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Proceedings of the Governors State University Board of Trustees Retreat- August 23, 2009

Board of Trustees

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GOVERNORS STATE UNIVERSITY
Board of Trustees Retreat, August 24-25, 2009
MINUTES

The Board of Trustees Retreat took place at the Illinois State Beach Resort and Conference Center, Zion, IL, on Monday, August 24 and Tuesday, August 25, 2009.

CALL TO ORDER AND ROLL CALL

Chair Samuels called the meeting to order on August 24, 2009 at 8:30 a.m. Roll call was taken, and the following Trustees were present: Lorine Samuels, Jack Beaupre, Kristi DeLaurentiis, Bruce Friefeld and Student Trustee Bryce Johnsen. Trustee Lois Mayer was absent.

Also present: Elaine P. Maimon, President; David Curtis, Interim Provost; Gebeyehu Ejigu, Executive Vice President/Chief of Staff; Alexis Kennedy, General Counsel; Joan Vaughan, Vice President of Institutional Advancement; Penny Perdue, Executive Assistant to the President; and Joan Johns Maloney, Special Assistant to the Executive Vice President.

OPENING REMARKS

Chair Lorine S. Samuels

Chair Samuels welcomed everyone to the meeting. She recalled that at last year's Retreat the Board worked to complete *Strategy 2015*. The focus of this year's Retreat is to reflect on how the strategic plan is being advanced. She spoke briefly about the State of Illinois' budget crisis and how it influences Board decisions, including raising tuition rates. A recent survey of undergraduates indicated cost was the major reason for choosing GSU, and the Board is mindful of that implication. Samuels recognized the work of former Student Trustee Elizabeth Green, and welcomed Bryce Johnsen. Samuels reported on the recent institution of advisory boards by GSU's Colleges consisting of community members and local business leaders, aimed at strengthening community relationships and learning from their input and perspectives. The Office of Admissions has increased their recruitment efforts, particularly in the community colleges. The Higher Learning Commission (HLC) Self Study is nearly complete, and demonstrates that the University is on the right track in terms of serving its students and graduates and positively contributing to the community. She thanked everyone involved in the HLC Self Study process, particularly David Curtis, Sandra Mayfield, Eric Martin and Ann Vendrely. She praised the improvements made in campus roadways and walkways. An important project that will be undertaken in the coming months is the evaluation of the University's computing system with a decision to be made to update the current system or purchase an entirely new system. She concluded by emphasizing the need for the Board to reevaluate its goals, strategies and accomplishments each year to make sure they are aligned with and serve the mission of the University.

President Elaine P. Maimon

President Maimon thanked everyone assembled for attending the Retreat. She began by pointing out that the Trustees are policy makers and in order for those policies to thrive and succeed, it takes the kind of work and effort being undertaken at this Retreat. Completing *Strategy 2015* was a big achievement and gives the University its blueprint. Maimon reported on the meeting of the Association of Governing Boards that she, Samuels and DeLaurentiis attended. One particular session that impressed the group was the one on linking planning with budget development. It demonstrated that GSU is in a leading position in terms of the way it has successfully created such linkages through its PBAC process. Maimon turned the floor over to Ejigu for the first topic of the day.

STRATEGIES FOR IMPLEMENTING STRATEGY 2015

Ejigu provided a Power Point presentation. He explained the purpose of this study session was to inform the Trustees, promote awareness, report on progress, seek the Board's guidance and understand Trustees' expectations. He referred to an organizational chart for Planning and Budget Advisory Council (PBAC), which consists of six different committees. He also reviewed timelines and milestones achieved by the Council and its committees since its inception in September 2007.

Academic Affairs Plan

Curtis presented on the Academic Affairs Plan, which was developed about a year ago by former Provost Hudak, the deans and the Provost Council, and in alignment with *Strategy 2015*. He brought attention to *Goal 3: Continuous Process Improvement*. In this goal, each College is required to develop their own academic plan in furtherance of the Academic Affairs plan. Curtis reported that each college has developed an excellent set of plans that are very detailed and explicit. One important aspect of each College's plan is the development of a strategic enrollment plan. On Friday, August 21 the Strategic Enrollment Management team met, which includes people from all areas of the University, demonstrating that enrollment and retention are everyone's responsibility. Orientation sessions for faculty and adjunct faculty have been instituted, both an overall University orientation as well as within the units. Distance learning, which is growing rapidly all over the world, is being closely scrutinized to ensure it is done efficiently and effectively at GSU. Curtis recognized Dean Linda Samson for her work as the Interim Vice Provost for Research and Graduate Studies. Several grant applications have come to fruition under her guidance. Student assessment, both prior to entering GSU and upon completion of a degree, is another important area that Academic Affairs is beefing up. The University now has the tools by which students' abilities are assessed in English and Math, and a committee has been formed to study the assessment process further, make recommendations, and implement strategies to improve the process.

Curtis turned to the semester calendar implementation that is being proposed for fall 2010 in order to better align GSU's calendar with that of other higher education institutions, particularly feeder community colleges. Software integration is felt to be the greatest hurdle. Curtis added that some courses will have to be redesigned, but not to a significant degree. Maimon responded that the decision has been made to proceed with a semester calendar and everything is being done to make it work.

Friefeld pointed to *Goal 5: Social, Ethical, and Environmental Responsibility*, and asked what the University is doing along those lines, for example the proposed 3rd airport. Curtis replied that he could not answer definitively, but that Professor Karen D'Arcy has been involved in these issues for many, many years. Friefeld replied that leadership is not for the timid, and the subject of the 3rd airport is one of great debate. When talking about leadership, GSU needs to take the lead. Curtis responded that as certainty toward a 3rd airport nears the University will have to be much more involved. DeLaurentiis pointed out that the University of Illinois has been charged with looking at all the State's water. How GSU could link into that may be an important dynamic. Friefeld reiterated that the University needs to identify steps to take so it has a positive impact on these issues. Ejigu pointed out that the Division of Science, headed by Dr. D'Arcy, has significant expertise in this area. Curtis pointed out that one of the goals of the Academic Affairs plan is to get faculty involved in consulting in their area of expertise.

Samuels asked for an update on the progress being made in *Goal 4: Visibility, Outreach and Economic Catalyst*. Curtis replied that under the leadership of CBPA Dean, Ellen Foster Curtis, GSU's Centerpoint Small Business Development Center is being integrated into the curriculum of several CBPA programs. This will serve as the University's primary outreach instrument to the community in this regard. DeLaurentiis brought up the Chicago Community Trust (CCT) white paper in relation to this goal. Maimon stated it would be beneficial to share the CCT white paper with the Trustees. Both Samuels and Friefeld expressed the need to enhance GSU's image in the community. Maimon responded that an

overall branding exercise will be undertaken, which will include Centerpoint. DeLaurentiis offered to forward a document on brand identity she recently received. Ejigu added that branding, promotion and marketing are being explored further in FY10, with funds being allocated through PBAC.

Attention turned to *Goal 2: High Quality Faculty and Staff*. DeLaurentiis asked on whose domain the orientation of faculty falls. Curtis replied it is the Provost's responsibility; orientation for full-time faculty will take place once a year and three times a year for adjunct faculty. The sessions will emphasize high quality teaching, explain the procedures for promotion and tenure, and other topics relevant to faculty. DeLaurentiis asked if faculty are oriented to IT opportunities on campus. Curtis replied they are, with emphasis toward those instructors that are more resistant to online teaching and technology tools. A summer workshop has been developed for this purpose. DeLaurentiis asked if attendance at the orientation sessions was mandatory, and whether it came up in contract negotiations. Maimon explained that these kinds of specifics are difficult to build into contract negotiations. AOD, or Assignment of Duties, were analyzed by Curtis and the deans, and much greater accountability in terms of time used for research has resulted. The Provost's office is taking the lead in terms of what will make a difference. Workshops can give faculty members the tools to do innovative teaching, but faculty need to know that they are held accountable.

DeLaurentiis raised a question regarding *Goal 6: Financial Growth and Sustainability*, asking if external constituents were being asked to serve on the College advisory boards. Curtis replied yes, and added that almost all Colleges have their boards in place now. DeLaurentiis asked if alumni are being engaged for these boards, to which Curtis and Vaughan replied in the affirmative.

Financial Plan

Ejigu explained the role of the Budget Office, which is to provide administrative support to all PBAC committees. The Budget and Finance Committee of PBAC developed a draft of the financial plan based on a series of assumptions. Ejigu stressed that a plan is not a budget; the plan makes some assumptions but it is not based on reality. A financial plan will continue to be a draft until it is converted to an approved budget. The assumptions used in building the plan include enrollment growth, State appropriations, tuition and fees, faculty and staff increases, spending patterns for all University expenditures, debt financing and debt service constraints, and the impact of new initiatives. In regard to enrollment growth, the goal is to increase undergraduate enrollment. Maimon explained that graduate education is much more expensive to provide, while freshman and sophomore classes actually subsidize upper level courses, putting GSU at a disadvantage in this regard. The tuition assumption is based on an undergraduate tuition rate growth of 17% over four years, or an annual rate of 4%. The graduate tuition assumption is 10%. Of course, specific increases are subject to Board approval every year.

Johnsen asked if these assumptions meant GSU was planning a move to a four year institution. Ejigu replied it did not. Ejigu referred to a section in the Board Book, *GSU Financial Plan, Changes in Selected Financial Indicators FY09 vs. FY15*. DeLaurentiis asked how these figures compared to the previous 10 years, or to any 10-year segment, adding that these assumptions on enrollment seemed very accelerated. She recalled that when Dr. Wolff was president there were aspirations to significantly grow enrollment. There was some growth but also some stagnancy. She asked Ejigu if these are realistic predictions. He replied that perhaps these are on the aggressive side; however, it is assumed that the University will take dramatic measures in the enrollment management area and a departure from past practices will have to be exercised to attain these goals. Beaupre asked if there has been any changes in enrollment based on community college recruiting initiatives. Ejigu replied yes, stating this topic will be discussed in depth during the afternoon session.

Friefeld expressed his appreciation for the explanation of the budget vs. the plan, stating it was a great exercise to keep the University ahead of the curve rather than reacting to developments. Maimon added

that was a good point because a reactive response is like trying to catch up; this exercise results in conceptually thinking in anticipation. Ejigu pointed out that the Strategic Enrollment Committee is very enthusiastic. Their vision is to manage enrollment, not just react to it. DeLaurentiis asked Ejigu how some large infrastructure investments, such as student housing, fit into the financial plan for *Strategy 2015*. Ejigu explained that the plan has two assumptions related to the question, the first being that the University will assume significant debt to improve the enterprise (computing) system by either updating it or switching to a new system. The plan also assumes that each year approximately \$500,000 will be spent for better deferred maintenance. Student housing is assumed to be built through a public-private financial arrangement under which the University assumes no debt.

Enrollment Management Plan

Curtis explained that the expectation is that each College will show increases in enrollment during the plan period. The deans are continuing to refine their respective plans by using a program-by-program approach. Each college divided their programs into high growth, moderate, low, and new program growth groups. A lot of thought has been given to how to manage enrollment. It is an ambitious plan, and perhaps not totally realistic; nevertheless one ought to aim high. Ejigu provided a handout on Student Credit Hours (SCH) growth patterns for Fall 2009 which the deans receive each day. As of now, growth is tracking at 11% for undergrads and a negative 9% for grads. He indicated that one possible explanation for the negative rate indicated for graduate enrollment is that GSU's grad students tend to wait until the last couple of days of the enrollment period to register for classes. An interesting development is that more students are coming to GSU to study in a specific program rather than to just take a class or two. For example, full-time undergraduate enrollment (i.e. students taking more than 11 credit hours) is tracking at a year-over-year growth rate of more than 20%. It is believed this trend reflects success related to the community college recruiting initiatives.

Facilities Plan

Ejigu explained most of the current infrastructure projects are split between the ESG performance contracting and the Deferred Maintenance Initiatives. There are a total of 110 different projects in the plan. Most of the high priority projects have, however, already been completed.

Information Technology Plan

Ejigu stated the PBAC IT Committee identified 22 initiatives, nine of which are classified as high priority projects. Perhaps the largest project is evaluation of GSU's Enterprise Resource Planning (ERP) system deficiencies. Jenzabar, the current vendor, has evaluated their system in relation to how it meets the University's needs, and made recommendations on how to address its deficiencies. An outside consultant was also hired to evaluate the ERP system. Their recommendations are expected soon, after which a decision will be made regarding whether to make upgrades to the current system or go out for bid for an entirely new system.

Progress Monitoring Tool – The Dashboard

Ejigu logged into the GSU website to demonstrate how the Dashboard, a progress monitoring tool, operates. The Dashboard is continuously updated by Institutional Research (IR), deans, faculty, and other members of the GSU community. Ejigu related that GSU's Dashboard, as compared to ones he has seen at other institutions, goes into great detail, providing measures for information that does not appear easily quantifiable. For example, one measure for quality of programs is the degree to which data is being used to make decisions, or data driven decision making. The IR team has developed a way to quantify that. This information is available to everyone at any time on the GSU website. Curtis added that the Dashboard is being included as a separate attachment in the HLC report, citing that few institutions employ this type of comprehensive measurement tool. Several people participated in designing and launching the Dashboard, however special recognition must be given to Dr. Linda Buyer, Director of Institutional Research. Samuels asked Maimon and Ejigu if they found this type of information useful at

other institutions. Maimon responded that she did very much so, even in its more primitive form. Ejigu pointed out that the Dashboard is a means by which GSU can discipline itself to continually work on the goals of *Strategy 2015* and bring them to fruition. Maimon acknowledged that the enrollment goals in the coming years are very ambitious, however with this tool growth can be monitored on a regular basis. If goals are not being met then strategies can be assessed and adjusted to reach those goals.

Strategies for Enrollment Growth

Curtis opened by stating strategic enrollment management is everybody's business. The community college pipeline will continue to be the most significant source of growth and GSU has a competitive advantage in this regard as an upper division university. Ejigu introduced the members of the Enrollment Services Team via Power Point. They include Sherilyn Poole, Carol Cortilet Albrecht, Michelle Smith Williams, Freida Whisenton Comer, Jose Reyes, and Sharon Evans. He explained the team has been growing in their responsibilities and work output. These key individuals work with the community colleges, deans, chairs, and academic advisors. Ejigu outlined several initiatives being proposed to increase enrollment, which include **Dual Admission and Degree Completion Centers**. He explained that before 2000 there were a number of dual admission agreements signed with community colleges, but on close review recently it became clear that the documents had been signed but there was no activity to support them. The way these agreements work is that a student from high school enrolling in a participating community college is dually accepted to a participating community college and GSU. One major benefit to such students is that they will receive academic and financial aid advising from the community college and GSU; they will take agreed upon courses that will surely transfer to GSU; and they will successfully complete those courses and transfer to GSU at the end of two years. Jose Reyes has been designated as the Director of Dual Admission Programs, and currently he is spending most of his time at the community colleges. Ultimately the goal is for GSU to have a physical presence at all of our feeder colleges. Currently there is one at Kankakee Community College, one in the works at Prairie State College, and several others under negotiation.

The next initiative involves **Changes in Tuition and Fee Practices**. At the last meeting, the Administration came before the Board to discuss **Non-Resident Tuition Policies** and request a decrease in the out-of-state multiplier. International student enrollment has been dramatically decreasing and GSU's tuition compared to other area schools such as Purdue-Calumet appears to have been a factor. Of course the recent turmoil in the global economy plays a part as well as other factors such as the lack of a robust student life on the GSU campus. Friefeld asked if the goal was to charge out-of-state students the same tuition rate as in-state students. Ejigu answered that will be too dramatic of a change; a more market-driven and gradual approach is what will be proposed. Johnsen pointed out that GSU has only 11 students from Indiana currently. He asked if this initiative could significantly increase this number. Maimon replied that was the belief; GSU does have some competitive edge that could attract Indiana students, but if tuition rates aren't comparable then students will go elsewhere. Maimon cited that many students previously recruited from India are now attending Purdue-Calumet because of their lower tuition rate and more robust campus life, including student housing. Therefore even at a 2.5 multiplier GSU's tuition is probably too high to attract these students and perhaps the multiplier needs to be reduced more quickly. Ejigu added that in June 2009 the Board authorized reducing the multiplier from 3.0 to 2.5. The question now is would the Board consider reducing it further.

Ejigu introduced the next initiative, **Incentives for Dually-Admitted Community College Students** -- with a **Two-year Tuition Lock-in** for community college students transferring to GSU at the tuition rate when they began at the community college. Beaupre asked to what extent that involves front loading on tuition rates. Ejigu responded that if this is successful in attracting more students it will have the impact of lowering the overall rate of increase because more tuition revenue will be generated. However the reverse is also true; i.e. if GSU does not attract at least as many students as currently then tuition revenue will decrease. This action is being proposed because there is confidence that enrollment will increase with this

initiative. Ejigu went on to explain that the average class size at GSU is 14.7 students. Therefore the University has plenty of space to accommodate more students, thus increasing enrollment and revenue, with no associated costs. Friefeld added that this initiative is sensible, especially when one of the goals of the University is to make GSU the obvious choice for community college students. DeLaurentiis asked if the proposal assumes undergraduate students are attending full time at the community college. Ejigu responded that the plan is designed to encourage full-time enrollment. DeLaurentiis emphasized the need to look very carefully at any possible repercussions with the state statute on tuition, adding that perhaps getting the Attorney General's opinion would be helpful. Kennedy echoed the need to clarify the issue. Friefeld agreed that legal clarification was necessary because of the upper division status of GSU. Kennedy replied that if GSU is going to change or expand the interpretation clarification is needed from the Attorney General. Maimon agreed as did Samuels, who requested that this topic be discussed in more detail at a later meeting. Beaupre stated that if the opinion of the Attorney General is sought it would be wise to have a proposed agreement with language covering what the goals of the plan are for the Attorney General to review. If an adverse decision were made it would be simple to go to the Legislature to ask for what the University needed. DeLaurentiis stressed the importance of being prepared to deal with questions regarding Board of Governors students, students attending a community college and GSU at the same time, and returning students. Ejigu stated that the deans are working to attract community college students in vocational programs to the Board of Governors program in order to earn a 4-year degree. Maimon clarified that GSU is one the few universities that can accommodate an AAS degree leading to a BA, where the general education courses can be obtained at GSU in the upper division. It's a very innovative idea that few universities are doing. GSU plans to be much more aggressive in marketing this in the near future. DeLaurentiis asked if any thought had been given to offering a tuition break to graduate students that attend a community college, transfer to GSU for a bachelor's degree, and then pursue a graduate degree at GSU. Maimon replied that the deans are currently encouraging students completing their bachelor's degree to continue on for their master's, however a specific tuition break has not been initiated as of yet.

Ejigu then introduced the next proposed initiative under Changes in Tuition and Fee Practices, the **Need and Merit Based "Debt Free" Guarantee**. He explained this program is designed to serve approximately 50 students per year from the participating community colleges. Students will have to show that they are both needy (PELL eligible), and meet merit requirements of a GPA of 2.5 or higher when transferring to GSU. Eligible students will have to demonstrate that they are dually admitted, they continue in school without breaks, maintain a GPA of 2.5 or higher, continue to be PELL eligible while attending GSU, and that they graduate with a bachelor's degree after two years at GSU. Costs included will be tuition, fees, books, and possibly some transportation. Ejigu explained that because most of the cost of these students' education will be funded through PELL and MAP grants the cost to GSU would be nominal. Samuels questioned the ability to proceed with this plan given the current troubles with the MAP program. Ejigu responded that the policy is dependent on the continuation of PELL and MAP programs, adding that if the MAP program is discontinued the cost will be much higher and we may have to scale back on the number of students accepted under this plan. Maimon stated that by accepting applications to this program, even those that don't qualify for the group of 50 debt-free will be identified as needing assistance with counseling, advising, scholarship opportunities, etc. so that they can continue their college education, and GSU will be prepared to help those students. DeLaurentiis asked if Board action was required to initiate these programs, to which Ejigu replied yes. Resolutions will be brought before the Board at the October 2009 meeting. Ejigu added that these initiatives have been floated to the community college counselors and they are eagerly awaiting the formal initiation of these actions. DeLaurentiis asked if articulation agreements have been signed with all the community colleges. Ejigu replied that some are less complete than others, going program by program, and others are institution wide. DeLaurentiis stated she sees this as an opportunity to build bridges with those colleges GSU has not had much involvement with and solidify those relationships.

The final strategy for growing enrollment entails a **Tuition Revenue Sharing Plan**, which was explained by Ejigu. This proposal is designed to encourage the deans' continued interest in enrollment management. It entails sharing a portion of the incremental tuition revenue generated by increases beyond institutional goals, which will be set every year. If a college surpasses that enrollment target they get a portion of the incremental revenue to use as discretionary revenue in that college.

Chair Samuels called for a lunch break at 12:15 p.m. The meeting resumed at 1:05 p.m.

Strategy 2015 Resource Diversification Goals

Vaughan provided a Power Point presentation outlining the initiative to focus on relationship-based philanthropy rather than event based philanthropy. She explained that relationship based philanthropy involves the identification of potential donors, the cultivation of a relationship with those donors, the strategic solicitation of gifts, appropriate recognition of the donor and the gift, and being good stewards of the gifts received. Campaigns are being carefully mapped out throughout the year so potential donors are not solicited repeatedly in any given year. The annual scholarship luncheon includes both scholarship recipients and donors to foster relationships between the two groups and provide appropriate recognition to the donors. Donors with endowed funds are being provided regular written reports to update them on the status of their funds. In order to fulfill the goals of *Strategy 2015*, advisory boards have been established for each academic unit; the activities of the Alumni Association have been realigned; events are being planned to target specific potential donors; and communication strategies have been assessed and adjusted. GSU Alumni are being strategically targeted. Vaughan explained that studies have shown people are not joining paid membership groups as much as they used to, especially women and minorities. For example, the University of Illinois has dropped their paid membership structure and now considers all alumni active members. They are giving alumni different types of options for giving and Institutional Advancement (IA) is watching closely to see how well this works. IA is also working with the Colleges on targeted events to make them more successful. A hard copy newsletter and email blast go out to all alumni with current contact information, however eventually only email blasts will be used to save money. The Alumni Association also has a Facebook page.

The Office of Sponsored Programs and Research (OSPR) and IA have developed a collaborative approach to focus efforts on obtaining grants. This requires careful coordination because the overlap of solicitations aggravates funders and may cause them to back off. Policies and procedures are being implemented across the University so philanthropy efforts are centralized, organized and strategic. In the near future IA will be meeting with all the Colleges so faculty and staff are aware of how to proceed with philanthropic endeavors. In an effort to improve government relations the firm of *Barnes & Thornburg* has been hired to provide lobbying expertise at the state level. An option to contract with them for federal-level lobbying was considered but the University opted not to do so. They are also available to provide public relations services in the event of a major PR event, such as the University of Illinois' Trustee scandal.

New marketing strategies to support growth are being looked at including branding, targeted outreach, and new marketing vehicles such as ads in AMC Theaters, large format advertising in Metra stations, and an increasing presence on the web. Newsprint use is decreasing. IA is collaborating with all campus units in order to provide consistent formatting of ads and publications. Finally alumni are being utilized more and more to aid in marketing efforts. Vaughan went on to discuss philanthropy goals for FY09. The goal was to raise \$430,000, of which \$409,000 was raised with an outstanding pledge of \$50,000. That particular pledge will be fulfilled in two payments of \$25,000, one in FY10 and another in FY11. She pointed out that from a strict accounting standpoint that money cannot be booked for FY09. The initial goal for FY10 was \$450,000; however the Foundation Board recommended increasing that to \$500,000. The Board members have pledged to take ownership of that goal, including setting personal fundraising goals.

Vaughan concluded her presentation by reporting on the *GSU Promise*, which will be reconfigured as an umbrella endowment in order to jumpstart it. This will allow donors to have a named scholarship and build up the *GSU Promise*. She pointed out that it is a tough time economically for fundraising, so creative measures are needed in order to make the *Promise* happen. Samuels asked what the minimum requirement for an endowment is. Vaughan replied it is \$25,000, adding that some older funds were established at much lower amounts. Those endowments are being honored at the lower amount; however, the new threshold has been established at \$25,000. DeLaurentiis asked if a brick recognition component had been explored. Vaughan stated it had and will be considered at a future date.

FY10 OPERATING BUDGET

PBAC Structure and FY10 Budget Development Process

Ejigu began by outlining the organizational structure of PBAC (Planning and Budget Advisory Council), which was also included in the Board Book. A total of 99 faculty and staff are on its committees, 44 of which are instructional staff, 22 are academic leaders, and 33 are staff. Guidelines for developing operating budgets are sent out in the winter and the process continues through the spring at which time the President makes final allocations based on PBAC's deliberations and recommendations.

Ejigu gave a brief update of FY09 financial operations:

- Finished the fiscal year with generally healthy financial conditions in all major budget units, with about \$4.5M carried forward to FY10
- Exceeded overall revenue forecast by about \$3M (primarily tuition and fees from increased enrollment)
- For the first time, major budget units will be allowed to carry forward FY09 balances into FY10

Friefeld asked how the carry forward funds will be handled in subsequent years. Ejigu responded that the units with carry forward funds will be able to utilize those funds in the subsequent fiscal year. Maimon added this is seen as a major incentive to deans to manage their budgets well. Samuels asked if the State could ask GSU to hand over money if it is found there is a surplus in GSU's accounts. Ejigu stated in theory they can because the State has access to such information, however hopefully it will never come to that. In addition sufficient reserves have been set aside in anticipation of a rescission. DeLaurentiis asked if PBAC required Colleges to propose areas where budgets could be cut. Ejigu replied they were asked to identify programs or services that could be reduced or eliminated. Each budget unit complied with this request; however all were quick to point out the adverse implications of any such actions. The exercise was completed but it has not been necessary to eliminate or reduce any services thus far. Curtis pointed out that budgets will not be increased incrementally each year, i.e. there will be no across-the-board increases or reductions. Budgets and needs are being looked at much more closely and in relation to GSU's strategic goals.

Proposed FY2010 Operating Budget

The proposed budget is in the Board Book. This will be brought back for formal action at the Board's next meeting in October 2009. There was no discussion.

ADMINISTRATIVE REPORTS

Reaccreditation Self-Study Report

Curtis provided a Power Point presentation. He explained that the University is seeking accreditation continuation from the Commission of the North Central Association of Colleges and Schools, which is required every 10 years. A comprehensive site visit by specially trained peer reviewers will take place in

November. This team will consist of one president, one provost, one associate provost, three deans and two faculty members from colleges and universities throughout the country. As part of their site visit they will want to meet with the Board of Trustees, as well as other constituents throughout the University. Approximately two months after the visit, the team will send a report to the President requesting corrections of errors of fact. Once that is submitted to the review team a decision will be made on reaccreditation and the University will be notified, probably in February. If there are any findings GSU does not agree with, a challenge can be presented and it will undergo further investigation.

Curtis turned his attention to the draft of the Higher Learning Commission Self Study book which addresses the Five Criterion mandated by the Commission. Numerous GSU Community members have been working to gather the required materials and answer the many questions outlined in each criterion, led by team co-chairs Eric Martin and Ann Vendrely. Curtis gave a brief overview of the organization of the Self Study. Beaupre pointed out that Curtis is an experienced HLC evaluator and the University has benefited greatly from his prior experience. Maimon and Samuels echoed his praise. Maimon asked the Trustees to read the Self Study and alert Curtis to any changes they feel should be made. The faculty have been asked to review the document as well. Curtis pointed out that the HLC team will ask the Trustees how they were involved in the creation of the document. The HLC team will arrive on Sunday, November 15 and stay through Wednesday November 18, 2009.

Off-Campus Education Centers

Kankakee Education Center (KEC), Naperville Education Center (NEC)

Curtis gave a brief overview of the two sites. Kankakee has two smart classrooms. One is a video classroom whereby a class taking place on the GSU campus can be viewed at KEC via video. Classes held at KEC are in the areas of Criminal Justice, Special Ed, and Interdisciplinary Courses, with limited courses in Nursing and Business. Approximately 20% of KEC students have never been to the GSU main campus. NEC is a slightly larger facility with two smart classrooms that are also video classrooms. 30% of those students have never been to GSU's campus. Curtis stated the question being raised today is whether the services being delivered at these two facilities can be done in a better fashion. Forging closer partnerships with community colleges is one possibility, with space being rented on those campuses rather than housing a separate facility, or offering a cohort at a corporate site. Beaupre stated the only problem he saw was that closing these facilities may be perceived as a failure. Maimon stated some feedback from Kankakee Community College indicated that they don't care for the KEC. It does not seem reasonable to be going forward and growing defined campus sites where expectations cannot be met. She added that television instruction is being phased out and web based delivery is the current trend, so if GSU supports that thinking it will be in tune with where education is going. Friefeld stated if the recommendation is to get rid of the sites it has to be framed so it is not seen as a failure, but rather moving in a high tech direction. DeLaurentiis said her biggest concerns with offsite campuses are the lack of supervision and whether they are cost effective. Ejigu stated the Administration's initiative to extend dual admission to dual enrollment can be better served on community college campuses. Maimon added that sharing space with community colleges would allow for real bridge programming and would show those students that they really can do university level work.

DeLaurentiis stated this is a watershed issue in terms of which way to go. Ejigu pointed out a chart in the Board Book that indicates there has not been significant growth. Curtis added that each Center is now at a point of covering its direct costs, but the question remains as to whether or not this is the best way of growing enrollment. Maimon stated it was safe to say that both centers have been a marginal success; however they are not really aligned with the goals of *Strategy 2015*. The focus should be on how GSU can better serve the community college students and that can be more readily accomplished by being on their campuses. Friefeld suggested meeting with the community colleges to see what they think and how they want to collaborate with GSU.

Chair Samuels adjourned the meeting at 4:03 p.m., to be resumed in the morning.

Tuesday, August 25

Chair Samuels called the meeting to order at 8:30 a.m. Trustees Samuels, Beaupre, Johnsen, DeLaurentiis, and Friefeld were present. Trustee Mayer was absent.

40th Anniversary Celebration

Vaughan explained that a committee consisting of approximately 40 volunteers are working under the guidance of IA on the 40th Anniversary celebration. The Graphics Department developed a logo and over the last year all University events have been branded with the logo. Among the many activities planned is a publication called *IMPACT* which features essays on the impact GSU had on the writers' lives. To date over 40 entries have been received. A celebratory event will take place on November 6 and 7. On the 6th a panel discussion with past presidents and current administrators will be held with wide advertising to alumni and the community. Following that the dedication of the GSU History Wall will take place. The wall is proposed to be a permanent structure to be erected in the Atrium. On Saturday, November 7 tours of the Nathan Manilow Sculpture Park will take place and that evening a gala celebration will take place in the Hall of Governors following *A Tribute to Motown* at the Center for Performing Arts. The first ever Alumni Awards will be handed out in two categories—community service and broad achievement. At the gala each College will have a display where alums can gather. Vaughan noted that the committee has worked very hard to keep the cost of the event down given the current tough economy.

Vaughan explained the History Wall project. Three companies have submitted bids, with the winning bid going to Skyline. Vaughan provided a Power Point rendition of what the Wall will look like. Among its features will be a big screen TV, touch screen points, and significant events from each decade since GSU was founded, both those occurring at GSU and worldwide. The structure is very flexible in that the screens can be changed out easily as time goes on. DeLaurentiis asked if any recycled materials will be incorporated into the Wall. Vaughan stated she would ask the manufacturer about that. Samuels asked if there would be a narrative. Vaughan replied that there would be, as well as a ten minute video produced by GSU's Digital Media Department. DeLaurentiis commented that many of the past commencement addresses have been very moving, and suggested that if possible some should be incorporated into the History Wall.

HR Related BOT Regulations and Policies

Kennedy explained that she and Bradshaw have been reviewing the GSU Board Regulations and Policies for over a year. An Executive Summary of the proposed changes is in the Board Book. The main objectives are to clarify language and align policies with the current climate of the University, and with current state and federal laws and regulations. The proposed changes also reflect best human resources practices. The Board HR Regulations are separated into three sections: General, Faculty and A&P employees, and Civil Service employees. Much of the language in each section was found to be redundant so a General section to eliminate those redundancies is being proposed. A track changes version was provided to clearly demonstrate the proposed changes. Kennedy gave a brief overview of the policy changes being proposed.

Military Leave. Kennedy explained that at the beginning of the Iraq war the Administration came before the Board for special action language on military leave which was not in the Board Regulations. The changes being proposed today reflect state and federal issues involving military service. A general statement says the University will be in compliance with state and federal law, and the President will propose procedures to do so.

Family Medical Leave Act (FMLA). Language was clarified and the policy is compliant with the FMLA. Kennedy explained that by stating in the Regulations that the University will be compliant with state and federal law, GSU's regulations don't have to be changed every time the law changes. DeLaurentiis asked if that would satisfy legal requirements. Kennedy responded that it would, adding that it is a much more effective way to keep up with current law. Beaupre stated it is safer as far as liability is concerned. Samuels asked if the Board would have to review those developments as they occur. Kennedy replied that the Board certainly could ask to review the procedures or mandates as they occur.

Reassignment and Termination. Kennedy stated that some of the changes being proposed may be considered controversial because they indicate a decrease in benefit, however other state university HR directors are looking at GSU as pioneers because these are ground breaking changes. For example, currently if an A&P employee is terminated with notice in the first year of employment they receive three months notice (pay). In years 2-5 they receive 6 months pay, and after year 6 an entire year's pay. Kennedy stated the current termination package is far too generous and the policy change being proposed is more in line with private industry. The other state universities have this very generous package in their regulations as well, however some are afraid changing it will result in unionization. The Regulations state that if there is a collective bargaining agreement that agreement prevails. Ejigu added that the policy change will not affect current employees; it affects new hires only. DeLaurentiis asked if GSU is the one out of line. Kennedy responded the Illinois universities are out of line. Friefeld stated he believed that all are in agreement that a change in this policy is needed. Johnsen agreed. Bradshaw explained the Termination for Cause process is being streamlined because it is unnecessarily cumbersome. Under the proposed changes, when termination for cause occurs there will be a fair due process, the individual will be heard, and will be given time to prepare. The President will be responsible for developing guidelines for these procedures and issuing the appropriate action. Ejigu added these practices are consistent with generally accepted business practices.

Bereavement Leave. Bradshaw explained the current bereavement leave package is very generous. It is being proposed that cousins be excluded, but step-family relationships should be added to reflect the growing number of blended families. Friefeld asked if gay couples/families are represented. Bradshaw replied HR has never had this come before them. Friefeld stated a policy should clearly be stated for gay couples/families. Bradshaw replied that medical benefits are available for gay partners, with the proper documentation. Samuels asked if heterosexual cohabitants are covered. Bradshaw stated they are not. Samuels suggested leaving out specific language and dealing with each case on an individual basis. Bradshaw pointed out that people need clear guidance because in the past employees have taken bereavement leave for extended family members and later found out that they would not be compensated for their time off. The objective here is to make the language clearer.

Voting Leave. Bradshaw explained the current policy allows employees two hours off during the work day to vote. However, now that polling places are open longer this policy should be stricken.

Kennedy next outlined the section on **outside employment**. It contains a statement that GSU is the primary employer and the President is charged with setting guidelines. The amended policy proposes requiring employees to disclose secondary employment on an annual basis. If a conflict exists then it will be investigated and dealt with. This is the first step into clarifying that the University has the right to ask for this information and what kinds of restrictions apply. For example, if an employee stated they spent 60% of their time working elsewhere there would be a concern; however the line has not been set yet and needs to be. Kennedy stated the bottom line is that the University is asking for disclosure, and by doing so a message is being sent. Maimon added that this is an issue that has been going back and forth and this is a good forum to discuss it. There needs to be a policy to address all employees, but faculty are of special concern. She reminded the Board that contract negotiations with UPI are currently taking place. Johnsen replied that faculty are the one thing that impacts students the most, and if they don't have office time to

see students it can impact student success significantly. Friefeld brought up the issue of timesheets, which are consistently an audit finding because faculty do not submit them. DeLaurentiis recalled that timesheets are to be kept to the quarter-hour and that secondary employment was to be noted. Kennedy responded that Act 100 deals with research and consulting, which has to be reported and approved. However it has not been collected or documented well. DeLaurentiis suggested establishing a primary employment policy that clearly stated “your obligation is to GSU.” Kennedy answered that it is the opinion of the UPI that if faculty are teaching, keeping office hours, and attending faculty meetings then the University has no right to ask them what they do outside GSU. Maimon stated that she has worked on unionized campuses in the past and this is a routine measure; by not having a policy the University is vulnerable. Friefeld stated he wanted to review the draft policy presented in more detail and revisit it at a future date. He added that the one thing that must be made clear is if a faculty member is granted tenure their primary responsibility is to GSU. DeLaurentiis asked Kennedy if the intent was to bring this before the Board for action at the October meeting. Kennedy replied that proposed changes have to be heard once, posted for comment, and then voted on by the Board. Therefore the first reading will take place at the October meeting, changes will be posted for discussion, and the Board will take action at the December meeting. DeLaurentiis stated the Merit Board is proposing the furlough language be included in their Regulations and asked if that needed to be included in GSU’s Regulations as well. Bradshaw responded that whatever is applied to the Merit Board Regulations has to be applied to GSU’s Regulations. Maimon added that going forward on these regulations is appropriate, and that GSU will comply with the Merit Board when they issue their recommendations.

BOARD BUSINESS

Review of Results from Self- Evaluation Survey

Friefeld opened the discussion by stating, in his opinion, the Board’s willingness to make difficult decisions regarding academic programs and large financial outlays have been its major accomplishments. He stated the Board should consider holding retreats with each of the senates as was done in the past because it is important to engage those stakeholders. DeLaurentiis concurred, stating the previous retreats really accomplished a lot, provided a forum for frank discussion, and created a lot of goodwill. She recalled that various constituencies involved with those retreats told her they had greater respect for the challenges the University faces. DeLaurentiis went on to say that she felt under the current Administration an awful lot has been taken on; however there have been many successes and remarkable plans going forward. She stated the redevelopment of the campus will be significant for future generations of students. DeLaurentiis stressed the importance of tackling issues at the committee level, and getting Board Packet materials with plenty of lead time. In terms of the committee meetings, she stated it was her opinion that the large open format in the Hall of Honors has stymied conversation as opposed to the previous practice of meeting in the President’s Conference Room which provided a more intimate setting. Samuels added that meeting with the senates is something she has wanted to incorporate into the Board’s schedule and she plans to work on making that happen. Beaupre expressed the need to stay on the Governor’s office about filling the two vacancies on the Board. He also stated he benefited greatly from the Annul Board Retreat and attending the AGB conventions, which help him re-focus on his duties as a trustee. He also stated he liked the old committee meeting style better and felt it was more expedient, although he agreed with operating as a committee as a whole with so few trustees. Johnsen stated he really benefited from the off campus retreat because the temptation to get involved with things on campus would have hindered participation. He enjoyed the open conversation. He also stated the Student Senate would be more than happy to meet with the Board because there is a feeling of disconnection with the Board and the Administration. Bridging the gap would show that everyone is in this together to create a more positive university. Samuels asked those Trustees that did not complete the self evaluation to do so. A completed document with all the responses will be shared with the Trustees at a later date.

Board Assessment of Ethics and Governance

Friefeld asked Kennedy to include this on the agenda of the next Committee on Trusteeship, Governance, and Nominations meeting in light of the recent University of Illinois controversy. Kennedy stated she had a copy of the recommendation section of the U of I report and she would pass them out to the Trustees to review on their own. She will provide the full report if anyone would like it. The report does deal with the Code of Ethics and oversight issues. She added that the Ethics Act was just revised and that can be discussed at the October meeting as well.

Proposed Board Meeting Dates for 2010

A handout of proposed dates was provided in the Board Book. The following dates were agreed upon:

- Friday, February 5 Committee meetings
- Friday, February 12 Committee and Full Board meeting
- Friday, April 9 Committee meetings
- Friday, April 16 Committee and Full Board meeting
- Friday, June 4 Committee meetings
- Friday, June 11 Committee and Full Board meeting
- August 1-3 Retreat
- Friday, October 1 Committee meetings
- Friday, October 8 Committee and Full Board meeting
- Friday, December 3 Committee meetings
- Friday, December 10 Committee and Full Board meeting

Closing Remarks

Chair Samuels and President Maimon thanked everyone for attending and participating. All agreed on the importance of taking this time to reflect on the past year and focus on the academic year ahead. Maimon gave special thanks to the Trustees for the significant commitment they have made to GSU as volunteers, noting that the seriousness with which they all take their work continues to create excellence at GSU. Their leadership and contributions will affect generations of students to come.

Samuels adjourned the meeting at 11:03 a.m.

Respectfully submitted,

Joan Johns Maloney