

**NEBRASKA COMMUNITY COLLEGE ASSOCIATION
BOARD OF DIRECTOR'S MEETING MINUTES
Second Quarterly Meeting
May 8, 2006**

1. PUBLIC MEETING NOTICE

All NCCA Board of Director's, Area President's, and the general public having been duly notified the second quarterly meeting of the NCCA Board of Directors was held May 8, 2006, at Holiday Inn Express in North Platte. President Potter stated that the public meeting notice was published in the Lincoln Journal Star and the North Platte Telegraph. The public meeting notices are attached to these minutes.

2. ATTENDANCE

Directors Present:

President Tim Potter – Metropolitan
Vice President Keith Harvey – Northeast
Secretary Jane Hornung – Mid-Plains
Treasurer Lynn Schluckebier – Southeast
Robert Feit – Southeast
Merlyn Gramberg – Western Nebraska
Harold McClure – Central
Don Oelsigle – Northeast
Tom Perkins – Western Nebraska
William Schneider – Central
Roger Wilson – Mid-Plains

Directors Absent:

David Newell - Metropolitan

Staff Present:

Dennis Baack – Executive Director
Melanie Williams – Administrative Assistant

Also present were: Dr. LaVern Franzen – Central, Dr. Michael Chipps – Mid-Plains, Dr. Jack Huck – Southeast, Tom Vickers – Legislative Consultant, Jim Grotrian, Vice President of External & Governmental Relations – Metropolitan, and Kimberly Carlson, President – Expherion Enterprise Management.

3. CALL TO ORDER AND QUORUM DETERMINATION

President Potter called the meeting to order at 7:00 p.m. and asked for roll call and quorum determination. Present and responding were eleven board members representing their respective area governing boards. It was determined that a quorum was present.

4. APPROVAL OF AGENDA

President Potter asked for any additions to the agenda. There were none.

MOTION BY TOM PERKINS AND SECOND BY DON OELSLIGLE that the NCCA Board of Directors approves the meeting agenda.

A roll call vote was taken.

Voting Aye: Feit, Gramberg, Harvey, Hornung, McClure, Oelsligle, Perkins, Potter, Schluckebier, Schneider, Wilson

Voting Nay: None

Absent: Newell

RESULT: Motion carried eleven (11) ayes, no nays, and one (1) absent.

5. APPROVAL OF MINUTES

President Potter asked for any corrections or additions to the March 1, 2006, meeting minutes. Perkins stated that the word tenants should be replaced with tenets on page 5. President Potter asked for any additional corrections. There were none.

MOTION BY HAROLD MCCLURE AND SECOND BY ROBERT FEIT that the NCCA Board of Directors approve the March 1, 2006, meeting minutes as corrected.

A roll call vote was taken.

Voting Aye: Feit, Gramberg, Harvey, Hornung, McClure, Oelsligle, Perkins, Potter, Schluckebier, Schneider, Wilson

Voting Nay: None

Absent: Newell

RESULT: Motion carried eleven (11) ayes, no nays, and one (1) absent.

6. TEAM 1 / LEGISLATIVE COMMITTEE

A. 2006 Session Update

Baack stated that the Legislature increased funding for the community college system by the same percentage amount as the University and State Colleges which resulted in about \$1.5 million dollars of additional funding for this fiscal year.

7. TEAM 2 / BUDGET AND PERSONNEL COMMITTEE

Schluckebier stated that the budget and personnel committee met via conference call on April 18, 2006, and discussed and reviewed the following items:

A. Executive Director's Evaluation Process

Schluckebier stated that the committee reviewed the evaluation instrument and determined that no changes would be made. The instrument will be mailed to all NCCA board members and Area Presidents in late June and due back to him by July 14. He will then tabulate the results for distribution to Team 2 and a committee meeting will be scheduled to review the results and make a recommendation on the Executive Director's contract renewal to the NCCA Board at the fourth quarter meeting.

B. Review and Acceptance of Preliminary 2007 Budget

Schluckebier stated that the committee reviewed the preliminary 2007 NCCA budget and made a few changes which are included in the preliminary budget presented to the board.

MOTION BY TOM PERKINS AND SECOND BY JANE HORNUNG that the NCCA Board of Directors approves the 2007 NCCA preliminary budget as presented.

A roll call vote was taken.

Voting Aye: Feit, Gramberg, Harvey, Hornung, McClure, Oelsigle, Perkins, Potter, Schluckebier, Schneider, Wilson

Voting Nay: None

Absent: Newell

RESULT: Motion carried eleven (11) ayes, no nays, and one (1) absent.

C. 2005 NCCA Financial Audit Report

Schluckebier stated that the committee reviewed the audit and accompanying management letter. One item on the management letter which was discussed was the expense reimbursements of the Executive Director. The accountant recommended that a member of the Board review and approve all expense reimbursements made to the Executive Director. The committee agreed with this suggestion and recommended the Treasurer review and approve all reimbursements prior to a check being disbursed. This recommendation was forwarded to the Bylaw and Policy Committee and will be voted on later in the board meeting.

MOTION BY JANE HORNING AND SECOND BY LYNN SCHLUCKEBIER that the NCCA Board of Director's accept the 2005 NCCA Financial Audit as presented.

A roll call vote was taken.

Voting Aye: Feit, Gramberg, Harvey, Horning, McClure, Oelsigle, Perkins, Potter, Schluckebier, Schneider, Wilson

Voting Nay: None

Absent: Newell

RESULT: Motion carried eleven (11) ayes, no nays, and one (1) absent.

D. Discussion of Executive Director Job Description

President Potter stated that he requested this item be put on the agenda. Perkins suggested that since the chair put this item on the agenda and by Roberts Rule of Order, the vice chair should take over control of the meeting.

Vice President Harvey became acting chair at 7:17 p.m.

Potter stated that at the February 2, 2006, board meeting, the role of the Executive Director as a mediator was briefly touched upon. As he reviewed the conflict resolution procedure in the policy manual, he noticed that the policy does not have a role for the Executive Director to participate in the resolution. In his opinion, it is a logical thing for the Executive Director to mediate if there is a disagreement among the members of the association. The Executive Director works for all the areas and assuming he is an objective, unbiased, neutral party, it makes sense for the Executive Director to serve in that capacity and eliminate the necessity of bringing in a third party to mediate disputes. Baack stated that he believes he can serve in that role as long as what the board is discussing is internal to the group but once an individual board takes outside action and is outside the arena of the NCCA board, he does not believe he could be a neutral party at that point. Potter stated that he believes if Baack would have taken some initiative in regard to the preliminary discussion of the funding formula, a college board would not have felt the need to take action and the matter could have been handled internally. Baack replied that he feels as if he did that by taking the matter to the CEO's council. Potter responded that when the CEO's decided to put the formula study on the back burner and concentrate on full funding, Baack should have stepped in and said the Metro board may have a problem with this, the matter could have been settled before any legislation was introduced. McClure stated that he believes Baack did as much as he could and that not a lot of discussion was had among the NCCA board about changing the formula. The main priority was full funding of the formula. McClure continued to state that one item which really bothered him was one Metro board member stating that the reasoning behind legislation getting introduced

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was the need to get the NCCA board's attention. McClure feels that is not the way it should have been handled. There are ways to get the boards attention within the group and Baack does not need to be involved in some of those matters. He continued to state that he is concerned that out of the blue we state we're going to study the formula again when it has been studied numerous times over the years with the last study being completed in 2002. Potter stated that he does not believe studying it again in three years is too excessive.

Perkins wanted to get back to the agenda topic and asked the board how many board members had been trained as mediators. Potter stated that prior to the next board meeting; he will submit a recommendation to the Bylaw and Policy Committee regarding the Executive Director's job description which will state that mediation is a responsibility as well as a job qualification of the position. He believes this is something the Executive Director should be in a position to do as a neutral party and questioned the added expense of bringing in a third party. Perkins disagreed with Potter's statement because it is entirely conceivable that one area would mistrust Baack as a leader which would put him in an uncomfortable situation. A mediator is a person who comes in and who is actually neutral and whose responsibility is to bring two parties together to resolve the issue. Perkins feels that if Baack became a mediator, at least one board would distrust his efforts. Potter agreed with that statement but then stated that if the Executive Director was truly neutral, there shouldn't be any mistrust on any part of the members. Potter continued to state that neutrality and objectivity should be something the association strives for in an Executive Director whether it is Baack or the succeeding director. He then stated that he felt the Executive Director should not be entirely removed from the conflict resolution process. There should be some responsibility there for the Executive Director to help reach a resolution to a disagreement before it gets external to the association.

Wilson asked Potter when he would expect mediation. Potter replied he would expect it at the first sign of a disagreement. In the case of the funding formula, as soon as there was a perception that one college, namely Metro, wanted to push for a revision of the formula and there was some resistance, it would have been an appropriate time for Baack to take the initiative and try to get the parties together to address Metro's concerns as well as those of the other areas. Gramberg stated that that did happen. Potter replied that the perception of the Metro board was that the resolution passed in November 2005 was not taken seriously by the association and that was the reasoning behind the introduction of LB 1251. McClure asked what was done with that resolution. Potter replied that it was sent to the association. McClure then asked if it was put on the legislative agenda. Potter replied that the resolution was passed after the adoption of the 2006 legislative agenda. McClure asked why this issue was not brought before the board prior to legislative agenda being approved. Potter stated that it did not come up before that time. When the CEO's met and decided to make full funding top priority, that should have been an indication that some mediation or discussion was in order given Metro's concern regarding the formula. If actions are taken which could be perceived as a potential problem, it would be appropriate for the Executive Director to

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step in at that point and see what he/she could do to bring the parties together to avoid any kind of contentious.

Feit asked the CEO's in attendance when Dr. McDowell presented the resolution to the CEO's, did they feel she addressed it as forcefully as the Metro board addressed it shortly after they felt the NCCA board did no action and contacted their senator and starting LB 1251. Dr. Huck replied that the CEO's began discussing the legislative agenda early in the fall and Dr. McDowell did express some concern the Metro board was discussing regarding the formula. They did get into enough detail to weight it against putting their full force behind restoring funding of the formula to its 40 percent level. They felt that with the state of the economy at the time, it would be the best time to get back to 40 percent and after that effort was successful, make any adjustments to the formula. After conducting an analysis which stated how much each area would receive if funding was 40 percent, it was concluded this action would be taken jointly and was presented to the NCCA board at the November board meeting. Dr. Huck continued by stating that after the agenda was approved by the NCCA board, he and other area presidents began meeting with his area senators promoting that agenda. Potter again stated that after it became apparent there would be a conflict, Baack should have stepped in and gotten the parties together.

McClure asked Potter if either Metro representative objected to the legislative agenda. Potter replied that after reading the minutes from a CEO meeting, it became apparent to Metro that changes to the formula were not going to be addressed. Perkins stated that if either Metro board member had objected to the legislative agenda at the November meeting, it would have sent a message to both Baack and the NCCA board that there was an issue which needed to be resolved. Potter replied that at that time based on prior discussion going back to August, it appeared that changes to the formula were going to be addressed. The CEO Council minutes made it appear that formula changes were going to take a back seat and that is what got the Metro boards attention and Baack should have stepped in at that time. Hornung stated that she does not recall a time when there was an apparent disagreement. Potter replied that it should have been apparent in January when the Metro board passed a resolution authorizing Dr. McDowell to seek legislation and some initiative by the Executive Director could have prevented that from happening. Baack stated that in January when Metro passed the second resolution, the policies of the NCCA should have been followed. Potter responded that the board had not taken a position on changing the formula, just on full funding. Baack replied that according to NCCA policy, if an area is in conflict with the legislative agenda, that conflict will be taken to the board. Potter stated that the policy refers to an adopted board position and the board had not yet taken a position on changing the formula. Baack then stated that according to their resolution, Metro would not seek full funding unless changes were made to the formula and at that time, they were in conflict with a standing board resolution. McClure stated that if Metro did not agree with full funding, they should have come back to the NCCA board instead of taking the action that they did. Potter replied that the feeling of the Metro board was that they needed to get the attention of the CEO council and the NCCA board because

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it did not appear that their earlier resolution was taken seriously. McClure stated that he doesn't see this situation as mediation but rather a disagreement and asked Potter what he believes Baack should have done. Potter replied that Baack should have played a stronger role in resolving the situation. He then stated that he will propose some language to the policies and the Executive Director job description which would address these issues.

Wilson asked how much political activity occurred before the introduction of LB 1251. Potter stated that they needed a senator to introduce the bill and that was the only activity which was taken. Perkins asked if they talked to any other senators. Potter replied that he did not speak to any other senators but he did not know about other Metro board members. Wilson stated that the Metro board must have talked about it. Potter stated that they adopted the resolution to pursue legislation and Senator Synowiecki was willing to introduce it. He did not speak to other senators and does not know if other board members were lobbying for it but as elected officials, they have the right to speak to other elected officials.

Feit asked Potter is he was referring to the Executive Director being the only mediator. Potter replied that the initial mediator should be the Executive Director and if no progress can be made, a third party may need to be brought in.

Dr. Franzen stated that a topic discussed regularly at the CEO meetings was the consultant's recommendation a few years ago that no changes be made to the formula until the colleges are back to the 40 percent level of state funding otherwise the formula isn't working the way it was intended to. He continued to state that they did discuss the timing of looking at the formula, which they all agreed needed to be done. By going to the Legislature with a request of full funding while reworking the formula behind the scenes would undercut the community colleges stand and the CEO's didn't feel those two items would work together. Potter asked how things worked out this session. Dr. Franzen stated that obviously it didn't go very well. They talked very optimistically and believed this was the best chance to restore that 40 percent well into the legislative session. Potter asked what were the reasons this didn't go through. Dr. Huck replied LB 1251 cut the legs out from the system and undermined the whole activity. Potter stated that this makes his point in regard to mediation and this could be avoided in the future. McClure stated that the policies should have been followed. Potter stated that the policies apparently weren't sufficient to prevent the situation this time. McClure replied that they are written to tell an area what to do. Potter responded that they are open to interpretation and after he read them, it appeared to him that since the NCCA board had not taken a position on changing the formula, Metro was not obligated to go through the process.

In regard to the Executive Director referred to as a mediator, Dr. Huck asked Potter if he was referring to a trained mediator or perhaps a pro-active advocate for the community college system. Potter replied in the affirmative. He would like the Executive Director to be more pro-active about heading off conflicts or resolving them at

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an early stage and would like the policies to lay out a role for the Executive Director in regard to that. Dr. Huck stated that the Southeast board feels very strongly about the association being able to speak with one voice and he feels that Potter is trying to establish a pro-active position on the part of the Executive Director to promote a state-wide community college system. Potter again stated that he would offer language to change policies and the Executive Director job description so that the board would know exactly what he had in mind.

Feit asked Potter to use a different term other than mediator. Potter agreed to do so.

McClure asked Baack what he would have done differently. Baack responded that he doesn't know what he could have done differently. He took Metro's resolution to the CEO Council, which according to NCCA policy makes decisions when the board is not meeting. They discussed the resolution in detail and made the decision as to what direction they wanted to go as a group. Baack continued to state that he is unsure as to whether he can tell them not to go in that direction. Potter stated that Baack should have called the Metro representatives and informed them that the CEO Council had decided to give priority to full funding. Baack stated that he leaves it up to the CEO's to communicate back to their individual boards. Potter responded that Dr. McDowell did communicate with their board and that led to the resolutions. Baack then asked if he would have communicated with them, it wouldn't have led to the resolutions being passed. Potter replied that if Baack would have contacted Newell or himself knowing what interest it was to Metro, the introduction of legislation could possibly have been avoided. Dr. Huck stated that he believed the CEO Council was acting in good faith. They presented the legislative agenda to the NCCA board for approval in November. After it was approved unanimously by the board, no one from Metro told anyone there was a problem and he had already spoken to most of his area senators. He then stated that he believed that if Metro had that problem, they probably knew it prior to the November board meeting or at least a sense of it. Potter stated that it was Metro's understanding based on previous discussions going back to August, changes in the funding formula would begin to be addressed in 2005 and it was their impression from reading the CEO Council meeting minutes that it would not happen. Dr. Huck stated that he felt badly as a CEO that that was their belief because they were clear from their discussions early on that it would be 40 percent funding first and formula changes second. Potter stated that if that was the case, it would be better for someone else other than a member of the council recording the meeting minutes so that they may be almost verbatim. If accurate minutes are to be recorded, the CEO should be relieved of that duty so that they are not trying to participate and record the discussion at the same time. Hornung asked if Metro's president was at the meetings. Potter replied that they did.

Feit stated that there is more than one to share the problems created by LB 1251. He does not know if it will do any good to hash the situation over again but the board can try to stop it from happening again. The association is not speaking as one

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voice and can't continue as an association without that. Feit feels there needs to be better communication both between the individual boards who decide to do something like this and the NCCA board/CEO Council/Executive Director. He continues to state that he believes there needs to be more information coming to the Executive Director when the board decides one thing and an individual board decides another thing. He can understand a board's individuality but can't understand how a board can ignore the thoughts of what has been done already. It damages the association and reflects badly on each individual board. Feit then stated that whatever language Potter will be introducing, he would prefer that it say things which refer to communication.

Vice President Harvey declared a three minute recess at 8:01 p.m.

Vice President Harvey declared the meeting back in session at 8:10 p.m.

Potter stated that he asked for the letters to and from Senator Synowiecki be put on the agenda to show that communication needs to be improved. These communications came about as a result of LR345, which Baack distributed copies of, being re-referenced to the Education Committee from the Revenue Committee by the lobbying efforts of Baack and Vickers. As Potter understood it, no consultation with any NCCA board member was had prior to the activity taken by Baack and Vickers. Baack agreed with that statement. In Potter's opinion, that action should have been taken prior to that action being taken and given the events of recent months, anything having to do with the funding formula may be somewhat sensitive. He feels a consultation with the sponsor of the resolution would have been in order as well as someone from the NCCA board or CEO Council. Baack stated that one thing he was told by Jim Grotrian as this resolution was being developed was that he would see it prior to it being introduced and he did not see it prior to introduction. Grotrian stated that he did call Baack the day before the resolution was introduced. Baack replied that the resolution was introduced on Friday morning and Grotrian phoned him at noon on Friday. Grotrian then stated that he told Baack Thursday in the Capitol Rotunda that Senator Synowiecki wanted to do a legislative resolution. Baack agreed with that statement but again stated that he did not see it prior to it being introduced. If he had seen it prior to its introduction, he would have spoken to Senator Synowiecki and try to get him to reference it to the Education Committee which is where he believed it belonged. Potter asked how does that relate to not speaking to the senator after it was introduced. Baack replied that he did apologize to Senator Synowiecki in person as well as in the letter which was included in the board packet. In Potter's opinion, he believes in situations where the NCCA board has not taken a position, the Executive Director should consult with the NCCA board President prior to taking action. Perkins asked why this resolution was introduced in the first place when he thought the matter was dead. Potter replied in the negative and stated that Baack was aware a resolution was going to be introduced. Perkins stated that at the special board meeting in February, it was agreed upon that Baack would be neutral if the matter went away. Potter responded that was in regard to LB 1251. Perkins asked what was the difference between the two. Potter replied that LB 1251 would revise the funding formula and LR 345 would study the formula. Perkins

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asked why it was introduced. Potter stated that it is to study the formula in the Legislature. Perkins stated that the CEO's were given the responsibility of studying the formula and bringing recommendations back to the board by the third quarter meeting. Potter replied that the formula would need to be addressed by the Legislature eventually so it is not out of bounds for them to want to do an interim study. Gramberg brought up the lack of communication again. Potter agreed with that comment then stated that the NCCA President should be consulted or informed by Baack or any future Executive Director prior to this type of action being taken. Perkins then stated that it is not asking a lot for a community college area to communicate with the NCCA board when it's going to propose this kind of a study. Potter again asked Baack if he was aware the resolution was going to be introduced. Baack replied in the affirmative but again stated that he was unaware of the contents. Dr. Huck stated that LR 345 directly references LB 1251 so don't try to disassociate the two because they do carry the same concept. He then stated that to suggest that Baack knew about the resolution is different than knowing the content of it. There is nothing to communicate about until the content is known so he believes it is a little disingenuous to suggest a response is needed before the content is known. He then stated that if a suggestion is going to be made regarding how these quick turn around things are dealt with, he would lobby Southeast's representatives to seriously consider referring any such matters directly to the CEO's Council. Referring to the NCCA President would not be representing all six areas. Dr. Huck stated that if anyone had discussed LR 345 with him in advance, his position as an area president would have been to do exactly what Baack did and supports his efforts. Potter stated that consulting with the CEO Council would be fine but he would like the NCCA President consulted as well. He then stated that his objection was the fact that the re-referencing of LR 345 was done without any consultant other than from Senator Raikes. The Executive Director owes it to the NCCA board for whom he works for to consult with the board on something as potentially sensitive as the funding formula. Potter went on to state that the Metro board is very concerned about it, to the point that four board members want to put a vote of no confidence towards Baack on the board agenda. Potter is trying to get the board members to hold off on that until Baack can attend their board meeting later in May and Baack can state his views on how and why he wanted to get LR 345 re-referenced. The lack of communication has just exacerbated the situation because now Potter has board members that are really upset. Perkins stated that he is hearing that there is no responsibility on the part of Metro to communicate with the NCCA Board about this resolution; it is all Baack's fault. Potter replied that is somewhat beside the point. The resolution called for the Revenue Committee to do the interim study and without consulting with the sponsor of resolution or anyone from the NCCA and at the request of Senator Raikes who Baack does not work for, Baack undertook the task of getting it moved to another committee. Potter then stated that was not the correct thing to do. The Metro board has the responsibility to communicate with the NCCA board and Baack but in that particular situation, the lack of communication has exacerbated the problem which has been being dealt with the last three months. Potter continued to state that a simple phone call would have avoided the situation. McClure responded that it works both ways. Potter replied that Metro needed to have some communication on that and he feels that Baack was out of

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line in undertaking that on his own. Baack then asked why he wasn't informed it was going to be referenced to the Revenue Committee because the Metro board knew in advance it would be. On March 28, Grotrian announced at a Metro board meeting that the study was coming up and that it would be referenced to the Revenue Committee. The study was introduced to the Legislature on March 30. Baack then stated that Grotrian apparently knew the content of it because he knew where it was going. Baack again asked why that was not communicated to him. Potter replied that perhaps that was up to Senator Synowiecki. Grotrian introduced himself to the board and stated that he made every effort to communicate things to Baack when he knew about them. He continued to state that it was mentioned in Metro's testimony at the legislative hearing for LB 1251 that it would be Metro's wishes that an interim study be considered. In the efforts of communication and as the responsible party on the ground, he takes a little objection that he in anyway didn't intentionally communicate any details of the resolution. Dr. Huck stated that Grotrian apparently knew about the resolution on March 28 and asked why Baack did not know about it. Grotrian replied that his responsibility is to his president and board and give Baack the professional courtesy to communicate any action he may be undertaking. Dr. Huck then asked why Baack wasn't informed and he in turn could have communicated the information to the president's, who have the right to know. Grotrian responded that he made every effort during the legislative session to communicate any actions taken by him under the direction of the Metro board to Baack prior to that action being taken. Dr. Huck again asked why Baack wasn't informed. Grotrian replied that Baack did know about the resolution. Dr. Huck then asked why Baack didn't know the content of the resolution and why there was no communication. Potter then asked why did Baack undertake on his own to get the resolution re-referenced. Baack responded that, as stated in his letter to Senator Synowiecki, he feels that his responsibility to act in the best interest of the association. Potter stated that is why he feels there needs to be more than opinion as to what is in the best interest of the association and that is why there should be some consultation. Dr. Huck stated that Baack did consult with the CEO's as soon as he knew about it and they told him he was doing the right thing. Baack stated that on the morning it was introduced, Vickers was over at the Capitol working on it because Baack was in the CEO's meeting and they were informed that morning. Dr. Huck stated that as soon as Baack knew the content, he did inform the CEO's of it. Potter asked if this was before or after Baack lobbied the reference committee. Baack replied that Vickers was lobbying the reference committee as Baack was talking to the CEO's. Potter asked if the CEO's knew before Baack and Vickers began lobbying. Baack replied in the negative. Potter then responded that was his point and there needed to be more consultation. McClure stated that there was no time. Potter replied that if there's no time, then don't do it. Dr. Huck responded that Metro saw to it that there was no time. Potter replied then the resolution should have been allowed to go where it was supposed to go, the Revenue Committee. Dr. Huck asked why does Metro, without the consultation of the NCCA, get to decide what's best for the NCCA. Potter replied that it was Senator Synowiecki's resolution and it said Revenue Committee. Perkins asked if Senator Synowiecki is on the Revenue Committee. Baack replied in the negative.

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Potter stated that the point he is trying to make is the need for more communication. Feit stated that he is hearing a lot of things that Metro didn't tell anyone else. Potter responded that it is not all on Metro's shoulders and the fact that Baack did this all on his own has exacerbated the problem. Feit then stated that he needs to understand the differences between sending the resolution to the Education or Revenue Committees. Potter then asked Baack why he wanted it to go to the Education Committee. Baack replied that the Education Committee has traditionally been the committee that's studied the community college funding formula. Also, LB 1251 and LR 345 directly state that the distribution of funds to be based more on educational purposes than on taxes and in Baack's mind, that is the Education Committee. Potter stated that would have been a fairly simple phone call to make. Gramberg stated that when Metro doesn't do anything, it's okay. Potter disagreed with that statement and then stated that clearly in this situation, it was wrong to unilaterally get this resolution switched without any prior consultation. It caused problems which could have been avoided by consulting with the CEO's before that fact so that Dr. McDowell would have known about it or consulting with the NCCA President so he would have known about it. Perkins asked Potter to help him understand what the importance of the Revenue Committee was over the Education Committee. Potter replied that is what Senator Synowiecki had in the resolution. Perkins asked why Potter is fighting the change. Potter replied he is fighting the way it was handled without any consultation. McClure stated that Baack never had to have consultation before when doing his job and then asked who wrote the resolution. Potter replied Senator Synowiecki. McClure asked if Senator Synowiecki wrote it by himself. Potter replied in the negative but noted that it had to do with LB 1251.

Wilson asked why the Metro board rushed all of its activities and did not contact the other five community college boards and inform them of what Metro was trying to do. Potter replied that he didn't feel it was rushed. Wilson then asked Potter if they communicated with any of the other boards. Potter replied that is why there is an association and their communications went to the association office. That is why every board member has the letters in front of them because the situation was not handled well and Metro has board members who are upset about it. Dr. Huck asked Potter if he recognized that had the Metro board told everyone the content of the resolution before it was introduced, all of this would have risen to a discussion level at that point. He then pointed out that in Baack's letter to Senator Synowiecki, Baack states that if he would have known about this in advance, he would have approached the senator and talked about the topic of where it's most appropriately referenced. Potter replied that Baack did know about the resolution. Dr. Huck asked how Baack was supposed to know the content or where it was being referenced to when he did not see it prior to its introduction. Potter stated that Baack had a choice between doing nothing or doing what he did. The do nothing alternative was entirely appropriate since he didn't have the authority from anyone to get the resolution re-referenced. Dr. Huck stated that he did have the authority from the CEO's at the earliest possible moment they could have known about it because Metro chose not to tell the content previously. Potter stated that he has his point of view and Metro has theirs. They don't think there was any

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justification for Baack, on his own, to get it changed. Dr. Huck asked if the CEO's telling him what to do wasn't justification. Potter stated that Baack was already doing it. Dr. Franzen stated that it was in process and there were no objections from the CEO Council. Potter stated that that wasn't prior consultation. Dr. Huck said because of the timing, it wasn't allowed. Potter then said to do nothing then and let it go to the committee it was supposed to go to.

Perkins stated that it is entirely conceivable that if Baack had done nothing, there probably would have been ten NCCA board members upset with him. McClure stated that anyone who's been involved with it long enough would have known that the Education Committee was the correct committee. Potter stated that it deals with levy limits and that's under the purview of the Revenue Committee. Baack stated that the school levy does to and that has always been under the purview of the Education Committee. Potter stated that the author of the resolution wanted it to go to revenue and his intent should have been honored. McClure stated that it should have checked with someone who knows something about it.

Feit stated that each board member has heard several of the view points and can carry them back to their individual boards. He then suggested that the discussion be stopped and move onto the next topic. Dr. Franzen stated that discussion has been had during the CEO meetings regarding 40 percent funding for next year and the only way it will succeed is if the CEO's and the NCCA board come together and that togetherness must start right now. This dissension will just cause our problems to multiply so somehow everyone must get their mental frame of mind in the right direction that we are an association made up six community colleges working in the same direction and wanting basically the same thing. For board members to go back and encourage the negative aspect of this, that's not going to do any good. So somehow everyone must get back on track and focused on next year. Dr. Huck stated that if the healing doesn't start immediately among the six areas, he has some fears as to the process that Potter is proposing. If Potter brings forth his language, whatever it may be, and if this kind of negative discussion continues, the system is going to be in a bad position legislatively next year. Dr. Chipps stated that at the last CEO meeting, Dr. McDowell mentioned developing a videotape and brochures to show that we have a united front to move us forward. He continued to state that the CEO's need some pretty straight messages as to what the board would like them to do because they are trying to operate as a group but that doesn't appear to be happening here. McClure stated that he has been associated with this organization for a number of years and he knows that there are some individuals who now have a lot of experience with it, and that experience is not being taken advantage of. He then stated that there must be communication both ways. If someone is dissatisfied, they need to let everyone know.

Wilson stated that after reading the responsibilities of the NCCA president and Potter's letter to Senator Synowiecki, he feels that Potter is after Baack for overstepping but Wilson feels that Potter overstepped his responsibility as president by saying that Baack and Vickers lobbying efforts on the resolution were not authorized. Potter replied

that they were not authorized and Senator Synowiecki asked for a copy of the resolution authorizing what Baack and Vickers did. Baack stated that there is no resolution authorizing the day to day activities of the lobbyists. Potter stated that he told the senator that there was not a board resolution. Wilson asked Potter why he wrote that. Potter replied that the senator asked for the resolution and he was simply addressing that request.

Potter resumed chair at 8:40 p.m.

8. BYLAW AND POLICY COMMITTEE

Gramberg stated that at the suggestion of Team 2, the Treasurer's description of duties as list in Policy 3004 be revised to include the review of the Executive Director's expenses prior to a check being disbursed. The revised policy will be as follows:

3004. NCCA EXECUTIVE COMMITTEE: DESCRIPTION OF DUTIES

PRESIDENT

- § Presides at all regular, special, and emergency board meetings
 - Works with association staff to develop agendas
 - Assigns teams/committees and serves as a member of a selected number of teams/committees
- § Serves as presenter at Annual Meeting/Legislative Seminar
 - Generally welcomes attendees and guests to all sessions and meal functions
 - Presents awards
 - Introduces some/all guest speakers and participants
- § Serves as one of the association representatives to the Nebraska Council for Public Higher Education. May serve as chairperson of the NCPHE, depending upon rotation cycle with the University Regents and State College Trustees. The past president has traditionally been the other representative to NCPHE.
- § Serves as association spokesperson for community college legislation at Legislative hearings as necessary. CCEO, executive director, and NCCA executive committee and/or board generally work out the details of these presentations. NCCA staff coordinates testimony for the president.
- § Serves as association representative at any other time as agreed upon on any team or committee, organization, council, or with the media
- § Signs any official documents requiring the signature of the president of the organization, including board meeting minutes, nonprofit corporation filing fee, any banking documents required, including loan papers and authorizes the particular staff members to handle association funds, directors and officers insurance application, some correspondence, and at other times as deemed necessary.
- § Serves as chairperson of the NCCA executive committee

VICE PRESIDENT

- § Serves as a member of the NCCA executive committee

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§ Assumes the duties of president, or other officer, when necessary; conducting meetings, testifying at hearings, representing the association at functions, etc.

SECRETARY

§ Serves as a member of the NCCA executive committee
§ Serves as secretary of the board. Staff records meetings and prepares minutes according to the public meetings statutes. Signs all board meeting minutes.

TREASURER

§ Serves as a member of the NCCA executive committee
§ Provides financial report of association at least quarterly
§ Sign any official documents as necessary
§ Serves as chairperson of the Team 2/Budget and Personnel
 § Duties of Team 2/Budget & Personnel Committee:

Budget:

Review quarterly financial reports and present report to board; monitor expenses and make recommendations for any necessary adjustments to budget
Review annual financial audit and present report to board
Work with association staff to develop association budget for upcoming fiscal year
Present budget to NCCA board
Review area dues document in relationship to new budget

Personnel:

Review all employee job descriptions annually
Review and modify evaluation procedure for executive director annually
When the executive director's position becomes vacant, the team/committee, working with the association president, will recommend to the board, the membership of the Search Committee
Review personnel policies
Review the executive director's monthly expense reimbursements prior to a check being disbursed.

(Revised May 8, 2006)

MOTION BY JANE HORNUNG AND SECOND BY DON OELSLIGLE that the NCCA Board of Directors approves the revision for Policy 3004.

President Potter asked for any further discussion. There was none.

A roll call vote was taken.

Voting Aye: Feit, Gramberg, Harvey, Hornung, McClure, Oelsligle, Perkins, Potter, Schluckebier, Schneider, Wilson

Voting Nay: None

Absent: Newell

RESULT: Motion carried eleven (11) ayes, no nays and one (1) absent.

9. 3RD QUARTER BOARD MEETING CHANGE

President Potter stated that he would like to change the date of the third quarter NCCA board meeting, which will be held in South Sioux City, from Tuesday, August 8 to Saturday, August 12. Discussion was had concerning the changing of dates. Harvey did state that a tour has already been planned of the South Sioux City campus for Tuesday, August 8 and it would have to be cancelled if the meeting was moved to Saturday.

MOTION BY JANE HORNUNG AND SECOND BY ROBERT FEIT that the NCCA Board of Directors change its third quarter meeting date to Saturday, August 12.

President Potter asked for further discussion. There was none.

A roll call vote was taken.

Voting Aye: Feit, Hornung, Potter

Voting Nay: Gramberg, Harvey, Schluckebier, Schneider, Wilson

Abstain: McClure, Oelsigle, Perkins

Absent: Newell

RESULT: Motion failed three (3), ayes, five (5) nays, three (3) abstain, and one (1) absent.

10. COUNCIL OF CHIEF EXECUTIVE OFFICERS' REPORT

A. Approve FY 05-06 State Aid Enrollment Audit Guidelines

Dr. Chipps stated that the only change to the guidelines was the update of dates. The CEO Council recommends board approval.

MOTION BY KEITH HARVEY AND SECOND BY HAROLD MCCLURE that the NCCA Board of Directors approve the FY 2005-2006 State Aid Enrollment Audit Guidelines.

A roll call vote was taken.

Voting Aye: Feit, Gramberg, Harvey, Hornung, McClure, Oelsigle, Perkins, Potter, Schluckebier, Schneider, Wilson

Voting Nay: None

Absent: Newell

RESULT: Motion carried eleven (11) ayes, no nays, and one (1) absent.

Dr. Chipps also wanted to add that the University of Nebraska Board of Regents did approve the leadership certificate which was discussed at previous board meetings. It will be a 15 credit hour graduate community college leadership certificate offered at the University.

B. Update on Funding Formula Study

Dr. Chipps stated that he feels it is important for the board to realize the good work that has been done so far by the CEO's and Business Officers of the area institutions. They have put in 23 hours of work on the possible modifications to the funding formula. There are seven guiding principles that are driving the foundation of looking at the formula and these principles will be discussed at the modification presentation. He continued to state that they also developed 13 topical areas within the current formula and began the process of reviewing these areas. The committee will continue to meet until the August 1 submission deadline.

Dr. Chipps stated that the research has been conducted by community college staff and continually provided to the CEO's and Business Officers to accurately describe the current state of affairs and the future impact of changes to the formula. He continued to state that the deliberations and dialogue among them has been exceptionally interesting and highly rewarding. The professionalism has been stellar and everyone's desire to look at the community colleges as a system has continued to reign in their discussions.

11. TREASURER'S REPORT

Schluckebier asked for any questions or comments regarding the treasurer's report. There were none.

12. EXECUTIVE DIRECTOR'S REPORT

Baack stated that he will again be attending area board meetings this fall. He also encouraged the area presidents and boards to get their legislative candidates on their campuses before the election this fall.

13. ACCT STATE CHAIR REPORT

Feit distributed an additional handout besides the one included in the board packet. He then asked for any questions or comments. There were none.

14. NET COMMISSION REPORT

Baack stated that Governor Heineman has put all appointments on hold until after the primaries. J. Paul McIntosh will continue to be the community college representative until Dennis Miller's appointment.

15. COMMENTS AND CONCERNS OF GOVERNING BOARD MEMBERS

There were none.

16. ANNOUNCEMENTS

- A. NCCA Third Quarter Meeting – August 8, 2006 - South Sioux City
- B. ACCT Annual Conference – October 11-14, 2006 – Orland, FL
- C. NCCA Fourth Quarter Meeting – November 14, 2006 – Video Conference
- D. National Legislative Seminar – February 11-14, 2007 – Washington, DC
- E. AACC Annual Convention – April 14-17, 2007 – Tampa, FL
- F. AACC Annual Convention – April 5-8, 2008 – Philadelphia, PA

There being no further business, the meeting was adjourned at 9:17 p.m.

Tim Potter, President

Jane Hornung, Secretary