

**JOLIET JUNIOR COLLEGE
ILLINOIS COMMUNITY COLLEGE DISTRICT 525
1215 HOUBOLT ROAD
JOLIET, IL
U AUDITORIUM
BOARD OF TRUSTEES WORKSHOP MEETING
SUMMARY NOTES
January 26, 2021**

Chairman Wunderlich called the meeting to order at 6:02 p.m. This meeting is being conducted pursuant to and in compliance with Governor Pritzker's Executive Guidelines and applicable Executive Orders.

Board of Trustees Present: Alicia Morales
Bob Wunderlich

Board of Trustee Virtual: Maureen Broderick (6:08 p.m.)
Nancy Garcia Guillen
Jake Mahalik
Dan O'Connell (6:06 p.m.)
Betty Washington

Student Trustee Present Ian Wilkinson

Chair Wunderlich welcomed everyone to the workshop meeting.

Review of Summary Notes

The workshop notes were reviewed with no comments made.

2.1 ERP Update

Dr. Mitchell invited Mr. Jerome Goudeock to the podium to provide the quarterly update on the ERP implementation process, last update in June 2020. Despite 2020 challenges the ERP Project continues to move forward. There have been key team member resignations and unplanned leaves of absences, mainly in HR and Finance. JJC is trying to shore up the vacancies by hiring new people, bringing new people in and working to get them trained and up to date as fast as we can. Additional challenges due to remote training and work schedule, limitations of video and audio conferencing. In response to the challenges, special training has been provided on the usage of Microsoft Teams, new executive team has been briefed and actively engaged in the ERP Project. Project moved to 50% schedule in November and December to provide time for resources to rest and return from leave. Mr. Goudeock presented the project overview along with the platforms being implemented. The platforms include HCM/Finance for employees, Student Phase 1 includes Recruiting & Admissions, Phase 2 – Complete Student. Mr. Goudeock provided a high-level project timeline along with the Mission: Possible detailed timelines. Future activities include HR, Payroll & Finance going live in June and July of 2021 with a focus on testing and training. Cut over activities will be mid-June, with final go live activities as of July 1. Student phases will be throughout 2022-

2023. When we go live, consultants will be leaving. Trustee Morales inquired with staff working at home, is there a schedule where people have to be logged in while training? Mr. Goudelock indicated there is a training coordinator in house at JJC that manages that, making sure every person is signed up for the training. Workday has training credits that we have purchased to allow people to take the courses. The cabinet has made sure that those individuals have the time dedicated to take the training. Some of the training courses are very big, 4 days in duration. Trustee Morales inquired if this is self-study? Mr. Goudelock indicated there are remote instructor led courses, independent courses and video courses. Trustee Morales inquired as to how we are measuring success? Mr. Goudelock indicated we measure with customer confirmation sessions. Each silo has been going thru these sessions to show what they learn, in order to drive and give feedback to consultants. We are about 50% thru these sessions. Some courses require testing to get to the next course. Trustee Mahalik inquired if the courses are recorded in case an employee needs to have a refresher. Mr. Goudelock indicated the courses run by the instructors are not recorded. They are owned by Workday. Some of the other are subscription courses and can take at any time. All internal sessions are recorded in MS Teams. Trustee Morales confirmed that Human Resources should be completed by July and Recruitment and Admissions for students would be the fall. Trustee Morales wants to be sure that when the non-traditional students' credits will be accessed in able to ensure a smooth transition. Mr. Goudelock indicated these are questions for the next big wave, how we bring over into the new system. The decisions will be taken to the steering committee. Student Trustee inquired if there is a plan during the student phase to have the students test it out before it goes into effect? Mr. Goudelock indicated this is the third line item starting next year. This is part of the change management, want to bring the students in for input and show how it will be different than when we are doing today.

2.2 DEI Update

Due to Dr. Ervin's absence, the DEI presentation was postponed until the February 17, 2021 Board of Trustees meeting.

2.3 Student Trustee Survey Response

Dr. Gray presented the findings of two surveys, reviewing the themes and the trends, which are seen in both surveys, one initiated by the Student Trustee and one initiated by iCampus. Both surveys were sent out at the end of the fall semester. Dr. Gray pulled out the questions for discussion that were most related to academics, reviewing the responses. Dr. Mitchell indicated more than half of our students are dealing with mental health issues. Dr. Gray reviewed the most common themes that came through, including how the college can help the students establish their goals next year. There were several responses to the open-ended questions. Several responses on appreciation of the Foundation, Advising Center, responses all over the college. Dr. Gray indicated the most important slide presented is the question of would you take another online course here at JJC. This is the most important one because it really is a culmination of everything. 86% said yes and 83% said they would recommend an online course at JJC. Dr. Gray holds a town hall with for Academic Affairs each week where the survey results were presented more in depth to the faculty. Dr. Gray indicated she reviewed expectations with the faculty for the semester.

Dr. Gray gave kudos to the iCampus team, they have provided excellent professional development for faculty. Dr. Gray reminded everyone that we need to provide holistic care and that we have an amazing JJC Wellness Center. Chairman Wunderlich complimented Dr. Gray on the fantastic job that she is doing. Trustee Morales indicated that she took a few phone calls from students that were confused about fees, there are five different fees. Trustee Morales asked if a breakdown could be provided on what the fees are. Dr. Gray will get a more accurate answer back, main questions were on lab fees. Trustee Morales will then reach out to Dr. Gray. Dr. Mitchell indicated we have a course fee, a lab fee, a student fee, a technology fee and a capital fee. Trustee Morales inquired as to what the capital fee is for; Dr. Mitchell deferred to Jeff Heap. Mr. Heap explained what the capital fee is used for. Chairman Wunderlich indicated the students were in favor of this and voted for it. Trustee Broderick inquired if we waived some of the fees. Dr. Mitchell replied that we waived the online course fee for summer, fall and spring.

2.4 Foundation & Grants Report

Ms. Kristi Mulvey provided a financial update on the fund raising and grant efforts along with communication on the community support received from our donors. As of December 31st, 2020, we have total assets of \$31,000,000 and endowments are at \$15,000,000. Ms. Mulvey reviewed the investment portfolio, stating it has increased consistently in total assets and endowments over the last several years. Our annual contributions down in FY20 from previous year, as of 6 months into this year, \$1.6 million has already been raised. Ms. Mulvey is very pleased to announce that she has a new member on her staff. Her name is Jennifer Davis. She was an adjunct faculty member here at Joliet Junior College for 12 years in our English Department and she worked in development at North Central College. Jen has kicked off her first fund raising campaign, Rock Your Socks. Friday, February 19 is Rock Your Socks Off Day. All proceeds go to the Alumni Giving Campaign. Ms. Mulvey indicated that employee giving is down this past year, we have lost administrators that were giving generously to the college. Hopefully the new administrators will join in the giving. Ms. Mulvey identified the new 2021 Executive Foundation Board members. Ms. Mulvey reviewed the Scholarships & Student Emergency Fund, along with the scholarship awards & programs. For FY20, there are 7 new annual and endowed scholarships. Ms. Mulvey has two full time grant writers who write state, federal, corporate, foundation, family foundation and corporate foundation. Ms. Mulvey discussed the projections vs the actual with the grants. As of November 16, this year's goals have been surpassed. Ms. Mulvey discussed the FY21 fundraising initiatives for next year, including the year-end giving, targeted campaign: Tribute to Men of Color Appeal. Foundation scholarship recipient was featured in this. A large gift was received from JJC alum, Paul Gantzert in the amount of \$475,000. Ms. Mulvey provided an example of our segmented appeal, using our students. An endowment report is sent out of every year. It is very well received, receiving over \$100,000 in additional funds. Ms. Mulvey's office is getting ready to kick off the Awards for Innovation & Excellence. These are projects that the Foundation has supported this year. Last but not least, Ms. Mulvey introduced the upcoming JJC Foundation Events, mark your calendars. Chairman Wunderlich indicated that Ms. Mulvey is doing a fine job; Ms. Mulvey acknowledged that she has a great staff and receives a lot of help

from our president. Trustee Broderick congratulated Ms. Mulvey and JJC for being the leader of all the ICCTA colleges.

2.5 JD Ross Award Process

Ms. Kelly Rohder-Tonelli was invited to the podium to give a brief history of the award and a recommendation on the process. She indicated it is the highest honor bestowed by JJC and presented names of some previous award recipients and programs they started. Ms. Rohder-Tonelli reviewed the timeline and noted who the Board of Directors is made up of. In addition, Ms. Rohder-Tonelli reviewed the process summary, opportunities, obstacles and solutions. Ms. Rohder-Tonelli indicated this is the first year on record that a winner has not been identified. The timeline was reviewed along with the make up of the board of directors and their process. New in April this year, is partnering with the Foundation and using our Night of the Starts to recognize the JD Ross Award winner(s) publicly. Ms. Rohder-Tonelli reviewed how the process summary is written today, what the nomination guidelines are and reviewed current obstacles. Moving on to solutions, Ms. Rohder-Tonelli discussed how the process can be modified to reflect our current times. Reviewing the definition of the award, Ms. Rohder-Tonelli inquired since this award is given on behalf of the JJC board, does the board want the award to mean that it is a substantial contribution to our community longer term or does it mean that we want to award/honor people that have made shorter term but larger impacts? Ms. Rohder-Tonelli indicated she can provide examples of each. Trustee Morales inquired if there was no winner this year due to COVID. Ms. Rohder-Tonelli indicated that it was due to no consensus or a unanimous vote. The JD Ross Award is given in line with other awards given by the Foundation. It is now done at the Annual Night of Stars, we were not able to award those individuals due to the 2020 Night of Stars being canceled. So, to stay in line with what the Foundation is doing this year, we are holding our Night of Stars event so the people who missed their opportunity to be recognized last year will then go to do that this year. Instead of trying to run another Ross ESA cycle, we are just following in suit with what we would have done in 2020. Chairman Wunderlich commented that he can provide his recommendation tonight. He indicated it doesn't matter if long or short term, it is what is best for the college; he doesn't think the board should get a list of who wasn't chosen. The committee should make their recommendation and that is it, committee structure. Trustee Broderick provided back history on the award. She indicated when Andy Mihelich was on, everyone got to see who was being put on so feedback could be given, haven't had that in the last few years. Trustee Broderick feels that feedback should be given to the committee by the trustees. Trustee Broderick, indicated she liked the way he handled it and thinks this is the way it should be, that the board should have input to the trustees on the committee. Chairman Wunderlich indicated this is back history and it should be what the present people want to have now. Trustee Broderick indicated if people are new and have no clue who these people are and some of us do, and she has had Foundation members come to her and ask why one didn't get consideration or did you guys know about this one, Trustee Broderick thinks in fairness, the board should know who was put up and what their background is. Andy used to ask if there was anything of concern because he wanted a 100% vote. Trustee Broderick indicated she liked this approach, doesn't care if it is history or

present because if she is making a vote, she wants to know the history behind it. Trustee Broderick does not want to be accused of not knowing anything. Trustee Broderick thinks if we're trustees, we should be included and our trustee representative should tell us, just like Andy did. Chairman Wunderlich replied that this could be construed as the board micromanaging the committee. Chairman Wunderlich indicated this is his opinion and it is up to the majority of the board, Kelly (Rohder-Tonelli) can poll the board. Trustee Morales would like to say as a former participant of the committee, she thinks one of the solutions that Kelly brought forward today can solve this. One of the solution states we can look at external data. Looking at external data you can find a lot of positive things and not so positive things. Trustee Morales thinks it goes both ways, that is why we have a committee and she believes the committee has two board members on it. Having two board members being involved and engaged with the committee, looking at all of the candidates, narrowing it down with the help of everyone else, the board members that are on the committee make good judgement calls. Trustee Morales sees Trustee Broderick's point, but this is an award. It is not like we are hiring for a job, this is an award that we are giving to someone for a substantial contribution. Whether it be long or short term, it's an award, they're not going to gain benefits or a pension. Trustee Morales agrees with Chairman Wunderlich, having been a former member of this committee. Trustee Garcia echoed what was mentioned. She does not see the benefit of the trustees having the whole list of who was nominated. As Chairman Wunderlich and Trustee Morales mentioned, we should just be getting the final recommendation, that way we can go ahead and make the vote and award that particular recognition. Trustee Washington agrees with Chairman Wunderlich. Trustee Mahalik echoes the same beliefs as Chairman Wunderlich, Trustee Garcia, Trustee Morales and Trustee Washington. This is important. We have board members that serve on this committee and I trust that the board members will take all the information and make the right pick that will reflect the whole board. Ms. Rohder-Tonelli indicated the make-up of this committee is cross-functional, there is a lot of different perspectives at the table, spirited discussions have been had. Trustee Mahalik stated whether it is a short- or long-term impact, either way if they deserve the award, they deserve the award. Trustee O'Connell indicated he thinks it is the committee that presents the participants to the board, maybe that is the way that Andy did it for a year or two, but that is the way it is done before. There is no sense in having two committees decide. Attorney Buck stated that he sees in the rules that the nominee has to reside in the district. Has there been any discussion on allowing a posthumous award? Ms. Rohder-Tonelli indicated that we actually have given a posthumous award. She doesn't believe that is elucidated clearly in the policy. In 2016, the person that was up for the award, passed away just as the college made the determination and voted to give that award, so there is a precedent. Attorney Buck indicated it may be worth making a provision for this. Chairman Wunderlich indicated this is a good point, maybe look into this. Chairman Wunderlich thanked Ms. Rohder-Tonelli. Trustee Morales indicated that Ms. Rohder-Tonelli does a great job with this.

2.6 Three Year Financial Plan/Budget Update

Mr. Cecil Lucy provided a financial update for FY21, budget projections for FY22, including revenue and expense considerations, and financial projections

for FY23 & FY24. For the financial update for FY21, we know we are in a pandemic with negative impacts, which is affecting some of our key drivers, namely the tuition revenue. We are currently under budget for tuition revenue. We are not expecting any state hold back. We expect to meet budget on property taxes. On the operating expense side, we are holding vacant salaries. For faculty, we are underspending by \$500,000, for staff, we are underspending by \$900,000. We are also holding the line on adjunct and faculty overload, we're currently trending under budget by \$1,000,000. Due to COVID, we are trending under budget by \$1.5 million for contractual supplies and travel. At this time our contingency is intact. Mr. Lucy reviewed what the funds from CARES Act are being used for during the pandemic. Mr. Lucy indicated we are expecting an overall operating surplus contingent on state funding. For FY22, we are looking at our state revenue, our base operating grant reduction of approximately 10% to \$7.4 million from \$8.3 million, and the CTE approximately \$700,000 in funding, which should be equal our 2021 allocation. Although the governor has expressed a commitment to continue funding higher education, we are being conservative and factoring in less than expected revenue from the state. Mr. Lucy indicated that FY22 tuition revenue, there will be a continuation of fewer hours in terms of student enrollment, projecting to be under budget by about 25,000 paid credit hours. For comparative purposes, Mr. Lucy presented FY21 Illinois Community Colleges Tuition & Fees, showing the high & lows. No tuition increase for FY22. Revenue projections for FY22 were reviewed. JJC has one of the lowest tax rates compared to peer community colleges. Mr. Lucy review his presentation, including FY22 expense projections, revenue and expense assumptions for FY22-24. Mr. Heap presented on the master plan and the bond situation. Mr. Heap indicated there is basically no change since the board agreed back at the end of October. We moved the foot bridge out one more year. Mr. Heap indicated the concept of respiratory therapy, the allocation for the Campus Police and the potential for some land purchase is still out there, covered within the funds we have available on our O&M fund. With receiving the funds for the reimbursement of the City Center, \$24 million could be allocated to help reduce our debt. Mr. Heap reviewed the status and the callable dates for our tuition backed bonds. Mr. Heap indicated that compared to the debt service we have, we have quite a deficit for the near term, even assuming credit hours kind of bounce back as we come back to hopefully having more classes on campus, that our credit hours come back to where they were. Mr. Heap indicated he has been working with Speer Financial discussing our options. Mr. Heap provided information on the projected debt service and the options and impact to the college. Mr. Heap inquired if the board feels we are on the right track and likes the options presented. Mr. Heap suggested inviting Speer Financial to the February board meeting to give a little more background and answer any further specific questions the board may have. Chairman Wunderlich yes to inviting Speer Financial. Trustee Morales indicated she does not like hearing anything about a tuition increase, much less a fee increase. You are either taking it from the student's right pocket or left pocket, it's coming from the student. Trustee Morales inquired if there is something here that doesn't project any type of an increase? Any other projections in this packet? Mr. Heap indicated there are two options that work.

The only way to get this and overcome lack of return inflation, is drastic changes in operation of the college, union contracts, because we are primarily a personnel business, personnel costs drive our budget. Trustee Morales indicated this is correct but we can't put all of this on the students either. Our goal is to produce skilled students to get them into the workforce to earn a living wage. Maybe our staff needs to work more creatively to see how we can increase enrollment, not fees or tuition. Raising enrollment is going to get us where we need to go, not always going back to nickel and diming the students. Trustee Morales would like to focus on how we can work together and build more partnerships with our communities to have students want to come here and stay here and retain them. She would entertain that opposed to the easy way out, which is, let's raise fees or tuition. Trustee Morales thinks we can work more creatively together to meet all of our financial goals. Chairman Wunderlich confirmed that in FY23 we are going to raise tuitions and fees by \$5 but we're going to lower the capital fee by \$4 so the total impact on the student is going to be \$1. Mr. Heap indicated that is the concept in the projection. Chairman Wunderlich indicated that he met President Biden's wife years ago, who was a community college president. Do you think she will have any impact on the president about more money for community colleges? Dr. Mitchell indicated we are hopeful. Mr. Heap indicated we don't get a lot of federal funds that don't have strings attached and most of it is basically for financial aid for students. Chairman Wunderlich inquired if in any of Mr. Heap's assumptions, any consideration on what the property taxes for the 1300+ acres that was annexed for the City of Joliet for North Point going from farmland to industrial? Mr. Heap indicated the assessed value usually doesn't change until something is built. Chairman Wunderlich questioned even if the zoning was changed, the assessed value won't change? Mr. Heap indicated even if it is zoned industrial, if it is still farmed they assess it as farmland. Chairman Wunderlich indicated the Route 66 racetrack was sold. Mr. Heap indicated the racetrack does not have a very high assessment. Dr. Mitchell responded to Trustee Morales that we do understand about tuition increase and take this very seriously each and every year. Dr. Mitchell indicated she believes this is the third year in a row where we are projecting a zero-tuition increase. If you look at past financial plans, every year by the second year, there is a projection for a tuition increase. Fortunately, by the time we get to that year, we've been able to hold it flat. This has held true for the last three years. Prior to this, it was due to the state budget and the lack of funding which caused the increase. Since this time, we have been very proactive in keeping this number to zero. The tuition has been kept flat for the last three years. Trustee Morales indicated that she knows, per Dr. Cecil, that we are looking at a surplus of \$3 million and we need to look at increasing enrollment, not fees and tuition. Mr. Lucy indicated we have a comprehensive enrollment strategy that is being implemented at this time. We are being conservative on the budgeting side and expecting the best as it relates to enrollment. Dr. Mitchell indicated she has been engaged in conversations with Dr. Gray about programs that we offer similar to the Respiratory Therapy program. Once this opens up and we see the enrollment for Fall 2022, going to see an increase in tuition, students and enrollment. We have also been talking about some of the new computer technology. We have talked about cannabis and what that looks

like, a lot of it is revamping our programs, engaging our students and keeping them coming. Trustee Morales indicated that she is hopeful that if we are able to effectively work those programs and really see that increase in enrollment. We won't even need to have this discussion on raising fees or tuition. Mr. Lucy presented a summary of the budget calendar. Trustee Morales this is a great calendar, no one has ever given one before.

3.1 General Discussion
None

4. Closed Session
None

Trustee O'Connell moved seconded by Trustee Garcia Guillen that the meeting adjourn at 7:38 p.m. A voice vote was taken and carried unanimously.