedures of the insurance company or other third-party benefit provider shall apply.

If your request was denied because the Plan Administrator felt your request is not covered under the Plan, you will be given the chance to show why it should have been allowed under the Plan. If the Plan Administrator rejects your reasons, you will not be able to appeal again.

In addition to interpreting the plan and making sure that benefits are properly paid, the Plan Administrator also keeps all the records of the Plan. Should you need a copy of anything filed with the Plan Administrator, contact the Plan Administrator directly.

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## **Article VI**

### **BENEFITS UNDER YOUR PLAN**

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#### **INTRODUCTION**

Your Premium Only Plan offers several benefit options. It is very important that you make benefit choices that fit your benefit needs. You should not, for example, choose a benefit just because it is the least expensive if that benefit will not fit your needs. When making your decision as to what benefits are best for you, you should consider factors such as whether you have benefits from another source (such as coverage under a similar plan by your spouse's employer), the number of dependents you are covering and the amount you can afford to spend. Your Benefits Coordinator will be glad to assist you in making the best benefit choices for your particular situation.

#### **PRE-TAX PREMIUMS FOR HEALTH INSURANCE BENEFITS**

Your Plan offers pre-tax premiums for health insurance benefits for your dependents. For specific coverages and deductibles and co-payments, consult the Summary Booklet of the basic health insurance policy, available from the Benefits Coordinator.

#### **PRE-TAX PREMIUMS FOR DENTAL INSURANCE BENEFITS**

Your Premium Only Plan offers pre-tax premiums for dental insurance benefits for your dependents.

For specific coverages and deductibles and co-payments, consult the Summary Booklet of the dental insurance policy, available from the Benefits Coordinator.

**Agenda Item #10F**

**Current PHS Project Update & Phase 7 “Carryover” Projects**

MEMORANDUM

TO: Board of Trustees  
FROM: Roger Browning  
DATE: November 18, 2003  
SUBJECT: Current PHS Project Update & Phase 7 “Carryover” Projects

The 13 Protection Health & Safety (PHS) projects that made up “Phase 7” are quickly coming to a completion. Most should be completed and closed out by calendar year end. We were able to attain favorable bids, Image Architects has done a very good job of managing the projects, and change orders (and problems) have been kept to a minimum. Also, the four Superintendents (Galen Dunn, Bob Story, Tim Emmons, and Glen Schwartz) have done an outstanding job of coordinating and dealing with the field supervisors and contractors on a daily basis. It is a testament to the good work of all these people that we could have 13 projects ongoing simultaneously (with 6 different contractors) and keep the problems to a minimum.

Because of the nature of the bids and because all the projects have been completed efficiently, we will have funds remaining from our \$3.5 million bond issue offered in December of 2002. These funds should be carried over and we should do another round of projects this coming year. It’s hard to say at this time how much carryover money will be available, but it will be significant. This work would be called “Phase 7 Carryover Projects”.

I have been in contact with the Superintendents, Presidents, and most of the Deans to come up with additional PHS projects that could be done on each campus. To facilitate the process, I have developed the following time line for the proposed Phase 7 Carryover Projects.

Nov 14, 2003 –	FINAL Project Lists due to the CFO
Nov 19, 2003 –	FINAL projects submitted to Image Architects
Nov 20 through Jan 5, 2004 –	Project Review, Design, and Drawings prepared by Image Architects
Jan 12, 2004 –	ICCB Project Applications due from Image Architects
Jan 20, 2004 –	Board of Trustee approval of ICCB Project Applications
March 22, 2004 –	Bid Documents out to potential bidders
April 5, 2004 –	Projected Bid Opening
April 20, 2004 –	Bids awarded at the Board of Trustee meeting
May 15, 2004 –	Work begins

I would ask for Board of Trustee approval to proceed in developing these proposed Phase 7 Carryover Projects in accordance with the time line presented above.

**Agenda Item #10G**

**Affiliation and HIPAA Agreement with St. Mary's Medical Center**

**Agenda Item #10G**

MEMORANDUM

TO: Board of Trustees  
FROM: Terry L. Bruce  
DATE: November 18, 2003  
RE: Affiliation and HIPAA Agreement with St. Mary's Medical Center

Mr. Chairman, I request approval of the Affiliation Agreement and the Health Insurance Portability and Accountability Act (HIPAA) Agreement between Illinois Eastern Community Colleges and St. Mary's Medical Center of Evansville, Indiana. The agreement is attached.

TLB/rs

Attachment

**ST. MARY'S MEDICAL CENTER OF EVANSVILLE, INC.**

**CLINICAL EDUCATION AGREEMENT  
BETWEEN  
ILLINOIS EASTERN COMMUNITY COLLEGES,  
DISTRICT #529, OLNEY CENTRAL COLLEGE  
AND  
ST. MARY'S MEDICAL CENTER OF EVANSVILLE, INC.**

**THIS CLINICAL EDUCATION AGREEMENT** is between ILLINOIS EASTERN COMMUNITY COLLEGES, DISTRICT #529, OLNEY CENTRAL COLLEGE, (herein known as "SCHOOL") and ST. MARY'S MEDICAL CENTER OF EVANSVILLE, INC., (herein known as "FACILITY") located in Evansville, Indiana.

**I. PURPOSE**

The purpose of this Agreement is to implement education experience opportunities for Associate Degree Nursing students of the SCHOOL (herein known as "Student" or "Students") at the FACILITY.

**II. SCHEDULE OF ACTIVITIES**

The scheduling of activities for Students will be in accordance with the schedule of courses at the SCHOOL and will be planned with the appropriate personnel of the FACILITY. Student assignments will be planned by the instructor in consultation with the appropriate supervisory personnel and will be selected in accordance with the particular experience of each Student and the opportunities available. The number of Students assigned to FACILITY and the times of rotation will be mutually agreed upon.

**III. SCHOOL RESPONSIBILITIES**

The SCHOOL shall:

- A. Notify the FACILITY of the number of Students and the rotation periods four weeks prior to the commencement of the fall and spring semesters.
- B. Reserve the right to revoke any assignment, prior to the Student's entry into the clinical education program of the FACILITY.
- C. Send only such Students as are, to the SCHOOL's knowledge, in good health at the time of reporting for their clinical education.

- D. Forward to the FACILITY a summary of the Students' training and experience.
- E. Appoint an Academic Coordinator who will be the liaison representative for the SCHOOL. SCHOOL shall remain responsible for all aspects of Student discipline and shall share information with Students in accordance with applicable law.
- F. Notify the FACILITY, immediately, in writing, of any change or proposed change of the Academic Coordinator.
- G. Provide each Student with appropriate general background and training in blood borne pathogens and infection control according to OSHA standards ("Infection Control"), prior to any Student beginning a clinical education experience at the FACILITY. As provided in Article IV G, the FACILITY shall provide each Student with appropriate training in Infection Control specific to any Student's particular education experience at the FACILITY.
- H. Provide each Student with appropriate general background and training in Hazardous Materials Awareness ("Hazardous Materials"), prior to any Student beginning a clinical education experience at the FACILITY. As provided in Article IV H, the FACILITY shall provide each Student with appropriate training in Hazardous Materials specific to any Student's particular education experience at the FACILITY.
- I. Provide a statement of philosophy and the objectives of curricular and clinical education.
- J. Consider suggestions from the FACILITY regarding curriculum improvement.
- K. Assign Students subject to the availability of the FACILITY's personnel for teaching and supervision.
- L. Withdraw the Student from the clinical experience at the request of the FACILITY if the Student's performance is unsatisfactory.
- M. Require that Students comply with FACILITY's rules and regulations as a condition of participation in rotation at the FACILITY.

#### IV. FACILITY RESPONSIBILITIES

The FACILITY shall:

- A. Provide clinical education experience in Associate Degree Nursing to Students of the SCHOOL. FACILITY shall retain responsibility for the care of patients of the FACILITY and shall maintain administrative and professional responsibility for supervision of Students insofar as their presence and program assignments affect the operation of the FACILITY and its care, both direct and indirect, of patients.
- B. Maintain complete records and reports on each Student's performance and to provide an evaluation to the SCHOOL on forms provided by the SCHOOL.
- C. Permit, upon reasonable request, the inspection of the FACILITY, the services available for clinical experiences, the Student records and other items pertaining to the Program by the SCHOOL or accreditation agencies.
- D. Assess/render minor emergency care through the FACILITY's Emergency Room, if clinically able to provide the required level of treatment, for any injury/accident occurring on FACILITY premises during the scheduled clinical education experience. Such care and treatment shall be at the expense of the Student.
- E. Provide access to the physical facilities and patients necessary for the Students' clinical education experience.
- F. Provide supervision appropriate to the academic and clinical level of assigned Students.
- G. Provide each Student with appropriate training in Infection Control specific to any Student's particular education experience at the FACILITY.
- H. Provide each Student with appropriate training in Hazardous Materials specific to any Student's particular education experience at the FACILITY.
- I. Request the SCHOOL to withdraw a Student from his/her assigned clinical education experience, when his/her clinical performance is unsatisfactory or his/her behavior is disruptive or detrimental to the FACILITY and/or patients.

- J. Provide written evaluation of Student performance on which grades will be assigned.
  - K. Provide basic training related to the Health Insurance Portability and Accountability Act (“HIPAA”) privacy guidelines governing the use, disclosure and security of patients’ Protected Health Information, as defined in HIPAA.
  - L. Assume no responsibility for the health and welfare of the Students.
- V. CONDITIONS OF STUDENT PARTICIPATION IN ROTATION AT THE FACILITY
- A. Student shall be permitted all FACILITY holidays.
  - B. Student shall have the responsibility of transportation to and from the FACILITY and on any reasonable special assignment by the FACILITY.
  - C. Student shall provide medical insurance or other financial means to cover him/herself as to expenses which may arise as the result of illness or injury occasioned during his/her period of clinical rotation at the FACILITY, acknowledging that since he/she is not an employee of the SCHOOL or the FACILITY, he/she is not protected by Workers’ Compensation and neither the FACILITY nor the SCHOOL assumes any liability for injuries or illness in the absence of a showing of actual negligence on the part of the SCHOOL or FACILITY or any of its agents.
  - D. Student shall complete health forms and immunizations requested by the FACILITY.
  - E. Student shall be responsible for following the administrative policies of the FACILITY.
  - F. Student shall be responsible for providing the necessary and appropriate uniforms required.
  - G. Student shall notify the FACILITY of his/her intended time of arrival and be responsible for reporting to the designated individual at the FACILITY on time.
  - H. Student shall be responsible for his/her own housing during clinical education assignments.
  - I. Student shall be subject to all rules and regulations of the FACILITY.

- J. All Students shall be required to comply at all times with relevant HIPAA privacy guidelines governing all aspects of their use, possible disclosure and access to patients' Protected Health Information as defined in HIPAA.
- K. Student shall not be considered an employee of the FACILITY or the SCHOOL but a Student in the clinical education phase of his/her professional education.

VI. FINANCE

There shall be no cost to the SCHOOL for the educational experience to be provided by the FACILITY under the terms of this Agreement.

VII. AFFIRMATIVE ACTION

Neither party shall discriminate on the basis of race, religion, ethnic or national origin, gender, sexual orientation, marital status, age, disability or Vietnam-era veteran status in either the selection of Students for participation in the program, or as to any aspect of the clinical training; provided, however, that with respect to disability, the disability must not be such as would, even with reasonable accommodation, in and of itself preclude the Student's effective participation in the program.

VIII. LIABILITY AND INSURANCE

- A. Each party to this Agreement respectively assumes responsibility for liability, real or alleged, arising from their respective activities performed pursuant to this Agreement, or the activities of their respective agents, servants or employees. Neither party nor their respective agents, servants or employees shall be liable to any third parties for any act or omission of the other party, its agents, servants or employees.
- B. The SCHOOL agrees to obtain and maintain in full force and effect during the term of this Agreement, the following insurance or equivalent self-insurance:
  - (i) Comprehensive General Liability Insurance, including personal injury liability and broad form contractual liability coverages, with limits of not less than \$1,000,000 each occurrence for bodily injury liability and property damage liability and with such coverage to extend to and include such liability incurred by faculty, Students and other agents at the SCHOOL.

- (ii) Professional Liability Insurance covering the SCHOOL's faculty, Students (unless Subparagraph C below is applicable) and other agents for professional liability with limits of not less than \$1,000,000 per occurrence and \$3,000,000 in the annual aggregate for incidents, claims and suits arising from activities performed pursuant to this Agreement during the Agreement period, as well as those claims and suits arising pursuant to this Agreement reported after this Agreement has been terminated. Such coverage shall extend to and cover all liability incurred by each Student (unless Subparagraph C below is applicable) that arises out of and during the course of each such Student's activities under the terms of this Agreement.
- (iii) Workers' Compensation Insurance covering any liability incurred under the Indiana Workers' Compensation Act and the Indiana Occupational Disease Act and including not less than \$100,000 Employers' Liability Coverage.
- (iv) The SCHOOL agrees that all of such policies of insurance (unless the SCHOOL satisfies the FACILITY that it is self insured for liability that would be covered by such policies) shall be with companies acceptable to the FACILITY, that it will cause certificates or memoranda evidencing such insurance or such self-insurance to be provided to the FACILITY on the request of the FACILITY and that such certificates or memoranda will provide that such insurance or self-insurance will not be canceled or materially changed without at least thirty (30) days' prior written notice to the FACILITY of any such cancellation.

C. The SCHOOL agrees that if its Professional Liability Insurance coverage does not extend to and cover such liability incurred by Students, then:

- (i) If the Students qualify as health care providers under I.C. 34-18-2-14, as amended and as it may be amended from time to time, the SCHOOL shall cause each Student to (a) obtain and maintain in force Professional Liability Insurance covering all liability incurred by each Student that arises out of and during the course of each such Student's activities under the terms of this Agreement, with limits of not less than those prescribed for health care providers like the Student as set forth in I.C. 34-18-4-1, as amended and as it may be amended from time to time, (b) to perform such other acts as are required of the Student to qualify under the Indiana Medical Malpractice Act and (c) to furnish the FACILITY with a certificate that each Student has

filed with the Commissioner of Insurance of the State of Indiana, proof that the Student is insured for malpractice liability in at least the amounts set forth above.

- (ii) If the Students do not so qualify as health care providers, the SCHOOL shall cause each such Student to obtain and maintain in force Professional Liability Insurance covering all liability incurred by each Student that arises out of and during the course of each such Student's activities under the terms of this Agreement, with limits of not less than \$1,000,000 per occurrence and \$3,000,000 in the annual aggregate.
- (iii) Such Professional Liability Insurance shall cover incidents, claims and suits arising from activities performed pursuant to this Agreement during the Agreement period, as well as those claims and suits arising pursuant to this Agreement but reported after this Agreement has been terminated.
- (iv) Such Professional Liability Insurance shall be with companies acceptable to the FACILITY, shall provide that the insurance carrier for each policy is required to give the FACILITY not less than thirty (30) days' written notice prior to any cancellation or material change of any such policy and, on the request of the FACILITY, the SCHOOL will cause certificates evidencing such insurance to be provided to the FACILITY.

D. FACILITY agrees to obtain and maintain in full force and effect during the term of this Agreement the following insurance or equivalent self-insurance:

- (i) Comprehensive General Liability Insurance, including personal injury liability and broad form contractual liability coverages, with limits of not less than \$1,000,000 per occurrence for bodily injury liability and property damage liability.
- (ii) Professional Liability Insurance with limits of not less than those prescribed for health care providers that are hospitals as set forth in I.C. 34-18-4-1, as amended and as it may be amended from time to time.
- (iii) Workers' Compensation Insurance covering any liability incurred under the Indiana Workers' Compensation Act and the Occupational Disease Act and including not less than \$100,000 employer's liability insurance.

- (iv) The FACILITY agrees to perform such other acts as are required of it to qualify under the Indiana Medical Malpractice Act. All of such policies of insurance (unless the FACILITY satisfies the SCHOOL that it is self insured for liability that would be covered by such policies) shall be with companies acceptable to the SCHOOL. All such policies of insurance shall provide that the insurance carrier under each policy is required to give the SCHOOL not less than thirty (30) days' written notice prior to any cancellation or material change of any policy. On the request of the SCHOOL, a memorandum certificate of such policy shall be deposited with the SCHOOL. In addition to such certificate, on the request of the SCHOOL, the FACILITY shall furnish the SCHOOL with a certificate that it has filed with the Commissioner of Insurance of the State of Indiana, proof that the FACILITY is insured or self-insured for malpractice liability in at least the amounts set out above, all as required by I.C. 34-18-4-1, as amended and as it may be amended from time to time.

## IX. RISK MANAGEMENT

SCHOOL and FACILITY agree to notify one another promptly of any claim made by or expected from a claimant against a party to this Agreement, which claim relates to the subject matter of this Agreement. The parties agree to cooperate to dispose of any such claim. Each party to this Agreement ("Indemnitor") agrees to indemnify and hold harmless the other party (the "Indemnitee") (together with Indemnitee's successors, assigns, directors, officers, employees and any other person for whom Indemnitee may be legally responsible) from and against any loss, cost, claim or expense, including reasonable attorney fees, arising from any act of negligence or other breach of duty by Indemnitor, its successors, assigns, directors, officers, employees or agents; provided, however, that the SCHOOL's obligation to hold the FACILITY harmless shall be limited in substance by statutes of the State of Illinois designed to protect and limit the exposure and liability of the SCHOOL as an instrumentality of the State of Illinois and that the FACILITY's obligation to hold the SCHOOL harmless shall be limited in substance by the Indiana Medical Malpractice Act designed to protect and limit the exposure and liability of the FACILITY (e.g., actions and conditions as to which FACILITY is immunized by the Indiana Malpractice Act) dollar limits stated in such Acts, exemption from punitive damages, and the continued ability to defeat a claim by reason of contributory negligence or fault of the claimant, so that neither the SCHOOL's nor the FACILITY's liability to hold harmless shall exceed what might have been the respective liability of each to a claimant if sued directly by the claimant and all appropriate defenses had been raised by the SCHOOL or FACILITY.

## X. HEALTH REQUIREMENTS

All Students assigned to the FACILITY shall have:

- A. Documentation of one, two-step tuberculin skin test, followed by an annual tuberculin skin test within twelve (12) months, is required prior to the affiliation with the FACILITY OR for tuberculin skin test reactors, medical documentation of the significant reaction accompanied either by documentation of completion of an adequate course of therapy or a medical statement, dated within three (3) months prior to the affiliation with the FACILITY, indicating that the Student is free of signs and symptoms of tuberculosis;
- B. Documented proof of immunity to rubella (German or 3-day measles), which is defined as follows:
  - (i) the presence of any detectable rubella antibody, as determined by serologic testing; OR
  - (ii) a documented history of rubella vaccination at one year or older;
- C. Documented proof of immunity to rubeola (red measles), which is defined as:
  - (i) documentation of two doses of live measles vaccine after the first birthday, no less than one (1) month apart, OR
  - (ii) documentation of physician-diagnosed measles disease, OR
  - (iii) laboratory evidence of measles immunity, OR
  - (iv) birth before January 1, 1957
- D. Documented history of immunization for Pertussis:
- E. Documented proof of receipt by the Student of the Hepatitis B vaccination series and if such documentation is not available, whether the Hepatitis B vaccination series was offered to the Student, but declined.
- F. Demonstrated immunity (reactive titer or documented history) to varicella or receive Varivax immunization, unless contraindicated by their personal physician or other factors.

and shall have any additional inoculations reasonably requested by the FACILITY. Proof of the above will be provided to the FACILITY by the Students upon request.

XI. TERM OF THE AGREEMENT

The term of this Agreement shall begin on the 1<sup>st</sup> day of December 2003, and shall continue until (i) terminated by mutual agreement of the parties, or (ii) one party gives the other thirty (30) days' prior written notice of its intent to terminate this Agreement. If this Agreement is terminated under Clause (ii) above, such termination shall not be effective until all Students currently engaged in the clinical education experience have completed their scheduled course of training.

XII. CORPORATE RESPONSIBILITY

SCHOOL, as a contractor with the FACILITY or one of its affiliated entities, is committed to upholding the highest standard of ethical and legal business practices.

SCHOOL will not tolerate illegal or unethical activity and promises to take whatever steps are required by FACILITY's Corporate Responsibility Program to identify, report and prevent such activity.

SCHOOL has received and reviewed a copy of the FACILITY's Standards of Conduct (which is attached to this Agreement) and understands that, as a contractor with the FACILITY or one of its affiliated entities, it is expected to provide services in accordance with these Standards of Conduct.

### XIII. GENERAL PROVISIONS

- A. Neither party shall be deemed to be an employee of the other for purposes of compensation, fringe benefits, workers' compensation, unemployment compensation, minimum wage laws, income tax withholding, social security or any other purpose.
- B. The parties acknowledge that FACILITY conducts its operations in a manner consistent with the Ethical and Religious Directives for Catholic Health Care services as promulgated by the National Conference of Catholic Bishops, Washington, D.C., of the Roman Catholic Church or its successor. SCHOOL agrees to inform Students and Faculty participating in program at FACILITY that they are required by FACILITY to conduct themselves and carry out their activities in conformance with the Ethical and Religious Directives; provided, however, that nothing in this Agreement shall be construed to require SCHOOL, a governmental unit of the State of Indiana, to endorse any particular religious doctrine or belief.
- C. Notices or communications herein required or permitted shall be given by registered or certified mail or by hand delivery at the following addresses, unless either party shall otherwise designate its new addresses by written notice:
  - To SCHOOL: Donna C. Henry, MS, RN, CHTP  
Associate Dean of Nursing & Allied Health  
Olney Central College  
305 North West Street  
Olney, IL 62450
  - To FACILITY: President  
St. Mary's Medical Center of Evansville,  
Inc.  
3700 Washington Avenue  
Evansville, IN 47750
- D. This Agreement shall be construed and interpreted in accordance with the laws of the State of Indiana.
- E. This Agreement contains the entire agreement of the parties hereto and shall be deemed to supersede any and all prior agreements.
- F. This Agreement may not be changed orally, but only by an instrument in writing signed by both parties hereto.

G. This Agreement is not intended and shall not be construed to create any right or benefit in any third party. The relationship between the SCHOOL and the FACILITY shall be considered as one between independent contractors and not as a joint venture or partnership.

IN WITNESS WHEREOF:

APPROVED AND ACCEPTED:

ILLINOIS EASTERN COMMUNITY  
COLLEGES, DISTRICT #529,  
OLNEY CENTRAL COLLEGE

By: \_\_\_\_\_  
Department Head

By: \_\_\_\_\_  
Associate Dean of Nursing and Allied Health

By: \_\_\_\_\_  
President, Olney Central College

By: \_\_\_\_\_  
Chairman, Board of Trustees

APPROVED AND ACCEPTED:

ST. MARY'S MEDICAL CENTER  
OF EVANSVILLE, INC.

By: \_\_\_\_\_  
Kathleen Korbelak, President

**Agenda Item #11**

**Bid Committee Report**

**Agenda Item #12**

**District Finance**

- A. Financial Report**
- B. Approval of Financial Obligations**

**ILLINOIS EASTERN COMMUNITY COLLEGES  
DISTRICT #529**

**TREASURER'S REPORT October 31, 2003**

<b>FUND</b>	<b>BALANCE</b>
Educational	\$5,417,115.84
Operations & Maintenance	\$575,644.10
Operations & Maintenance (Restricted)	\$1,960,625.95
Bond & Interest	(\$303,345.37)
Auxiliary	\$766,419.57
Restricted Purposes	\$160,404.76
Working Cash	\$1,538,329.42
Trust & Agency	\$84,171.81
Audit	\$49,754.94
Liability, Protection & Settlement	\$218,338.55
<b>TOTAL ALL FUNDS</b>	<b>\$10,467,459.57</b>

Respectfully submitted,

Marilyn Grove, Treasurer

ILLINOIS EASTERN COMMUNITY COL  
 Combined Balance Sheet--All Fund Types and Account Groups  
 31-OCT-2003

	ALL FUNDS
	Current Year 2004
<b>ASSETS and OTHER DEBITS:</b>	
<b>ASSETS:</b>	
CASH	10,467,460
IMPREST FUND	21,500
CHECK CLEARING	2,000
INVESTMENTS	1,875,000
RECEIVABLES	2,233,721
ACCRUED REVENUE	
INTERFUND RECEIVABLES	
INVENTORY	506,178
<b>TOTAL ASSETS AND OTHER DEBITS:</b>	<b>15,105,858</b>
 <b>Liabilities, equity and other credits</b>	
<b>LIABILITIES:</b>	
PAYROLL DEDUCTIONS PAYABLE	6,306
ACCOUNTS PAYABLE	-620,647
ACCRUED EXPENSE	
INTERFUND PAYABLES	139,950
DEFERRED REVENUE	
OTHER LIABILITIES	226,335
<b>TOTAL LIABILITIES:</b>	<b>-248,055</b>
 <b>EQUITY AND OTHER CREDITS:</b>	
INVESTMENT IN PLANT	1,336,051
PR YR BDGTD CHANGE TO FUND	621,693
<b>BALANCE</b>	
<b>Fund Balances:</b>	
FUND BALANCE	3,551,526
RESERVE FOR ENCUMBRANCES	9,844,643
<b>TOTAL EQUITY AND OTHER CREDITS:</b>	<b>15,353,913</b>
 <b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS:</b>	<b>15,105,858</b>

ILLINOIS EASTERN COMMUNITY COLLEGES  
 Combined Statement of Revenues, Expenses,  
 and Changes in Net Assets  
 AS OF 31-OCT-2003

ALL FUNDS

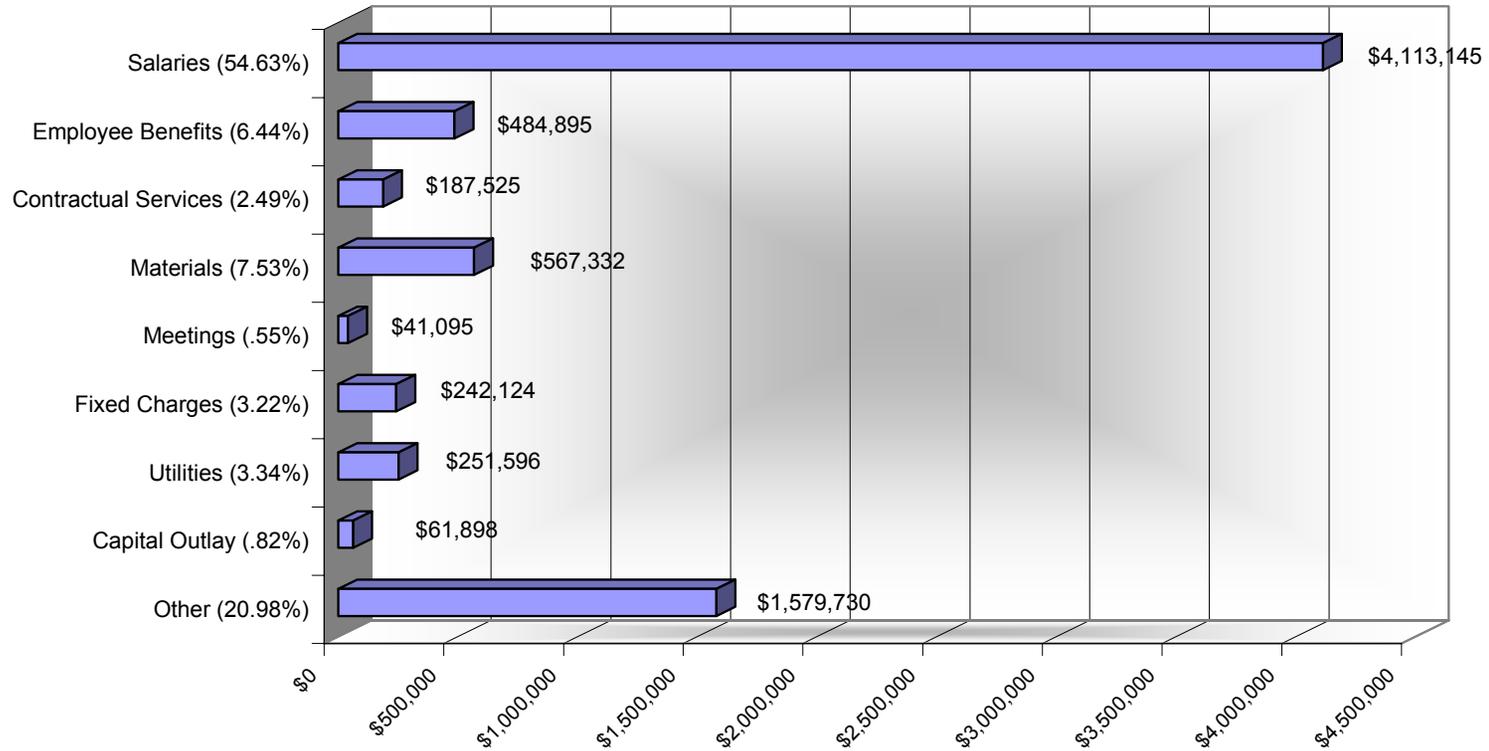
	YEAR-TO-DATE
REVENUES:	
LOCAL GOVT SOURCES	3,393,886
STATE GOVT SOURCES	3,399,400
STUDENT TUITION & FEES	5,321,359
SALES & SERVICE FEES	1,129,538
FACILITIES REVENUE	12,141
INVESTMENT REVENUE	60,546
OTHER REVENUES	25,969
DUMY	<u>0</u>
TOTAL REVENUES:	13,342,837
EXPENDITURES:	
INSTRUCTION	2,878,875
ACADEMIC SUPPORT	169,508
STUDENT SERVICES	389,352
PUBLIC SERV/CONT ED	27,107
OPER & MAINT PLANT	783,433
INSTITUTIONAL SUPPORT	4,737,523
SCH/STUDENT GRNT/WAIVERS	1,556,580
AUXILIARY SERVICES	<u>567,801</u>
TOTAL EXPENDITURES:	11,110,178
TRANSFERS AMONG FUNDS:	
INTERFUND TRANSFERS	<u>734,262</u>
TOTAL TRANSFERS AMONG FUNDS:	734,262
NET INCREASE/DECREASE IN NET ASSETS	<u>1,498,397</u>

ILLINOIS EASTERN COMMUNITY COLLEGES  
OPERATING FUNDS  
COMPARISON REPORT FY02-04

College	Category	FISCAL YEAR 2002			FISCAL YEAR 2003			FISCAL YEAR 2004				Summer & Fall Hours	Cost per Semester Hour
		Annual Budget	Spent Thru October	% of Bdgt	Annual Budget	Spent Thru October	% of Bdgt	Annual Budget	Spent Thru October	% of Bdgt	% of Year		
Frontier	Bills		\$391,514			\$608,646		\$526,363					
	Payroll		596,293			641,965		627,909					
	Totals	\$3,284,528	987,807	30%	\$2,418,008	1,250,611	52%	\$2,765,856	1,154,272	42%	33%		
Lincoln Trail	Bills		360,923			431,193		435,725					
	Payroll		738,110			666,393		694,816					
	Totals	3,637,973	1,099,033	30%	2,996,559	1,097,586	37%	3,105,255	1,130,541	36%	33%		
Olney Central	Bills		564,488			618,042		625,492					
	Payroll		1,032,172			1,084,900		1,095,331					
	Totals	4,927,734	1,596,660	32%	4,484,782	1,702,942	38%	4,879,308	1,720,823	35%	33%		
Wabash Valley	Bills		378,420			632,921		598,236					
	Payroll		865,625			892,117		886,426					
	Totals	4,058,086	1,244,045	31%	3,244,011	1,525,038	47%	3,579,246	1,484,662	41%	33%		
Workforce Educ.	Bills		308,048			302,282		405,512					
	Payroll		313,144			308,835		322,211					
	Totals	2,425,081	621,192	26%	1,576,838	611,117	39%	1,972,436	727,723	37%	33%		
District Office	Bills		74,240			86,510		77,373					
	Payroll		277,901			291,868		285,270					
	Totals	1,230,418	352,141	29%	1,265,567	378,378	30%	1,187,944	362,643	31%	33%		
District Wide	Bills		640,201			644,437		747,493					
	Payroll		185,698			182,680		201,183					
	Totals	2,926,982	825,899	28%	6,947,426	827,117	12%	6,283,047	948,676	15%	33%		
O & M	Bills												
	Payroll												
	Totals												
GRAND TOTALS		\$22,490,802	\$6,726,777	30%	\$22,933,191	\$7,392,789	32%	\$23,773,092	\$7,529,340	32%	33%		

Excludes DOC

### Illinois Eastern Community Colleges FY2004 Operating Funds



Illinois Eastern Community Colleges Dist. #529  
As of October 31, 2003 - \$7,529,340

**Agenda Item #13**

**Agenda Item #13**

**Chief Executive Officer's Report**

**Agenda Item #14**

**Agenda Item #14**

**Executive Session**

**Agenda Item #15**

**Agenda Item #15**

**Approval of Executive Session Minutes**

**Agenda Item #16**

**Approval of Personnel Report**

## **M E M O R A N D U M**

**TO:** Board of Trustees  
**FROM:** Terry L. Bruce  
**DATE:** November 14, 2003  
**RE:** Personnel Report

Mr. Chairman, I recommend that the Board of Trustees approve the attached Personnel Report. Additional information for items 400.1., 400.2., 400.3., and 400.4., will be mailed under separate cover.

tab

Attachments

# **INDEX**

**400.1. Employment of Personnel**

**400.2. Change in Status**

**400.3. Request for Approval of Proposed Non-College  
Employment (external report)**

**400.4. Resignation**

# PERSONNEL REPORT

## 400.1. Employment of Personnel

### A. Professional/Non-Faculty

1. Jennifer Elliott, Curriculum Development Specialist GR, DO

### B. Classified

1. Daniel Deck, Custodian, OCC
2. Janet Pflaum, Business Office Clerk, DO
3. Chad Schuetz, Computer Technician, OCC

## 400.2. Change in Status

### A. Professional/Non-Faculty

1. Ida McVaigh, Business Management Instructor, LTC/LCC, to Youthful Offender Counselor, LTC/RCC, effective December 1, 2003. Employment is contingent upon Department of Corrections and Illinois Eastern Community College requirements.

### B. Classified

1. Amy Johnson, Office Assistant, DO to Administrative Assistant, DO, effective November 20, 2003.

## 400.3. Request for Approval of Proposed Non-College Employment (external report)

## 400.4. Resignation

### A. Administrative

1. Gayle Lawn-Day, Dean of the College, effective January 30, 2004.

**Agenda Item #17**

**Agenda Item #17**

**Collective Bargaining**

**Agenda Item #18**

**Agenda Item #18**

**Litigation**

**Agenda Item #19**

**Agenda Item #19**

**Acquisition and Disposition of Property**

**Agenda Item #20**

**Agenda Item #20**

**Other Items**

**Agenda Item #21**

**Agenda Item #21**

**Adjournment**



**TENTATIVE**  
**Protection, Health, Safety and ADA**  
**Projects Schedule**  
**Phase VII**

	Estimated Budget											
Door & Hardware Accessibility WVC & FCC	\$149,200											
Storm Drain - Applied Arts Building WVC	\$72,600											
Bleacher Replacement LTC	\$181,500											
Door Replacements LTC & WVC	\$33,900											
Gymnasium Floor Replacement LTC	\$525,100											
HVAC Unit Replacements OCC	\$447,700											
Interior Lighting Upgrade WVC	\$201,300											
Air Quality - Paint Booth Installation WVC	\$0	<b>PROJECT CANCELLED</b>										
Roof Replacements/Repair District-wide	\$727,000											
Sanitary Sewer Replacement FCC	\$56,900											
Stairway/Lobby Glazing OCC	\$144,000											
Exterior Wall & Fascia Renovations LTC	\$542,100											
Site Lighting LTC & WVC	\$261,400											
Roof Replacement, Main Hall WVC	\$131,800											
Exterior/Interior Wall Repair WVC	\$86,400											
Data Center Acoustics & HVAC Upgrade DO	\$39,325											
<b>GRAND TOTAL</b>	<b>\$3,600,225</b>		<b>Board Approval</b>	<b>Materials</b>	<b>Begin Construction</b>	<b>30% Completed</b>	<b>60% Completed</b>	<b>80% Completed</b>	<b>100% Completed</b>	<b>Partial Accepted</b>	<b>Fully Accepted</b>	