

33835

**APPROVED–BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
OCTOBER 3, 2019**

**BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
COUNTY OF COOK AND STATE OF ILLINOIS**

MINUTES

**MEETING OF THE COMMITTEE ON FINANCE AND ADMINISTRATIVE SERVICES
THURSDAY, AUGUST 1, 2019
KENNEDY-KING COLLEGE
6301 SOUTH HALSTED STREET, CHICAGO, IL 60621
U BUILDING, THE GREAT HALL**

Pursuant to provisions of the Illinois Public Community College Act, as amended by the State of Illinois, County of Cook, a meeting of the Committee on Finance and Administrative Services of the Board of Trustees of Community College District No. 508 was held on Thursday, August 1, 2019 at 12:30 p.m., Kennedy-King College, 6301 South Halsted Street, Chicago, IL 60621, U Building, the Great Hall.

ATTENDEES

TRUSTEES

Clarisol Duque, Committee Chair
Elizabeth Swanson, Vice Chair
Peggy A. Davis
Deborah H. Telman
Darrell A. Williams
Armani Alexander, Student Trustee
Walter E. Massey, Board Chair (Teleconference)

OFFICERS OF THE DISTRICT

Veronica Herrero – Chief Strategy Officer
Carmen V. Lidz – Chief Information Officer
Eric B. Lugo – Executive Vice Chancellor & Chief of Staff
Jennifer Mason – Vice Chancellor, Legislative & Community Affairs
Maribel Rodriguez – Chief Financial Officer
Stacia Thompson – Vice Chancellor, Economic & Workforce Innovation

ASSISTANT BOARD SECRETARY

Ashley Kang

CHIEF ADVISOR TO THE BOARD

Tracey B. Fleming

CHANCELLOR

Juan Salgado

PROVOST AND CHIEF ACADEMIC

OFFICER

Mark Potter

GENERAL COUNSEL

Karla Mitchell Gowen

PRESIDENTS

Kimberly Hollingsworth –President, Olive-Harvey College
Janine Janosky – President, Richard J. Daley College
David Potash – President, Wright College
Gregory Thomas – President, Kennedy-King College

OTHER ATTENDEES

David Anthony	CCC District Office
Yolanda Martin	CCC District Office
Steve Saba	CCC District Office
Oscar Orellana	CCC District Office
Anne Kennedy	CCC District Office
Katheryn Hayes	CCC District Office
Kasia Sanchez	CCC District Office
Rohit Paul	CCC District Office
Debra King	CCC District Office
Jeffrey Wong	CCC District Office
John Gasiorowski	CCC District Office
Gina Gentile	CCC District Office
Daniel Sternfield	CCC District Office
Micquelyn Randall	CCC District Office
Stacia Edwards	CCC District Office
Laura Puente	CCC District Office
Paul Croitoru	Wilbur Wright College, FC4
Kate McGee	WBEZ
Hershey Noise	Kennedy-King College
April Hansen	McCorkle Litigation Services
Maria Rosa	CCC District Office
Miguel Juarez	CCC District Office
Cia Verschelden	Malcolm X College
Ralph Passarelli	CCC District Office
Edgar Rios	CCC District Office
Jennifer Guerrero	City Bureau
Melvin Allen	CCC District Office
Kim Knutson	Wilbur Wright College
Larry White	Wilbur Wright College
Marlene Chamberlain	Malcolm X College
Gene Smith	Kennedy-King College
Latesha Dickerson	City Bureau
David Sullivan	
Charlotte Jackson	Kennedy-King College
Cris Sayre	Kennedy-King College
Iris Mei	Kennedy-King College
Doris Pledger	Kennedy-King College
Rayfus Arline	Kennedy-King College
Kathy Powers	Alliance for Community Services
Latrice Stovall	Kennedy-King College
Joe Ocloo	Kennedy-King College
William Billingsley	Kennedy-King College
Andrea Lindsey	

I. CALL TO ORDER

Secretary Duque called the August 1, 2019 meeting of the Committee on Finance and Administrative Services to order at 12:32 p.m..

II. ROLL CALL

The Assistant Board Secretary called roll:

Elizabeth Swanson	Present
Peggy A. Davis	Present (arrived at 12:49 p.m.)
Deborah H. Telman	Present
Darrell A. Williams	Present
Armani Alexander	Present
Clarisol Duque	Present
Walter E. Massey	Present (Teleconference)
Karen Kent	Absent

III. WELCOME

Secretary Duque welcomed everyone to Kennedy-King College. She thanked Vice Chair Swanson, Trustees Telman and Williams, and Student Trustee Alexander for joining her.

Secretary Duque shared that she and several other Trustees had the opportunity to tour the Kennedy-King campus earlier that morning. She extended her thanks to the Kennedy-King team for hosting the Trustees.

IV. REVIEW OF AGENDA ITEMS

Speaker: Maribel Rodriguez, Chief Financial Officer

- **FY2020 Budget**

Chief Financial Officer (CFO) Rodriguez gave a presentation on the proposed FY20 budget, which would be considered by the Board during the August Regular Board Meeting. The full presentation can be found online [here](#).

CFO Rodriguez began by noting the District's FY20 financial priorities, including tuition affordability and investments in students. Other priorities mentioned were the Star Scholarship Program, Dual Credit/Dual Enrollment, Jump Start to Jobs, and athletic waivers. CFO Rodriguez also noted the District's commitment to updated and new facilities. The CFO shared that new labor agreements would provide predictable labor costs and financial planning for the next several years. CFO Rodriguez also noted that City Colleges has faced enrollment decline over the last several years, which continues to impact the State's base operating grant funding.

CFO Rodriguez gave an overview of FY20 revenue, which totals \$315.9 million in unrestricted resources. The Illinois Community College Board recommends revenue should be comprised of a mix of sources, reflecting 1/3 local revenue, 1/3 tuition, and 1/3 state funding. CFO Rodriguez noted that City Colleges falls short in state funding (20%) and tuition (28%). However, the shortfall is made up by local revenue including property taxes and TIF surplus from the City of Chicago. The remainder of revenue sources reflected for FY20 include a portion of the proceeds from the sale of the former District Office building, auxiliary and enterprise funds, fundraising, and federal revenues.

Next, the CFO reviewed expenses by business unit or cost center. 85% of expenses are at the colleges or directly related to student services, including debt service and tuition waivers. CFO Rodriguez also reviewed expenses by budget line/object. Salaries and benefits made up 72% of expenses, 8% goes to debt service, and the remaining expenses cover bad debt, scholarship and waivers, and other expenses.

CFO Rodriguez reviewed the two major revenue streams. Tuition revenue has dropped by 21% since FY2014, while state funding is slowly returning to where it was before the recent State budget impasse. The CFO also noted expense drivers. Debt service has increased since FY14, while the amount spent on scholarships and waivers has also increased. City Colleges' cash position has continued to improve since 2017 when cash reserves were at their lowest, and continue to stabilize.

The CFO reviewed the FY20 Capital Plan. As a result of the State Capital Bill, City Colleges is slated to receive \$27.6 million; however it has not been determined how or when the funds will be distributed. City Colleges' proposed FY20 Capital Plan totals to \$42.6 million, contingent on receiving State funds and the subsequent local match,, which will come from the District's cash reserves. The Capital Plan was developed collaboratively with college leadership with a focus on deferred maintenance and continued investments in information technology across the District.

Chancellor Salgado thanked the Trustees for dedicating time over the last several months to engage in briefings and discussions about the FY20 budget.

V. REVIEW OF AUGUST 2019 BOARD REPORTS

(Trustee Davis arrived at 12:49 p.m.)

Next, Secretary Duque initiated the review of the August 2019 board reports.

Associate Vice Chancellor (AVC) Anthony reviewed Resolution 1.00, followed by CFO Rodriguez' review of Resolution 1.01. Provost Potter reported on Resolutions 1.02 and 1.03. Chief Advisor Fleming reviewed Resolution 1.04, Resolution 1.07, and Resolution 1.08. The Chief Advisor noted that Resolution 1.05 would be reviewed during the Board Meeting. General Counsel Gowen reviewed Resolution 1.06.

Deputy Chief Talent Officer Paul reviewed Item 2.00, the Personnel Report.

Executive Vice Chancellor (EVC) Lugo reviewed Item 3.00, the Resource Development Report. Secretary Duque noted that the Resource Development Report had many grants related to apprenticeships, and asked how these grants would impact apprenticeship work over the next several years. EVC Lugo noted that the New America Foundation grant is an example of a one-year grant that would support strategic planning between Chicago Public Schools (CPS) and City Colleges to develop program flow between the two institutions. EVC Lugo further noted that American Association of Community Colleges grant is a three-year grant that would support apprenticeship efforts at Wright, Harold Washington, and Kennedy-King specifically. EVC Lugo concluded by noting that many apprenticeship grants are multi-year commitments, with some focused on short term technical assistance and others focused on strategic planning and expansion of support services.

AVC Anthony reviewed Agreement 4.00. Provost Potter reported on Agreement 4.01, an agreement between City Colleges and the Chicago Transportation Authority to provide transit cards for students. Trustee Telman inquired if there were any changes in the terms from last year's agreement. Chancellor Salgado confirmed that the terms remain the same.

Provost Potter continued by reporting on Agreement 4.02, followed by Deputy Chief Talent Officer Paul's review of Agreement 4.03, an agreement with Employment Background Investigations, Inc. (EBI) for pre-employment screening services. Trustee Telman asked about MBE/WBE participation. Deputy Chief Talent Officer Paul confirmed that EBI and its MBE/WBE participation plan was originally selected via a request for proposal (RFP). Associate Director King also confirmed EBI had fulfilled its MBE/WBE requirement with an indirect participation plan and noted that further information could be provided.

EVC Lugo concluded the review of Agreements by reporting on Agreements 4.04 and 4.05.

AVC Anthony reported on Purchase 5.00, the Job Order Contract report, which included selective demolition work to begin the process of renovating space at Kennedy-King College. Vice Chair Swanson noted that the Trustees had been able to visit the space during their tour earlier in the day. The Vice Chair commended the leadership at Kennedy-King for identifying the potential for the space and the continuing efforts to provide spaces for students and the community.

Associate Director King reviewed Purchase 5.01.

General Counsel Gowen concluded the review of board reports by reviewing Section 6.00, the payment of legal invoices.

VI. MOTION TO DISCHARGE THE AUGUST 2019 BOARD PACKET

Secretary Duque asked for a motion to discharge the reviewed resolutions, personnel report, resource development report, agreements, purchases, and legal invoices to the August 2019 Regular Board Meeting as part of the Consent Agenda.

<Motion> Trustee Darrell A. Williams
<Second> Vice Chair Elizabeth Swanson

Motion carried.

VII. MOTION FOR CLOSED SESSION

Secretary Duque noted that there would be no Closed Session.

VIII. ADJOURNMENT

Upon concluding that there was no more business to be brought before the committee, Secretary Duque asked for a motion to adjourn.

<Motion> Trustee Deborah H. Telman

<Second> Trustee Peggy A. Davis

Motion carried.

Meeting Adjourned 1:14 pm..

**Clarisol Duque
Secretary
Board of Trustees**

Submitted by – Ashley Kang, Assistant Board Secretary