

MINUTES OF THE REGULAR MEETING of September 24, 2020

On September 24, 2020, the Board of Trustees of Community College District 507, in the Counties of Vermilion, Edgar, Iroquois, Champaign, and Ford in the State of Illinois, met in regular session in the Board Room, Vermilion Hall Room 302, at Danville Area Community College.

ITEM 1: CALL TO ORDER

Chairman Dave Harby called the meeting to order at 5:30 p.m.

ITEM 2: PLEDGE OF ALLEGIANCE

The Board and those in attendance recited the Pledge of Allegiance.

ITEM 3: ROLL CALL

The roll was called. Trustees present: Tracy Cherry, Dave Harby, Terry Hill, Dr. Ron Serfoss, John Spezia, and Student Trustee Holley Hambleton. Trustee absent: Bill Black and Greg Wolfe (arrived at 5:32).

Others present: President Dr. Stephen Nacco, Board Secretary Kerri Thurman, Tammy Betancourt, Dr. Natalie Page, Stacy Ehmen, Lara Conklin, Jill Cranmore and Jerry Davis, were physically present. Mark Barnes, Eric Levy, Chris McLaren and Alex Johnson were present via phone.

Media present: Ross Brown, WDAN-WDNL

ITEM 4: ADOPTION OF AGENDA

Mr. Harby asked if there were any changes requested to the agenda. With no changes requested, upon motion by Mr. Hill, and a second by Dr. Serfoss, the agenda was approved as presented. The motion passed by unanimous voice vote: 7 yeas, 0 nays.

ITEM 5: RECOGNITION OF VISITORS

The following members of the College Cabinet were present: Tammy Betancourt, Vice President, Finance and Chief Financial Officer; Dr. Natalie Page, Vice President, Academic Affairs; Stacy Ehmen, Vice President, Student Services; Jill Cranmore, Vice President, Human Resources; and Lara Conklin, Executive Director, College Relations. Also present: Jerry Davis, Davis and Delanois. The following were present via phone: Mark Barnes, Director, Information Technology; Eric Levy, Account Executive, Ellucian; Chris McLaren, Account Executive, Cloud Services; and Alex Johnson, Account Executive, Cloud Services.

Media present: Ross Brown, WDAN-WDNL

PUBLIC HEARING

Mr. Harby recessed the regular meeting at 5:36 p.m. for the purpose of conducting a Public Hearing on the FY2021 Budget.

RECONVENE

Dr. Serfoss, upon completion of the Public Hearing, moved that the Board reconvene in regular session. The motion was seconded by Mr. Spezia and passed by roll call vote: 7 yeas, 0 nays. Mr. Harby reconvened the Regular Board Meeting at 5:38 p.m.

ITEM 6: REPORT ON ICCTA MEETINGS, SEPTEMBER 11, 2020

Mr. Wolfe attended the ICCTA Meeting on September 11, 2020. He shared highlights from the meeting.

ITEM 7: FINANCIAL UPDATE

Vice President Betancourt provided a financial update to the Board. The Financial Statement of Revenue and Expenditures ending August 31, 2020 was included in the Board agenda book.

ITEM 8: PRESIDENT'S REPORT

Dr. Nacco shared the *DACC Flash* with the Board and highlighted the events from the last month.

ITEM 9: PUBLIC COMMENT

ITEM 10: CONSENT AGENDA

- A. BOARD CONSIDERATION OF THE MINUTES OF THE REGULAR BOARD MEETING OF AUGUST 20, 2020**
- B. FINANCIAL REPORT**
- C. HUMAN RESOURCES REPORT**
- D. CLERY SECURITY REPORT**
- E. BOARD CONSIDERATION OF BOARD POLICY REVISIONS**
 - 1. BOARD POLICY #3024 – PREVENTING SEXUAL VIOLENCE POLICY**
 - 2. BOARD POLICY #6013 – PURCHASING**
 - 3. BOARD POLICY #6015 – PURCHASE ORDERS**
 - 4. BOARD POLICY #6016 – SOLE SOURCE PURCHASES**

Upon motion by Mr. Hill, and a second by Mr. Spezia, the Board approved the items on the Consent Agenda. The motion passed by roll call vote: 7 yeas, 0 nays.

ITEM 11: UNFINISHED BUSINESS

ITEM 12: NEW BUSINESS

- A. BOARD CONSIDERATION OF ELLUCIAN CLOUD SERVICES ORDER FORM, WHICH AMENDS THE GENERAL TERMS AND CONDITIONS AGREEMENT WITH ELLUCIAN COMPANY, L.P.**

The “Cloud” has become the new norm for many entities to store data. Moving to the Cloud is a matter of when, not if. The Cloud refers to servers that are accessed over the internet, and the software and databases that run on those servers. Cloud servers are located in data centers all over the world. By using Cloud computing, users and organizations

don't have to manage physical servers themselves or run software applications on their own machines.

Currently, our Ellucian Colleague Student Information System (SIS)/Enterprise Resource Planning System (ERP) runs on an IBM P550 server which is approximately 15 years old. Various drives have been replaced within the server when needed, however, it is essentially not a stable environment for our SIS/ERP and will need to be replaced. In addition, the operating system that runs the server (AIX) is becoming an outdated programming language. As a result, not only is in-house support experience limited, it is also becoming more difficult to obtain outside support. A change to a new operating system (LINUX) will be needed.

This is the only server that houses the Colleague application software, as well as all of our data. Backups of data are routinely created and stored off-site, however, should there be a disaster on the campus that detrimentally impacts Vermilion Hall, the Colleague system would not be available for weeks. To maintain another server off-site with the Colleague application software would be a significant investment.

Given the significant future investment to add updated equipment, operating systems software, encryption software, additional cyber security services, related consulting services and the addition of IT personnel, a team of staff investigated the possibility of implementing a Cloud based system with Ellucian as an alternative. The team consisted of Tammy Betancourt, Kerri Thurman, Mark Barnes, Jessica Miles and Brian Pollitt.

The team unanimously agreed that moving to the Cloud is in the best interest of the College and any individual with data stored in Colleague (students, employees, etc.). Not only will moving to the Cloud eliminate the investments needed above and provide a backup location in the event of a campus disaster (only a personnel relocation with internet access is all that is required), it will provide a "Global Information Security Program" that is aligned with industry standards and provides 24x7 monitoring for breaches. All data is encrypted whether it is at rest on the server or in-transit. It would be a significant cost to the College to purchase and maintain encryption software to achieve this high level of security.

The Ellucian Cloud is hosted by Amazon Web Services (AWS), which is an industry benchmark for high reliability and availability. AWS is utilized by entities such as the CIA, FBI, DOD, FDA, Formula One, Expedia, Shell, Verizon, Capital One and millions more. AWS has 77 availability zones within 24 geographic regions around the world. This provides multiple locations of physical servers, which provide the College access to Colleague in the event of an Ellucian or AWS outage (within 24 hours).

Ellucian is required annually to undergo System and Organization Controls (SOC) attestation engagement with a Certified Public Accounting (CPA) Firm. The CPA firm attests that the description of the controls is presented fairly, the controls are designed effectively and the controls operate as intended over a period of time. The most recent

SOC engagements were performed by Ernst & Young for the period April 1, 2019 to March 31, 2020 with unmodified opinions.

In accordance with the College's information security plan and procedures, as referred to in Board Policy 6033.0, "Securing and Safeguarding Information", the Information Security Team has evaluated the addition of these services from Ellucian without exception. The addition of Cloud services from Ellucian, hosted by AWS, meets the requirements of the College's information security policy, plan and procedures.

The cost of Cloud services is \$13,238 per month or \$158,856 annually for five years, with no escalation for that time period. This annual cost will be offset by approximately \$60,000 of savings in the first year and approximately \$68,000 in years two through five. These savings are a result of not hiring an additional staff member in MIS (which will be needed if we don't migrate to the Cloud), as well as other hardware maintenance service costs and backup costs. Therefore, the impact to the operating budget is \$98,856 in year one and \$90,351 in years two through five.

There is also a one-time implementation fee of \$115,000 payable in two equal annual installments. This fee would be funded with amounts available in the MIS Reserves account in the Board Restricted Reserves fund.

In addition, by moving to the Cloud, the College avoids utilizing at least \$30,000 of Technology/Equipment Bond Funds by not needing to purchase a new server. If we would purchase another server to keep off-site for disaster recovery, that savings doubles to \$60,000.

Of perhaps more importance is the avoidance of future costs as a result of a security breach or productivity due to a natural disaster or other unplanned downtime. Ellucian's formulaic calculations utilizing industry data values the decreased risk of a data breach/security incident at \$2.3 million, increased productivity due to improved disaster recovery time at \$52,000 and increased productivity due to unplanned downtime at \$80,000.

In summary, due to the needed expense of updating or adding servers, the need for an additional MIS staff person, a more accessible system in the event of a natural disaster and to provide a much more secure environment for our SIS/ERP system, it is our recommendation to enter into this Cloud services agreement with Ellucian and migrate our SIS/ERP system to the Cloud.

Upon motion by Mr. Hill, and a second by Dr. Serfoss, the Board approved the Ellucian Cloud Services Order Form, which amends the general terms and conditions agreement with Ellucian Company, L.P. The motion passed by roll call vote: 7 yeas, 0 nays.

**B. BOARD CONSIDERATION OF RESOLUTION TO ADOPT
FY2021 BUDGET AND RESOLUTION TO APPROVE TAX LEVY**

At the August Board of Trustees meeting the Board approved placing the tentative FY2021 Budget on display for the required 30 days. The September 24 Board of Trustees meeting was also established as the date for the required Public Hearing.

The budget presentation at the August meeting recommended an operational budget of \$17,161,662. This is approximately 0.3% higher than the FY20 Operating budget. With the adoption of a FY21 budget at the state level, including an increase of over \$100,000 in our operating and equalization grants, as well as continued increases in local property taxes as a result of an increasing Equalized Assessed Valuation, the College will be able to move forward by investing in Human Resources to maintain quality student service, provide training needed to meet the employment demands of the community, provide training needed for assessment of student learning outcomes, cover software increases in Colleague and Blackboard, and add new student mobile app software.

Depending on the fluctuation in the Equalized Assessed Valuation, the tax levy rate is anticipated to be approximately 60.86 cents. The current rate is 61.15 cents.

Expenditures in the Board Restricted Fund support contingencies for one-time expenditures that may occur.

Included in the Board packet is a Resolution to Adopt the Budget, a Resolution Approving the Tax Levy, and a Truth in Taxation Certificate of Compliance

Upon motion by Mr. Wolfe, and a second by Ms. Cherry, the Board approved the FY2021 Budget and the Resolution Approving the Tax Levy. The motion passed by signature vote: 7 yeas, 0 nays.

C. BOARD CONSIDERATION OF RESOLUTION APPROVING THE TIMING OF RECOGNITION OF PROPERTY TAX REVENUE

Governmental Accounting Standards Board (GASB) Statement #33 addresses accounting and financial reporting for nonexchange transactions. Revenue from property tax levies fall into this category. Since property tax levies are approved for a calendar year and the actual receipt of funds occur in more than one fiscal year, this GASB Statement #33 requires certain recognition guidelines to be followed, unless a resolution is approved by the Board stating what fiscal year the revenue should be allocated.

This Resolution is asking the Board to recognize 100% of the 2020 levy revenue in Fiscal Year 2021. If approved, this action will formally allocate property tax revenue that is consistent with our past practice.

Upon motion by Mr. Wolfe, and a second by Mr. Hill, the Board approved the Resolution recognizing 100% of the 2020 levy revenue in Fiscal Year 2021. The motion passed by signature vote: 7 yeas, 0 nays.

D. BOARD CONSIDERATION OF RESOLUTION ABATING TAXES HERETOFORE LEVIED FOR THE YEAR 2020 TO PAY DEBT SERVICE ON GENERAL OBLIGATION COMMUNITY COLLEGE BONDS, SERIES 2013A, OF COMMUNITY COLLEGE DISTRICT NO. 507, COUNTIES OF VERMILION, EDGAR, IROQUOIS, CHAMPAIGN AND FORD AND STATE OF ILLINOIS

The College issued \$2,995,000 of General Obligation Bonds on September 24, 2013, which included a tax levy sufficient to pay the principal of and interest on the Bonds based on the maturity schedule. However, the Bond and Interest Fund will have funds available to meet the debt service, which will allow the College to abate the applicable 2020 tax levy. The funds are comprised of unspent 2013A bond proceeds. Bond counsel has advised that the available funds from the unspent 2013A bond proceeds may be used to meet the debt service requirements of this bond issue. The amount of the levy to be abated is \$127,287.50.

Upon motion by Mr. Hill, and a second by Ms. Cherry, the Board approved the Resolution Abating Taxes Heretofore Levied for the Year 2020 to Pay Debt Service on General Obligation Community College Bonds, Series 2013A, of Community College District No. 507, Counties of Vermilion, Edgar, Iroquois, Champaign and Ford and State of Illinois. The motion passed by roll call vote: 7 yeas, 0 nays.

E. BOARD CONSIDERATION OF APPROVAL OF TRAVEL EXPENDITURES FOR TRUSTEES

Per Public Law 99-0604, known as the "Local Government Travel Expense Control Act," travel expenses for members of the Board of Trustees must be approved at an open meeting of the Board.

A total of \$386.60 was expended for travel expenditures for trustees over the last month. Expenses included \$100.80 for the ICCTA Executive Committee Retreat on August 14-15, 2020 for Mr. Greg Wolfe and \$285.80 for the ICCTA Meeting on September 11, 2020 for Mr. Greg Wolfe.

Upon motion by Ms. Cherry, and a second by Mr. Spezia, the Board approved the travel expenditures for Trustees. The motion passed by roll call vote: 7 yeas, 0 nays.

F. BOARD CONSIDERATION TO LEASE TWO (2) 15-PASSENGER MINIBUSES

Bids were advertised for leasing two (2) 2020 minibuses. These 15-passenger minibuses are on the FY-21 Capital Equipment List.

These vehicles will replace two mini-buses that have a lease expiring in December 2020. The cost of the expiring lease agreement is \$806.00 per vehicle per month. The cost presented to the Board in April 2020 for two minibuses was \$1,061.00 per bus. It was

determined that a three-year replacement cycle for leased minibuses promotes a safe method of transportation with a lower risk of mechanical failure.

Upon motion by Mr. Wolfe, and a second by Mr. Hill, the Board approved the lease of two (2) 15-passenger minibuses in the amount of \$981.00 a month from Midwest Transit Equipment of Kankakee, IL. The motion passed by roll call vote: 7 yeas, 0 nays.

G. BOARD CONSIDERATION OF BIDS FOR SEMI-TRUCK DRIVING SIMULATOR

The Tractor Trailer Driving Program has a semi-truck driving simulator that is outdated and beyond repair. A simulator is a very important part of training as it not only protects our semi tractors from damage, but it provides a safer experience for both the instructor and the student when the actual driving training begins.

The semi-truck driving simulator is on the FY21 Capital Equipment List and will be funded by the Perkins Grant.

Upon motion by Mr. Hill, and a second by Dr. Serfoss, the Board approved the bid of \$49,900.00 from Doron Precision Systems of Binghamton, NY for the semi-truck driving simulator for the Tractor Trailer Program. The motion passed by roll call vote: 7 yeas, 0 nays.

H. BOARD CONSIDERATION OF NOTICE OF FILING PETITIONS FOR MEMBERSHIP ON THE BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT #507

A Resolution for Community College Election is included for the purpose of electing two members for a full term of six years to the College Board of Trustees. The election will be held on Tuesday, April 6, 2021. A "Notice of Filing Petitions for Membership on the Board of Trustees of Community College District #507" needs to be publicized at least ten (10) days before the first day for filing petitions.

Nominating petitions for the April 6, 2021 election shall be filed between the hours of 8:00 a.m. and 5:00 p.m. on December 14, 15, 16, 17, 20, or 21, 2020. Nominating petitions along with applicable documents may be picked up in the Office of the Board Secretary.

Upon motion by Dr. Serfoss, and a second by Mr. Spezia, the Board approved the Notice of Filing Petitions for Membership on the Board of Trustees of Community College District #507. The motion passed by signature vote: 7 yeas, 0 nays.

I. BOARD CONSIDERATION OF SETTING DATE, TIME, AND PLACE OF BOARD ORGANIZATIONAL MEETING

The date for the April 2021 regular meeting has been established as April 22, 2021. The date for the organizational meeting needs to be established.

Election law requires that following each election, the new Board shall hold its organizational meeting on or before the 28th day after the election. The last day for community college boards to conduct organizational meetings is May 4, 2021. The election date is April 6, 2021 and the last day for the county clerk or board of election commissions to canvass the election results is April 27, 2021; therefore, the regular meeting date of April 22, 2021 will not be appropriate for the organizational meeting. We are recommending that the organizational meeting occur on Tuesday, May 4, 2021 at 8:00 a.m.

Upon motion by Mr. Wolfe, and a second by Ms. Cherry, the Board approved setting the date, time, and place of the Board Organizational Meeting as May 4, 2021 at 8:00 a.m. in VH302. The motion passed by roll call vote: 7 yeas, 0 nays.

**J. BOARD CONSIDERATION OF CHANGING THE LOCATION
OF THE NOVEMBER 19, 2020 REGULAR BOARD MEETING**

The scheduled date of the November 2020 Board meeting is Thursday, November 19, 2020 at 5:30 p.m. at the DACC Hoopeston Higher Learning Center. Since it is difficult to social distance in the Hoopeston Higher Learning Center, it is recommended that the location be changed to Vermilion Hall Room 302 at DACC. If approved, appropriate notifications will be sent.

Upon motion by Mr. Hill, and a second by Mr. Spezia, the Board approved changing the location of the November 19, 2020 Regular Board Meeting at Hoopeston Higher Learning Center to Vermilion Hall Room 302 at DACC. The motion passed by roll call vote: 7 yeas, 0 nays.

**ITEM 12: INFORMATION
A. COMMUNICATIONS**

ITEM 13: ADJOURNMENT

There being no further business to discuss, Mr. Harby adjourned the meeting at 6:41 p.m.

Chairperson, Board of Trustees

Secretary, Board of Trustees

Approved: _____