

## Memo

**Re: Chancellor FY18 Priorities and Goals**

**To: Chair Charles R. Middleton, members of the CCC Board of Trustees**

**Date: September 12, 2017**

**From: Chancellor Juan Salgado**

Chair Middleton, Distinguished Trustees:

Thank you for asking me to outline my FY18 operational and academic priorities. As you will see below, my focus is on rebuilding CCC's historically strong financial foundation, making progress on key human capital decisions and infrastructure projects, and continuing the strong upward trajectory of student outcomes.

Specifically, I intend to:

1. Drive financial performance to achieve an FY18 net operating surplus and compliance with the board-established cash reserve policy.

Despite being hard hit by years of state disinvestment and more recent funding uncertainty, CCC now has an opportunity. We have been provided with a full year state budget for the first time since FY15 and are making strategic asset sales to rebuild our cash reserves to more than \$80 million dollars, an amount in excess of the board-advised reserve level. My goal will be to achieve a net operating surplus, which rating agency S&P has indicated will be necessary to move our bond rating from BBB stable outlook to BBB positive outlook. Increasing our bond rating back to the A-level held prior to the state budget impasse will require CCC to achieve net operating surpluses over multiple years.

2. Produce a strategic enrollment plan.

I am committed to turning around a six-year enrollment decline, which has equated to a headcount decline of nearly 30 percent. This fall, we are aiming for a decline of 5 percent year over year, compared to a recent annual historical decline of 10 percent. Critical to the long-term success of this effort will be the development of a comprehensive strategic enrollment plan that encompasses the full complement of enrollment-related activities, from marketing, recruitment, and community outreach to retention and student financial health.

3. Successfully complete three to four Presidential searches.

Since May, I have appointed five interim presidents, with one other interim position pre-dating my arrival. Over the course of the next year, working with AGB Search, we will strive to fill three to four of these key leadership positions, initially targeting Harold Washington College, Malcolm X College, Kennedy-King College and Olive-Harvey College, with Daley and Truman College to follow in 2018-2019. I look forward to involving internal and external stakeholders in these searches, including: faculty, staff, students, employer and four-year university partners, and community members.

4. Create new District service and college leadership model.

Through our staffing decisions and enrollment work this summer, I have begun to rebalance the district/college service model. Recognizing that the best decisions are often those made closest to the user, I am looking to give the colleges more opportunity to inform and craft policies and practices. We continue

to work towards the ideal structure and approach in each functional area as we strive to best leverage the District team's strategic and oversight roles and the colleges' student-facing insights. The new model will have clear lines of responsibility and accountability for all Presidents and each senior executive along with agreed upon priorities and measurable goals for the year.

5. Drive college-level educational outcomes, along with existing KPIs

In advance of launching a formal strategic planning process next year, we will continue to monitor and make progress towards the academic and operational key performance indicators set forth in CCC's 5-Year Strategic Plan and annual scorecard. To ensure college-level ownership and accountability, we will work with our Presidents to arrive at achievable and stretch goal targets. At the same time, we will simultaneously work to better define our institutional value proposition for key internal and external stakeholders, including examining and proposing new KPIs for the future.

6. Examine tuition pricing and bring tuition rate recommendations to the Board.

I seek to review our current tuition structure and devise a revised pricing model, if needed, which will maintain City Colleges' affordability, will offer students predictability, and will promote student completion and course success. It will be a priority to roll out any changes well in advance of implementation to offer students the opportunity to properly plan.

7. Successfully advance capital projects at Olive-Harvey College and Daley College.

It is my intention to make significant progress towards the completion of both major infrastructure projects that support our College to Careers effort, the development of the TDL Center at Olive-Harvey and the Engineering & Advanced Manufacturing Center at Daley College. The Daley project is moving ahead, with a groundbreaking ceremony to be planned in the coming weeks. We continue to eagerly await the release of state funding to allow the Illinois Capital Development Board to resume construction on the TDL Center.

8. Support effective Trusteeship

I plan to marshal my cabinet to support effective governance. This will be achieved by ensuring a strong partnership between the Chair and Chancellor, with the Provost and Chief Financial Officer properly staffing their respective committees, and all trustees having access to timely and useful information. I'd also like to work with the Board of Trustees to produce a tool to measure Trustee satisfaction with their engagement on the Board and their partnership with the Chancellor.

Thank you in advance for your thoughtful feedback on our efforts to reach each of these goals. I look forward to working with you to support our students and to strengthen our institution over the next year and beyond.

All the best,  
Juan

Juan Salgado  
Chancellor  
City Colleges of Chicago