
**BUTLER COMMUNITY COLLEGE
BOARD OF TRUSTEES
MINUTES OF THE REGULAR BOARD MEETING
4:30 p.m., Tuesday, July 11, 2017 – Dankert Board Room**

STAFF ATTENDANCE

Kim Krull	Lori Winningham
Jessica Ohman	Kent Williams
Bill Young	Stacy Cofer
Shelley Stultz	Kelly Snedden
Susan Bradley	Rheann Leech
Kim Sherwood	Lynn Umholtz
Sharon Rogers	

BOARD ATTENDANCE

Ken Bohon – Chair
Eileen Dreiling – Chair Elect
JoAnn Craven – Secretary
Ron Engelbrecht
Jim Howell
Dr. Greg Joyce
Tom McKibban

GUESTS

Levi Yager – Butler County Times/Gazette

CALL TO ORDER

Chair Bohon called the regular monthly meeting of the Board of Trustees to order at 4:30 p.m.

ELECTION OF BOARD OFFICERS AND APPOINTMENTS FOR 2017-2018

As stated in the Board Policy, all officers of the Board of Trustees are elected at the first meeting in July of each year and serve a term of one year.

- CHAIR – Ron Engelbrecht nominated Eileen Dreiling to serve as Board Chair for 2017-2018. Greg Joyce seconded. There were no other nominations. The motion passed unanimously. Ken Bohon passed the gavel to Eileen Dreiling, who then presided over the remainder of the meeting.
- VICE CHAIR – Ron Engelbrecht nominated JoAnn Craven to serve as Vice Chair for 2017-2018. Tom McKibban seconded. There were no other nominations. The motion passed unanimously.
- SECRETARY/TREASURER – Ron Engelbrecht nominated Greg Joyce to serve as Secretary/Treasurer for 2017-2018. Ken Bohon seconded. There were no other nominations. The motion passed unanimously.
- KACCT DELEGATE/ALTERNATE DELEGATE – Chair Dreiling appointed Ron Engelbrecht as KACCT Delegate. Ken Bohon will serve as Alternate Delegate for 2017-2018.
- BOARD FINANCE COMMITTEE – Chair Dreiling appointed JoAnn Craven and Ron Engelbrecht as designees to the Board Finance Committee for 2017-2018.
- FOUNDATION BOARD LIAISON – Tom McKibban nominated Eileen Dreiling to serve as the Foundation Board Liaison for 2017-2018. Ken Bohon seconded. There were no other nominations. The motion passed unanimously.
- EDUCATIONAL FACILITIES AUTHORITY OF BUTLER COUNTY – Chair Dreiling appointed Tom McKibban and Greg Joyce as Board Representatives to the Educational Facilities Authority of Butler County. Trustee McKibban will serve through the end of 2017 at which time newly elected Trustee, Lance Lechtenberg, will fulfill the remainder of the term.
- CAPITAL PROJECTS TEAM – Ron Engelbrecht and Ken Bohon volunteered to represent the Board on the Capital Projects Team.

APPROVAL OF AGENDA

Trustee McKibban moved that the Board approve the agenda as presented. Trustee Joyce seconded. The motion passed unanimously.

RECOGNITIONS

- o Valerie Lippoldt Mack – 2017 Butler Headliners Texas Tour
- o Trustee Tom McKibban – July Birthday

PUBLIC COMMENT – None

REPORTS

STUDENT GOVERNMENT ASSOCIATION REPORT – None

OPERATIONAL STAFF REPORT– Rheann Leech reported that there are seven new Operational Staff employees. Op Staff will meet tomorrow for their regular monthly meeting and there will be no meeting in August. Op Staff is again sponsoring the student welcome tables with water and snacks on Monday and Tuesday during the first of week of the fall semester. Applications for the Op Staff Book Scholarship are due and will be selected in the near future.

PROFESSIONAL EMPLOYEES REPORT – None

BOARD FINANCE COMMITTEE REPORT – Trustee Engelbrecht shared that the committee received updates on the employee health insurance bid and a preview of the budget update that will be shared during the Board Work Session.

PRESIDENT’S REPORT – President Krull provided an enrollment update and Bill Young provided a capital projects update.

EDUCATION FACILITIES AUTHORITY REPORT – The Authority will be meeting next week. Trustee Joyce noted that the stadium will be busy this summer with Drums Across Kansas and the Shrine Bowl both being held later this month. The new monument sign has also been installed.

MONITORING REPORTS – None

BOARD STRATEGIC DISCUSSION – ISSUES AND OPPORTUNITIES – None

BOARD ACTION ITEMS

APPROVAL OF COLLEGE EMPLOYEE GROUP HEALTH INSURANCE PROVIDER – The administration received the renewal rates for the employee group health insurance plans. The group health insurance committee reviewed the bids of Aetna and Blue Cross and Blue Shield of Kansas. While BCBS came in at slightly lower rates, the recommendation of our Broker is to continue the employee health insurance coverage with Aetna and redesign the plan to offset some of the additional costs. BCBS was not considering the larger anticipated claims in their bid and would not guarantee a rate gap for year two. The renewal rates with Aetna reflect a 15-22% increase in premiums.

This year we were faced with some large utilization for the past 18 months. Our total claims billed for 2016 was \$7,976,870 our discounts are up slightly (59.25) this year bringing these charges down to \$4,541,646. There were 21 claims exceeding \$25,000 in the last year. These claims made up a total of \$2,122,683 or 60% of the total medical claims paid. With 2% of our members accounting for this percent of cost, the utilization is exceeding the projected premiums for the remainder of our plan year. Claims total last three years:

- o 2014 - \$3.6 million
- o 2015 - \$4,387,421
- o 2016 - \$4,541,646

	2015	2016
Total Premiums Paid	\$4,162,245	\$4,326,180
Rx Claims Paid	\$996,372	\$1,016,437
Rx as % of Claims	22.7%	23.5%

The fastest growing component of health care spending is coming from prescription use.

- 2015 – accounted for 22.7% of total claims - \$996,372
- 2016 – 23.5% of total claims - \$1,016,437
- 2016 – 11,771 total scripts

The insurance committee met and reviewed the bids and administration would like to recommend the college stay with Aetna for the 2017-2018 year. Based on the review of the utilization we recommend the following changes to the plans:

All options offered will be a POS plan versus previously offering one PPO plan. Within each plan option the employee can choose a wide network plan or a closed network plan (Wesley Medical providers). The Wesley network offers greater savings to the employee on claims costs and monthly premiums.

We will now have the following POS options with two price choices for the employee.

- Option 1: Changed the deductible to \$1500 from \$1000
- Option 2: Changed the POS \$2500 deductible plan to a POS \$3000 deductible
- Option 3: Changed the HDHP POS \$3000 deductible to a HDHP POS \$3500 deductible

The college also received its renewal rates from Delta Dental and they remain flat to last year:

- Single: \$31.99
- Employee + 1: \$61.67
- Family: \$104.18

Premiums (Medical Only)

	Option 1 \$1500 deductible		Option 2 \$3000 deductible		Option 3 HDHP POS \$3500 deductible	
	Open	Wesley Pref	Open	Wesley Pref	Open	Wesley Pref
Single Coverage	\$646.90	\$603.99	\$614.04	\$585.45	\$601.39	\$560.11
Employee +1 Coverage	\$1,548.46	\$1,445.97	\$1,470.03	\$1,401.60	\$1,439.80	\$1,340.95
Family Coverage	\$1,807.16	\$1,687.55	\$1,715.63	\$1,635.77	\$1,680.38	\$1,565.01

The Administration also requested moving the annual effective date for open enrollment from September 1 to October 1 for each plan year. This will provide additional time to get the information needed for renewals and processing of annual enrollment more efficiently.

Trustee Engelbrecht moved that the approve Aetna as the provider of the college’s employee group health insurance plan and Delta Dental as the provider of the college’s dental insurance at the presented rates for the plans as described, with the rates becoming effective at the beginning of the plan year of October 1, 2017. Trustee Craven seconded. The motion passed 5-1.

APPROVAL OF COLLEGE FLEXIBLE BENEFITS PROVIDER – The College has been in contract with HRPro to administer the Section 125 cafeteria plan for Flex Spending. The Administration recommends

contracting with Gallagher Benefit Services to administer this benefit. This brings all benefits under one provider and the benefit plan year would begin on October 1, 2017.

Trustee Joyce moved that the Board approve the proposed contract change for Flex Spending benefits to Gallagher Benefit Services. Trustee Engelbrecht seconded. The motion passed unanimously.

APPROVAL OF BOARD CONFLICT OF INTEREST POLICY FOR 2017-2018 – Each year the Board reviews and approves the Board Conflict of Interest Policy. No changes were recommended.

Trustee McKibban moved that the Board approve the Board Conflict of Interest Policy for 2017-2018. Trustee Craven seconded. The motion passed unanimously. The policy and disclosure form follow:

Conflict of Interest Policy
Code of Ethics for the Board of Trustees and Certain Institutional Officers

The Board of Trustees believes that it should exercise a leadership role with respect to governmental ethics. The Board has accordingly adopted a Code of Ethics which goes beyond statutory requirements. Board members believe that it is important to avoid even the appearance of a conflict of interest. A potential conflict of interest is a situation that involves a personal, familial or business relationship between a trustee or certain institutional officers and the college or between a trustee or certain institutional officers and organizations that do business with the college that can cause the college or the Board to be legally or otherwise vulnerable to criticism, embarrassment, or litigation in the opinion of the public. It is with these thoughts in mind that the Board of Trustees has adopted this Code of Ethics.

1. Conflict of Interest

a. Scope

This statement of policy with respect to conflict of interest applies to each member of the Board of Trustees and to designated officers of Butler Community College. It is intended to serve as guidance for members of the Board of Trustees and for the following college officers: President, Vice-President for Academics, Vice President for Student Services, Vice-President for Finance, Vice President of Information Technology /CIO, Vice President of Institutional Advancement, and Internal Auditor.

b. Fiduciary Responsibilities

Members of the Board and designated college officers serve the public trust and have a clear obligation to fulfill their responsibilities in a manner consistent with this fact. All decisions of the Board and recommendations made by these designated officers are to be made solely on the basis of a desire to promote the best interest of the institution and the public good. The college's integrity must be protected and advanced at all times.

Men and women of substance inevitably are involved in the affairs of other institutions and organizations. An effective Board, administration, and faculty cannot consist of individuals entirely free from at least perceived conflicts of interest. Although most such potential conflicts are and will be deemed inconsequential, it is everyone's responsibility to insure that the Board is made aware of situations that involve personal, familial or business relationships that could be troublesome for the college.

Thus, the Board requires that each trustee and the designated officers annually (1) review this policy; (2) disclose any possible personal, familial or business relationships that reasonably could give rise to a conflict involving the college; and (3) acknowledge by his or her signature on the Disclosure Form for Trustees and Institutional Officers that he or she is in compliance with the letter and spirit of this policy. Thereby, it is the declared policy of the Board that trustees will not participate in Board discussions or votes on items or transactions where trustees have a conflict of interest or have developed a potential conflict of interest since the time of the filing of the required disclosure form. Similarly, the designated officers

with a conflict of interest shall not participate in making a recommendation to the Board concerning a matter in which a conflict of interest exists.

c. Disclosure

All trustees and the designated officers are required to list on the attached form only those substantive relationships that he or she maintains or members of his or her family maintain with the college or with organizations that do business with the college or otherwise could be construed to potentially affect their independent, unbiased judgment in light of his or her decision-making authority or responsibility.

In the event that a trustee or designated officer is uncertain as to the appropriateness of listing a particular relationship, the chairman of the Board of Trustees, the college president or college counsel should be consulted. Trustees and the designated officers shall file this disclosure form on an annual basis after July 1 of each year and before July 31 of each year, with the chairman and the secretary of the Board of Trustees. These disclosure forms will be subject to public disclosure. New Board members or new designated officers shall be provided the disclosure forms immediately upon taking office and shall fill out, sign and file the same within 30 days of taking office.

d. Restraint on Participation

Trustees or designated officers who have declared a potential conflict of interest, been found to have a conflict of interest, or who have developed a potential conflict of interest since the date on which they last filed a disclosure form, shall refrain from participating in consideration of proposed recommendations or transactions, unless for special reasons, the Board or administration requests information or interpretation. Trustees who fall into one of these categories shall not vote, participate in discussion or be present at the time of the vote on any such recommendations or proposed transactions.

e. Definitions

The following definitions are provided to help Trustees or designated officers decide whether a relationship should be listed on the disclosure form or should prevent a Trustee or designated officer from participating in consideration of recommendations or proposed transactions:

- (i) Potential conflict of interest or conflict of interest: substantive relationships maintained by Trustees and designated officers, or members of their family, with the college or with organizations that do business with the college or that otherwise could be construed to potentially affect their independent, unbiased judgment in light of his or her decision-making authority or responsibility.
- (ii) Business relationship: one in which a Trustee, designated officer, or a member of his or her family as defined below, serves as an officer, director, employee, partner, Trustee or controlling stockholder of an organization that does substantial business with the college.
- (iii) Family member: A spouse, parents, siblings, children, or any other relative if the latter resides in the same household as the Trustee or officer.
- (iv) Substantive relationships: When a Trustee, designated officer, or member of his or family, (a) are the actual or beneficial owner of more than 5% of the voting stock or controlling interest of an organization that does substantial business with the college; (b) has other direct or indirect dealings with such an organization from which the Trustee, designated officer, or member of his or her family benefits directly, indirectly or potentially from cash or property receipts totaling \$10,000 or more annually; or (c) is employed by the college or receives fees, benefits or other compensation from the college.

- (v) Substantial business: An organization that does substantial business with the college is one that received more than \$10,000 from the college in the previous fiscal year.

2. Ineligibility for Employment

In accordance with Kansas Statute 71-1403(d), no member of the Board of Trustees of a community college shall be an employee of the community college.

DISCLOSURE FORM FOR TRUSTEES AND INSTITUTIONAL OFFICERS

Please complete this disclosure form and return to the Chairman of the Board no later than July 31, 2017.

- 1. Are you aware of any relationships with the college between yourself or a member of your family as defined by the letter or spirit of the Board of Trustees Code of Ethics that may represent a conflict of interest or might be perceived as a conflict of interest?

Yes _____ No _____

If yes, please list each such relationship and the details of annual or potential financial benefit, if any, as you can best estimate them.

- a.
- b.
- c.
- d.

- 2. Did you or a member of your family receive any gifts during the past 12 months from any source from which the college buys goods or services or with which the college otherwise transacts substantial business, as defined in the Code of Ethics?

Yes _____ No _____

If yes, please list such fees, loans or goods/services, their source, and their approximate value.

- a.
- b.
- c.
- d.

- 3. Do you have a business relationship with an organization that does substantial business with the college, as defined by the Board of Trustees Code of Ethics?

Yes _____ No _____

If yes, please list each such business relationship.

- a.
- b.
- c.
- d.

I certify that the foregoing information is true and complete to the best of my knowledge.

Name _____

Date _____

AFFIRMATION OF ACCT STANDARDS OF GOOD PRACTICE – Each year member Boards of the Association of Community College Trustees receive a copy of the Standards of Good Practice. Since the development of the standards, the Butler Board of Trustees has re-affirmed those standards each fall.

Trustee Joyce moved that the Butler Community College Board of Trustees affirm the ACCT Standards of Good Practice as developed by the Association of Community College Trustees. Trustee Bohon seconded. The motion passed unanimously. The ACCT Standards of Good Practice follow:

ASSOCIATION OF COMMUNITY COLLEGE TRUSTEES

Standards of Good Practice

In support of effective community college governance, the Board¹ believes:

- ◆ That it derives its authority from the community and that it must always act as an advocate on behalf of the entire community;
- ◆ That it must clearly define and articulate its role;
- ◆ That it is responsible for creating and maintaining a spirit of true cooperation and a mutually supportive relationship with its CEO;
- ◆ That it always strives to differentiate between external and internal processes in the exercise of its authority;
- ◆ That its trustee members should engage in a regular and ongoing process of in-service training and continuous improvement;
- ◆ That its trustee members come to each meeting prepared and ready to debate issues fully and openly;
- ◆ That its trustee members vote their conscience and support the decision or policy made;
- ◆ That its behavior, and that of its members, exemplify ethical behavior and conduct that is above reproach;
- ◆ That it endeavors to remain always accountable to the community;
- ◆ That it honestly debates the issues affecting its community and speaks with one voice once a decision or policy is made.

¹The term "Board" refers to a community college board of trustees or appropriate governing authority.

ACCEPTANCE OF RETIREMENT OF KATHERINE BARRIER, PROFESSOR OF ENGLISH – Katherine Barrier has taught at Butler for 19 years. She excels in teaching and writing poetry and prose and her students will miss her wit and charm. She will be also missed by her fellow faculty and Butler colleagues. Katherine and her husband are retiring to Arkansas where they have plans to write and fish.

Trustee Engelbrecht moved that the Board accept the retirement of Katherine Barrier as Professor of English. Trustee Craven seconded. The motion passed unanimously.

CONSENT AGENDA

Trustee Joyce moved that the Board approve the consent agenda as presented. Trustee Engelbrecht seconded. The motion passed unanimously. The consent agenda contained the following items:

- Approval of Minutes the Regular Board Meeting of June 13, 2017
- Approval of Bills and Warrants for June 2017 - \$4,025,595.98 (including expenditure approval list - \$1,769,957.42 and June payroll - \$2,256,638.56)
- Affirmation of Legal Service Provider – Connell & Connell
- Affirmation of Designated Newspapers for 2017-2018 for Publication of Notices – Butler
- Approval of Designated Bank Accounts for 2017-2018
- Approval of Payment of Claims Resolution for 2017-2018
- Approval of Unisource Paper Bid for 2017 to Unisource in the amount of \$18,087.20 paid from the Secretarial Management Center budget
- Approval of Bill's Electric Inc. Bid for Campus Lighting in the amount of \$38,700 paid from the Mill Levy fund
- Approval of Ellucian Annual Maintenance Agreement in the amount of \$169,039 paid from Information Services FY2018 budget
- Approval of Robert's Hutch-Line Bid as vendor for Centralized Purchasing
- Ratification of MOU with Project Search
- Ratification of Daymark Service Agreement for McConnell
- Ratification of Amended Daymark Service Agreement for El Dorado
- Ratification of BDI Datalynk for Fiber Optics Training
- Ratification of MOU/Client Agreement with Metropolitan Junior College District
- Ratification of WISS Contract for Cohort Default Rate
- Ratification of Articulation Agreement with Baker University
- Ratification of Revised WIOA Youth Program Elements Contract
- Ratification of Local Workforce Development MOU
- Ratification of Consulting Agreement with Dr. Gene George
- Ratification of Broadcasting Agreement with Dennis Higgins
- Ratification of Acalog Software License/Hosting Agreement/Professional Services
- Ratification of Adult Education and Family Literacy Act Grant
- Ratification of Jobs for Innovative Industry Skills Training Grant
- Ratification of Butler Service Center Lease with Carl Chuzy Living Trust
- Approval of Kylee Stuever as Director of Athletic Academic Services at an annual salary of \$40,000
- Approval of Andrew Rawlings as Director of Residence Life at an annual salary of \$45,000
- Approval of Taylor Frank as Butler Livestock Judging Team Coach/ Temporary Full-Time Ag Course Instructor at a salary of \$36,726
- Approval of Contract Renewal for Gus Strunk, Assistant Baseball Coach at a salary of \$10,979.25
- Acceptance of Resignation of Terry Klenda, Learning Community Resource Coordinator of Marion

SUPPLEMENTAL INFORMATION

THANK YOU NOTES – Ruth Wallace and Butler Headliners

BOARD CALENDARS

July Board Finance Committee	July 11, 3:30 p.m.
July Board Meeting	July 11, 4:30 p.m.
Special Board Meeting – Approval of Notice of Public Hearing	July 25, 5:00 p.m.
Andover New Teacher Breakfast	August 7, 7:00 a.m.
August Board Finance Committee	August 8, 3:30 p.m.
August Board Meeting	August 8, 4:30 p.m.
Foundation Board of Directors Meeting	August 17, 4:00 p.m.
KACCT Quarterly Meeting – Hosted @ Butler	Sept. 8 – Sept. 9

BUDGET UPDATE AND WORKSESSION

Chair Dreiling called for a motion to recess for a budget update and Board Work Session. Trustee Engelbrecht moved and Trustee McKibban seconded. The motion passed unanimously. The meeting was recessed at 5:30 p.m.

EXECUTIVE SESSION

Chair Dreiling called for a motion to enter Executive Session for 45 minutes to discuss personnel matters regarding the review and evaluation of the President as non-elected personnel, which if discussed in open meeting might violate her right to privacy and to include Dr. Kim Krull.

Trustee Joyce moved and Trustee Engelbrecht seconded. The motion passed unanimously.

The Board entered into Executive Session at 6:18 p.m.

The Board returned to Open Session at 6:56 p.m.

APPROVAL OF CONTRACT RENEWAL FOR PRESIDENT KIM KRULL – Trustee McKibban moved that the Board renew the contract of President Kim Krull for two years. Trustee Joyce seconded. The motion passed unanimously.

ADJOURNMENT

Trustee Craven moved that the regular meeting of the Butler Community College Board of Trustees be adjourned. Trustee Joyce seconded. The motion passed unanimously. The meeting of July 11, 2017 was adjourned at 6:58 p.m.



Dr. Greg Joyce – Secretary