

Illinois Central College
Open Session of the Special Meeting of the Board of Trustees
Board Retreat
Minutes

February 23, 2019, 8:30 a.m.

Peoria Campus, Hickory 108

Chair Thetford called the special meeting to order at 8:32 a.m., and asked the secretary to call the roll. Student Trustee Elaina Sassine, Frank Mackaman, Gail Thetford, Kelly Daniels, Paula Davis, and Michael Everett were present. Absent: Carl Cannon. Also present: Dr. Sheila Quirk-Bailey, President; Bruce Budde, Treasurer and Executive Vice President of Administration and Finance; David Cook, Executive Director of Institutional Research and Planning; Dr. Emmanuel Awuah, Vice President of Academic Affairs; Jill Wright, Assistant Vice President Academic Affairs, Laura Friesenborg, Associate Vice President Institutional Effectiveness, and Richard Joseph, Legal Counsel. Diane Lamb joined the meeting at 8:44 a.m.

Overview / Retreat Goals

Dr. Sheila Quirk-Bailey reminded the Trustees that the purpose of today's retreat is to re-focus everyone on ICC's vision and what we are trying to accomplish. There will be a review of the institutional effectiveness measures, accreditation status with the Higher Learning Commission, results of Program Vitality, budget analysis, and the change management model. This model will be tested at the upcoming strategic planning retreat. If all goes well, this will be brought back to the Board as a recommendation for a launch in the fall. There will be no action taken at today's meeting.

Who does ICC Serves?

The Simon Sinek approach to bringing value and sharing vision is being stressed with our management team. We will review the why, the how, and the what in terms of the strategic vision and provide an update on our progress, challenges, and future plans.

Who does ICC serve? In the area that ICC serves, 30 to 33 percent of recent high school graduates come to ICC. (The national average is 23 percent.) Currently, 39 percent of all high school students are enrolled in dual credit programs, which is up 7 percent over the past 4 years and 30 percent from last semester. ICC also serves adults in the community who are working two to three jobs and are still struggling to provide. How can time be carved out in their schedule to retrain them? That is where the apprenticeship and pre-apprenticeship programs come in. ICC also serves the under-credentialed. The biggest skill gaps are in healthcare, manufacturing, and information technology. Our continued mantra is, only 40% of adults in this region have a post-secondary credential. This needs

to get to 60 percent (that standard is changing to 70 percent). Addressing poverty requires a focus on education and credential completion, which is our key institutional focus. ICC also serves a population of inter-generational poverty. The poverty rate in Peoria County is 20 percent, and 18 percent come from households where this has been the case for at least one generation.

Why is ICC doing what it does?

People need to be enabled to be self-sufficient and contributing members of society and achieve their dreams. ICC is here to change lives. Getting someone credentialed changes the trajectories of not only the life of the person and their family, but also grows the workforce and revitalizes the economy.

How does ICC achieve that vision?

Our “How” is all about a shared vision. We are moving from access towards access, engagement, and success. We have always done a great job with access. Our doors are always open. However, there are now segments of our community who can no longer find their way to us. We need to reach out to them and pull them through. We need to move from treating all students the same to supporting all students based on their need. Our TRiO programs are most successful programs because they provide the extra support to the target market who needs the extra support. Our least successful students are the ones that start in developmental math, African-American students, and part-time students. We need to focus on what ICC needs to do to help those populations achieve at the same level as other students. We need to move from isolated partnerships and expand that. We need to move from experienced decision making to data-informed decision making. This has been the most eye-opening change here at ICC for staff and faculty - moving from a localized perspective to a more national-collaborate perspective. That is Achieving the Dream (ATD). That is the Educational Advisory Board (EAB).

What is the desired outcome?

Increased credential completion is the goal. It is important to ensure there are no achievement gaps. Creating clearer pathways will help students understand what they need to do to meet their goals. To achieve this, more strategic work is being done with partners such as employers, K-12 schools, and universities.

Why does ICC do this?

ICC can make a difference! ICC can change lives! Institutional transformation is usually a four-to-five-year process. The College is still in an early part of the change model, which is dominated by employee resistance. Leading with data is what is needed to help employees understand the need for change and reward them as they move through the change process. What will help us move up the change curve is continued training, a consolidated and focused approach on change management. Once employees see the success of the early strategies and what has been accomplished for students, it will empower the employees to understand their part in enabling the change. The only person

who is really educated is the one who learns how to learn and change. It is not just about educating our students, we also have to continue to learn and change. Dr. Quirk-Bailey reviewed the many changes that have been implemented over the past two years to help students succeed, challenges, upcoming successes, strategic goals, and strategies to achieve them.

Planning Alignment

A unique approach to strategic planning has been taken by establishing only five goals, all focused on student success. We will continue to provide an updated institutional plan that will include an update on these goals. We will work to align divisional goals and master plans to strategic goals. This will give us a strategic vision outward, and we will be able to implement plans that will support those goals. At the next Board retreat, we hope to bring a five-year strategic initiatives master schedule to leverage the master plan with strategic planning.

Trustee Lamb asked about employee focus. Dr. Quirk-Bailey said that, through data, we have been able to reset focus to support student success. Trustee Daniels asked how changes to the Pell reset student success. Dr. Quirk-Bailey provided an overview of the past policy, the changes being implemented, and how they will better support student success and retention. Dr. Quirk-Bailey also spoke about the upcoming changes to conferring degrees.

Institutional Effectiveness Measures Update

Dr. Friesenborg, Associate Vice President Institutional Effectiveness, provided a report highlighting key measures with a focus on where gaps are seen between student populations. She noted that the measures are still being refined. There are significant gaps between some of the student groups. The Board will receive the new data book this spring. She commended the Institutional Research and Planning department for the data book, which is an excellent resource in getting data in front of the College. Institutional effectiveness measures are designed to help us measure how ICC is doing in reaching students through our mission and our vision. ICC aspires to be a national leader in preparing all people to succeed in the job market, so our focus is where we see a gap in this mission for underserved students.

Dr. Friesenborg provided an overview of the student lifecycle: Enrollment, Persistence, and completion.

Enrollment:

- High school penetration rates are very strong. Dual-enrollment is increasing.
- Rates of high school students that come to ICC are above the benchmark.

Persistence: (Refers to the percentage of student who return to ICC that attended in the fall.) ICC is competitive with our peer group. However, there are some significant gaps in some student groups including African-American students and part-time students. Trustee Mackaman wanted to know what the percent goal would be in better supporting these students. Dr. Quirk-Bailey stated there are other community colleges that are achieving persistence goals in the upper 60's/low 70's.

In terms of fall-to-fall persistence (where students who enrolled in the fall, return the next fall semester), we are competitive with our benchmarks. There is, however, a gap between African-American students as compared to Caucasian students. There is also a gap between part-time and full-time students.

Developmental Education for Success is a key measure: For students enrolled in a developmental math course, ICC is fairly competitive against the benchmark. There is a gap between African-American students and Caucasian students. Trustee Lamb asked about the pairing of college-level and developmental classes. Dr. Quirk-Bailey stated that students co-enroll to provide extra support to succeed in the college-credit course in their first semester.

In English, ICC is competitive with our benchmarks. However, there is a gap between African-American students as compared to Caucasian students.

Completion: This is the number of students who earned at least one credential in a given time period. Approximately one out of ten African American students earned a credential. This is disproportionate to the population base in the greater area as well as our student body.

Student Advancement Rates: ICC leads our benchmarks but there is a big disparity between African-American students and Caucasian students. However, this benchmark is for first-time, full-time students. The majority of our students are part time. We are looking to refine this measure to more accurately reflect our student base. Trustee Mackaman questions the four-year wait to get this measure. Dr. Quirk-Bailey confirmed that it is a three-year measure, so it takes four years to get the data confirmed. This number will change due to the years when entrance requirements were put in place that prevented a number of students from enrolling. We are now focusing on balancing success with accessibility.

The overall analysis is that across all institutional effectiveness measures, ICC's outcomes meet or exceed peer/national averages. However, the outcomes of African American students and part-time students are lower than the outcomes of Caucasian students. Strategic projects are being put in place to improve outcomes and address gaps including:

- First Semester Experience
- Multiple measures for academic placement
- Advising redesign
- Catalog redesign by career cluster

HLC Review

Dr. Jill Wright, Assistant Vice President Academic Affairs, is spearheading ICC's accreditation. She provided a report on the reaffirmation of accreditation process including the pathway, reporting structure, feedback, timeline, documentation needed, core areas that the Higher Learning Commission reviews, and finally reviewing gaps that have been identified in this process. Trustee Mackaman asked what the threshold is for a failure rating in the State of Illinois. Dr. Wright provided an explanation of the pathways and ratings. ICC has been on the AQIP pathway since 2008; 44 of 48 schools received a monitor rating last year, largely due to the reporting structure of this pathway. Pathways cannot be changed until a reaffirmation of accreditation. This pathway will change for ICC once our accreditation is reaffirmed.

Program Vitality

Dr. Emmanuel Awuah provided a report on the Program Vitality project. This process was initiated last year and is about understanding the health of our programs. Initial focus was on the Career and Technical Education (CTE) programs. Dr. Awuah provided an overview of the Program Vitality project and the steps taken in each phase.

Dr. Awuah shared the results of the Program Vitality scorecard for the CTE programs (the first programs to go through the Program Vitality process).

Trustee Lamb asked what the minimum number of students would be to offer a course. Dr. Awuah stated the approximate number of students needed is ten, subject to program needs.

Trustee Mackaman asked, when you have a program that has been inactivated, is there an option to convert it to a certificate program. Dr. Quirk-Bailey confirmed that yes, the program can still be offered in a new format that may include a general pathway with a transfer to a higher learning facility after a one-year program.

This Program Vitality project is a new process and will have refinements along the way. Dr. Quirk-Bailey wanted to commend Dr. Awuah and his team for putting this evaluation process in place as this has historically been a challenge at ICC.

Change Management

Dr. Friesenborg was joined by Dan Gamble, Prosci, to provide an overview of the ADKAR model for supporting the "people side" of change to support the program changes and ensure greater adoption and success. He spoke about the phases that an organization goes through during a change process, the challenges organizations face in this process, and the importance of change management in that process to ensure success.

Trustee Mackaman asked what a timeline would be to implement the program and what the success measures would be in three to five years. Mr. Gamble referenced a five-rung model of success measures for an organization to benchmark their progress in a change management process. He stated that research shows the number one factor of success in change management is leadership sponsorship.

Trustee Lamb asked where the funds are sourced for this program. Dr. Quirk-Bailey confirmed that the funds will largely come out of the Title III grant.

Trustee Everett asked how many years Prosci has been in business. Mr. Gamble stated they have been in business for 25 years.

Chair Thetford asked how this differs from Six Sigma. Mr. Gamble stated that this process is about managing the people side of change management, which is what was missing from Six Sigma. Dr. Friesenborg stated this addresses overcoming the resistance people have to change.

Trustee Lamb asked how people are educated in this process. Mr. Gamble stated they would provide on-site training in change management.

Chair Thetford asked, from a timing perspective, have we already started on this change management path and do we feel that there is not enough commitment from people? Dr. Quirk-Bailey stated that these are big changes that are up against very entrenched processes. This will help people to understand their part in the bigger “why” of the changes being implemented.

Trustee Daniels asked what the strategy is in working with small, less agile organizations as we do have ingrained mindsets. Dr. Quirk-Bailey stated they would see ICC as an agile organization. Dr. Friesenborg stated that the biggest impact with this particular model comes through the people management training and how those mindsets trickle down and impact adoption.

Trustee Everett asked if there is another institution in Illinois that has adopted this process that we could speak with. Dr. Friesenborg provided a list of institutions that have used this model, but none are located in Illinois.

Trustee Everett stated he could appreciate Trustee Thetford’s view that this change process has already begun. However, this is a process that is never done as the players and processes keep changing.

A short break was taken from 10:45 a.m. to 11:04 a.m.

Budget Analysis

Bruce Budde, Treasurer and Executive Vice President of Administration and Finance, presented a budget report focusing on:

- Results with near-term solutions
- Trends and benchmarks
- Provide context
- Where is that path

The college remains in strong financial condition. Looking forward, there will be some stress points that we will discuss to, obtain guidance, and secure a commitment from the Board.

The year-end budget should be able to return \$1.5 million in resources at the end of the year. We are looking for a commitment to continue funding the innovation fund. It has had a great impact on changing the thinking of how we approach and undertake projects. This has had a great impact on the evolution of the leadership team, which will help with the change management process. Mr. Budde's recommendation for utilizing the surplus would be to allocate \$1 million to the innovation fund. The balance of the funds are to be used to manage the projects for the remainder of the year.

The forecast assumptions: Enrollment continues downward, forecasting a one percent decline. State funding will be five percent up, which equates to \$258,000. Real estate funding will be down due to EAV declines and a lower supplemental tax rate that from the ICCB. On the expenditure side, assumptions are fairly conservative projecting out a CPI raise of two percent, continued benefit savings and all other expenses flat. This emphasizes the importance of the innovation fund to provide access to resources to help drive strategy and projects forward to direct the path ICC is on.

ICC is one of the largest community colleges in the state physically, but is down the list when you look at the credit hours generated. This presents a burden but provides an opportunity to look at how these resources can be leveraged in other ways. Based upon the assumptions presented, the budget for 2020 is projected to be break even. The trend line shows a growing budget deficit, so it is important to make changes institutionally to change that trajectory. Discussion ensued on what that could look like, the various elements that impact that trajectory, how we shift from the current culture of wanting to remain as we are to implementing the change that is needed to keep the institution financially healthy and growing, and why funding is paramount to this process.

Mr. Budde stated, as has been discussed in the past, a referendum might be needed to support operations. Until this point in time, ICC has been able to navigate through reductions in funding through a variety of strategies, but Mr. Budde notes that ICC's tax rate is still lower than its peer groups and the state in the operating tax rate so thinks it is important to determine the appropriate time to consider a referendum.

A key measure that has been added to the measurement of financial health is what percent of operations go to salary and benefits relative to ICC's state benchmarks. ICC is higher, overall, than its benchmarks. Discussion followed on salary and benefits, the optimal balance, and strategy around these areas. Chair Thetford stated salary is a known number but benefits are the unknown. Mr. Budde provided a review of the salary and benefits expenses and discussion followed on options to control these expenses.

Mr. Budde reviewed the expense structure to show where dollars go and provided a comparison to ICC's benchmarks.

Trustee Lamb referenced ICC's size and asked if we should be looking at divesting some property. Dr. Quirk-Bailey stated that, if the funding for the Innovation Project comes through, the downtown building will be sold.

Discussion followed on ICC's innovation fund, the budget constraints and resulting impact on achieving strategic initiatives, and the importance of the innovation fund in supporting ICC's strategic initiatives.

Trustee Mackaman asked if there is another community college that would be a more equivalent benchmark for ICC. Discussion ensued on comparative benchmarks.

Discussion continued on budget comparisons to ICC's peer benchmarks. The Board confirmed that this comparison is very helpful.

Tax-Levy Analysis

The tax rate has historically been managed at a very static amount and tax revenue is influenced by District equalized assessed value (EAV). A one percent decline is being forecasted in the EAV for the coming years. Mr. Budde provided a comparative rate analysis between ICC and the State average. Our operating rate is locked in at 25 cents. That is less than both ICC's peer group and the state average, which is what gives rise to the supplemental rate (which has declined overall). ICC is on the edge of qualification for the supplemental tax rate for equalization. If ICC loses that eligibility, it would be critical to the College in the loss of revenue without something significant in exchange. Trustee Lamb noted that the Governor is stating that he is a proponent of restoring funding levels to schools. Mr. Budde stated it would take four years to get us back to the prior funding balance. This has not been factored in to the budget yet as this funding has not been confirmed. If the supplemental funding goes away, the referendum would only be replacing what we currently get, so there is no change to the taxpayers. It could be structured as a no-tax-increase referendum. Discussion ensued on strategies for a referendum, pros and cons of this measure, and future impacts to the budget that will create operating stress. Mr. Budde noted there is a significant variation in the tax rate available for upstate schools vs. downstate schools, and they are looking into the reason for that.

Mr. Budde reviewed the ICCB funding levels. Dr. Quirk-Bailey provided a brief report on capital dollars and how those funds are being disbursed.

Enrollment trends

Mr. Budde discussed enrollment trends (including dual-degree program and tuition rates) and how ICC can change its trajectory. Dr. Quirk-Bailey spoke about how developing pathways could create a pipeline of students, but this is a four-year project. Mr. Budde reviewed areas of concern that will impact the budget, potential sources of savings, and additional sources of funding. A discussion ensued on these topics.

Discussion

A discussion was conducted on the following topics:

- A referendum
- Tuition options
- Funding for strategic initiatives
- Space planning options
- Other funding sources
- Change management
- Minimum wage hike and the impact to both the recipient and the employer
- Faculty credentialing
- Program awareness strategies for students
- Board governance
- Student sick policy

Chair Thetford provided a recap of a session at the legislative conference she and Dr. Quirk-Bailey attended. That session identified the number one issue for community colleges as pay equity, followed by adjunct professors and wages, first amendment issues, the Me Too movement, and pension litigation. Discussion was also held on the protocol of handling Board mail (which should be forwarded on a weekly basis) and Board email sent to the general Board email address. A decision was made that the Chair and President should handle the communications on behalf of the Board. Dr. Quirk-Bailey reminded the Board to reach out to her directly should contact need to be made with staff.

Adjournment

At 2:13 p.m., Chair Thetford entertained a motion to adjourn the meeting. Trustee Davis made a motion to adjourn the meeting. Trustee Daniels seconded the motion. Chair Thetford asked for a voice vote, and the meeting was adjourned.

The next regularly scheduled meeting will be held Thursday, March 21, 2019, at 5:00 p.m., in the Founders Room (211A) on the East Peoria Campus.

P. Sue Bulitta
Secretary to the Board of Trustees