

**NEBRASKA COMMUNITY COLLEGE ASSOCIATION  
BOARD OF DIRECTORS  
Special Board Meeting Minutes  
January 11, 2011**

**1. PUBLIC MEETING NOTICE**

All NCCA Board of Directors, Area Presidents, and the general public having been duly notified a meeting of the NCCA Board of Directors was held January 11, 2011, via conference call. President Diane Keller stated that a public meeting notice was published in the Lincoln Journal Star. The public meeting notice is attached to these minutes.

**2. ATTENDANCE**

Directors on Conference Call:

President Diane Keller – Central  
Secretary Don Oelsigle – Northeast  
Treasurer Robert Feit – Southeast  
Sandra Borden – Central  
Merlyn Gramberg – Western Nebraska  
Jane Hornung – Mid-Plains  
Kent Miller – Mid-Plains  
David Newell – Metropolitan  
Tom Perkins – Western Nebraska  
Larry Poessnecker – Northeast  
Tim Potter – Metropolitan  
Lynn Schluckebier – Southeast

Staff:

Dennis Baack – Executive Director  
Melanie Williams – Administrative Assistant

Also participating were: Dr. Greg Smith – Central, Randy Schmailzl – Metropolitan, Dr. Michael Chipps – Mid-Plains, Dr. Bill Path – Northeast, Dr. Jack Huck – Southeast, and Dr. Todd Holcomb - Western.

**3. CALL TO ORDER AND QUORUM DETERMINATION**

President Keller called the meeting to order at 12:09 p.m. and asked for roll call and quorum determination. Present and responding were twelve board members representing their respective area governing boards. It was determined that a quorum was present.

**4. RESOLUTION INTRODUCED BY METROPOLITAN**

Newell reviewed the resolution with the Board which is as follows:

**WHEREAS**, the presidents successfully concluded a funding agreement without creating a formula as outlined in the settlement agreement; and,

**WHEREAS**, there are a number of issues related to a fair and reasonable funding formula such as whether 41% of the total state aid budget currently authorized should be distributed equally to each of the schools without regard to size and whether such foundation aid thoroughly recognizes administrative costs associate with each institution; and,

**WHEREAS**, consolidation of a community college would free up approximately six million in foundation aid for every institution merged; and,

**WHEREAS**, equalization aid is based on property tax levies without regard to financial needs associated with student education, the cost of programs, legitimate need and cost efficiency; and,

**WHEREAS**, reimbursable educational units were originally based on the cost of creating vocational and technical programs which have been functioning for many years. It would seem valuable to re-evaluate the cost of maintaining such programs as opposed to the original creation of those new programs; and,

**WHEREAS**, many states have wrestled with the fairness of state aid to community colleges which should fairly compensate for the education of students and in areas with both urban and rural educational settings such as Nebraska has. It would seem appropriate to evaluate what other states do to compensate to fairly assist those community college areas in educating a wide variety of their students.

**NOW THEREFORE BE IT RESOLVED** that the Nebraska Community College Association (NCCA) asks the Legislature to support a legislative bill to undertake a study to evaluate a state aid formula that would reward community colleges for the education of students; and

**NOW THEREFORE BE IT FURTHER RESOLVED** that a telephone meeting or video conference be scheduled by the NCCA to authorize this legislative request prior to the 2011 Legislative Session.

Since nothing was accomplished other than the distribution of state aid, Newell believes it is important for the Legislature to undergo a study and remind them that there is still work to do.

**MOTION BY DAVID NEWELL AND SECOND BY TOM PERKINS** that the NCCA Board of Directors approves a resolution requesting the Nebraska Community College Association to support a legislative bill to study the community college state aid funding formula and the efficiency of community colleges.

Oelsligle stated that he worried about the timing of this with the Legislature having to make budget cuts during the legislative session. Borden asked who would bear the cost of such a study. Newell replied that the resolution states that the Legislature would undertake the study and therefore the cost. If they do not have the funds to conduct the study, they will not undertake the study and that time should not be

spent discussing this topic. President Keller stated that the Legislature had just funded the LB340 study approximately a year ago and does not know how they would feel to turn around and fund another study. Perkins asked for an update on the LB340 study. Baack gave a brief summary of the previous study. Baack then stated that he believes the Legislature still expects us to continue our work on coming up with a new funding formula. That was part of the Nebraska City agreement and in his discussions with Speaker Flood and Senator Adams. Perkins agreed with Baack on his assessment. Perkins then stated he has a concern that if we were to come back to the Legislature so soon without a recommendation, they would be unhappy with the Association.

Potter stated that the Metro board was thinking that if the Legislature does this study, they would have more ownership of the results and would be less likely to dismiss it if they do not like what it produces. No doubt they would want input from the CEO's as to what they may recommend for a formula. He continued to state that Metro believes this would give them enough of an early start so that when the current agreement runs out, they will most likely have something to replace it with. This does not preclude the CEO's from meeting and hopefully coming up with a formula everyone can agree to but would let the Legislature work in a parallel track and would be in a position to come up with something rather than having something dumped in their laps. Metro believes that advance preparation and being pro-active is never a bad idea.

Borden asked Baack if he could go to other associations in nearby states and ask if they have gone through situations like this before and if so, get their results. Baack replied in the affirmative. He then stated that much of that information is listed in the LB340 study and is already available to the board members and Legislature.

Oelsslige stated that he was sent an amendment to the resolution which seems to cover what is being asked and would put the ownership on the CEO Council. President Keller stated that the reason she had Baack distribute that amendment was because she believes the original resolution gives the impression to the Legislature that we believe we will fail. Newell stated that he has noticed in the last year while the CEO's were negotiating, a list of principles was not established and they did not agree on anything. Dr. Smith replied that they do have a set of principles which are the same set of principles which were previously adopted by the CEO's. Newell responded that he is shocked and surprised and thinks this should have been distributed to the board members.

Potter stated that he does not see how the CEO's and Legislature could not work along a parallel path and would also put the Legislature in a better position to deal with it when the time comes. Borden again stated that her question is the additional cost. Potter replied that would be up to the Legislature but just offering the idea for consideration will not do any harm. Perkins stated that he recalls two different occasions where Speaker Flood and Senator Adams were very vocal that they would not have time for any community college issues this legislative session due to numerous other important issues.

President Keller stated that since a similar study was just completed, if we were to go back to the Legislature now, they would in turn go back to the Coordinating Commission and the LB340 study and perhaps implement some of the suggestions in that study. This would not be something the community college system would want. Oelsigle suggested reviewing the previous study and if additional information is needed, paying for an additional study ourselves.

Newell then reminded the Board that the Legislature will make the decisions. To suggest that we as an organization do not want the help of the Legislature or to suggest somehow we can do it ourselves when we haven't, is incorrect. Borden stated that her impression is that the Legislature has been very clear that we do need to come up with something and that they do not have the time even if they do have the interest to deal with this in the next biennium.

**MOTION BY TOM PERKINS AND SECOND BY LYNN SCHLUCKEBIER that that NCCA Board of Directors approves the amendment to the resolution requesting the Nebraska Community College Association to support a legislative bill to study the community college state aid funding formula and the efficiency of community colleges by striking all original language and inserting the following:**

**WHEREAS**, the CEO Council successfully concluded a funding agreement for the next biennium; and,

**WHEREAS**, as part of the Nebraska City settlement agreement, there still needs to be continued discussion related to a future funding formula; and,

**WHEREAS**, many states have dealt with state aid for community colleges in areas that have both urban and rural educational settings much like Nebraska and it would seem appropriate to evaluate what other states have done to assist community colleges in educating a wide variety of students; and

**NOW THEREFORE BE IT RESOLVED** that the Nebraska Community College Association's Board of Directors do hereby direct the CEO Council of the NCCA to continue their discussions and attempts to craft a funding formula for the future and these attempts may require a community college funded study by an independent party.

Newell stated that he would like to speak in opposition to the amendment. The CEO Council has not accomplished that goal when they should have and doesn't expect them to do any better. They have not philosophically dealt with this issue like the Legislature must. There is no formula as we speak and there is most likely not to be much success with this whole process so the Metro board will go forward with their resolution for the Legislature to evaluate this. Newell continued to state that the Metro board is not surprised that the NCCA Board does not like the resolution. They are also not surprised that the board wants to keep things in a council that continually votes

Metro's proposals down. That is not going to silence them and not going to be as successful as the board may have thought. He then stated that this should have been done as a group but since it is not the NCCA Board's desire, which is to control Metro, they know what they have to do. Metro has a plan and they intend to follow it.

Dr. Smith stated that he takes great issue with the statement that the CEO Council has not dealt with or agreed upon any philosophical issues.

President Keller asked Newell if it is wise in the current budget crisis to ask the Legislature to fund a study when the system could. Newell replied that the Legislature will write the funding formula based on the political realities that they must deal with.

Poessnecker asked Newell if Metro has tested the water with some Senators to see what their reaction is. Newell replied that they have not because he had hoped this could be done together. When the amendment came out, it was obvious to him that there was no great desire to do this together and that they were going to be pushed off to the side. As a consequence, he has not done the work he intends to do after the conclusion of this meeting.

President Keller commented that she believes the amendment has everyone working together more so than just turning it over to the Legislature.

President Keller asked for any further comment.

Baack stated that the CEO Council would be working with the Legislature during this process and reporting to them frequently during the progress. Newell stated that he feels Metro misses all the important things that go on. Borden stated that she thinks Newell is making the assumption that the story ended when the breakdown of state aid was submitted when actually we are still working on it. Newell asked if the Legislature did not give us a date. He then stated that he is being told to go away and the CEO Council will come up with a better product than they did the first time they were supposed to submit something to the Legislature.

President Keller asked Dr. Smith to distribute the list of principles to the board at some point. Dr. Smith agreed. She then stated that perhaps the CEO Council could agree upon what information could be relayed to each individual board so that no one feels left out as to what is happening. Dr. Smith stated that the council agreed early on to keep their discussions in the room and not constantly bring sensitive and non-agreed upon issues back to the area boards. The Board may certainly see the principles and perhaps would then understand why in the absence of state aid funding increases, it is extremely difficult to come up with a funding formula. The CEO Council will discuss the topic of this meeting at their meeting next week.

President Keller asked for any further comment. She called for the question on the amendment to the resolution.

**Voting Aye:** Borden, Feit, Gramberg, Hornung, Keller, Miller, Oelsligle, Perkins, Poessnecker, Schluckebier

**Voting Nay:** Newell, Potter

**RESULT: Motion carried ten (10) ayes and two (2) nays.**

**MOTION BY DAVID NEWELL AND SECOND BY TIM POTTER that the NCCA Board of Directors tables the resolution.**

President Keller asked for a roll call vote.

**Voting Aye:** Borden, Newell, Potter

**Voting Nay:** Feit, Gramberg, Hornung, Keller, Miller, Oelsligle, Perkins, Poessnecker, Schluckebier

**RESULT: Motion failed three (3) ayes and nine (9) nays.**

President Keller asked for any further discussion on the original resolution as amended. Newell stated that it is a very clear vote that Metro is once again isolated and as a consequence it will be no surprise to anybody when they introduce their own proposal. He then thanked the Board for making it clear that Metro does not fit in, they don't belong, and that the NCCA Board does not want to cooperate with them. It is clear to them and he believes it will also be clear to the Legislature.

President Keller asked for any further comment. There was none.

A roll call vote was taken.

**Voting Aye:** Borden, Feit, Gramberg, Hornung, Keller, Miller, Oelsligle, Perkins, Poessnecker, Schluckebier

**Voting Nay:** Newell, Potter

**RESULT: Motion carried ten (10) ayes and two (2) nays.**

Oelsligle stated that he believes the amended resolution does show that we were willing to work together.

There being no further business, the meeting adjourned at 12:46 p.m.

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Diane Keller, President

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Don Oelsligle, Secretary