MINUTES

Board of Trustees of Illinois State University

February 20, 2015

The Board of Trustees convened at 10:00 a.m. on Friday, February 20, 2015, in the Old Main Room of the Bone Student Center, Illinois State University, Normal, Illinois.

Donahue: I want to start out by saying it’s a great day to be a Redbird and I want to talk a little about athletics. Our volleyball team – school record 23-match winning streak, wins the Missouri Valley Tournament, goes to the second round of the NCAA, coach Meyers was the coach of the year, Emily Orrick Libero of the Year, Kaitlyn Early Missouri Valley Player of the Year. And, how about that football team? Co-champions of the Missouri Valley, FCS National runner-up. A 1:40 from being national champions – I thought this whole room was getting sized for championship rings. Coach of the Year, Coach Spack and his staff did a marvelous job. But these student athletes accomplishments aren’t just on the field and on the court, they are in the classroom. The men’s basketball team’s fall grade point average of 2.99 – highest in a decade. The football team’s grade point average at 2.87 was the highest in years. The women’s volleyball team – every member of the team made the honor roll. I know I speak for this entire Board when I tell you we are so proud of the outstanding administration, faculty, staff and student body here at ISU. Let’s give ourselves a hand because I think we have earned it. A bad day for Redbird this year has been a great day for every other university in Illinois. Madam secretary, please call the roll.

Trustee Davis called the role.

The following members were present.

Trustee Bergman

Trustee Churney

Trustee Davis

Trustee Donahue

Trustee Kinser

Trustee Schumacher

Absent:

##### A quorum was declared. Also present for the public session were:President Larry Dietz

Interim Vice President and Provost Janet Krejci

Interim Vice President for Student Affairs Brent Paterson

Interim Vice President for Finance & Planning Greg Alt
Interim Vice President for University Advancement Pat Vickerman

Board Legal Counsel Jane Denes

Chief of Staff Jay Groves

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**APPROVAL OF AGENDA**

Donahue: I ask approval of today’s meeting Agenda. Trustee Davis so moved and was seconded by Trustee Kinser. Motion made, seconded and vote recorded as all members present voting aye.

**APPROVAL OF MINUTES**

We need to review and approve the Minutes of October 24, 2014, and November 5-7, 2014. Is there a motion to approve? Trustee Davis so moved and was seconded by Trustee Churney. Motion made, seconded and vote recorded as all members present voting aye.

**REPORT OF RELEASE OF EXECUTIVE SESSION MINUTES**

In accordance with the provisions of the Open Meetings Act, the Illinois State University Board of Trustees is required to periodically review the Minutes of its Executive Sessions to determine the necessity of retaining the confidentiality of those minutes. The Board has received a recommendation from its legal counsel to release the following Minutes.

February 21, 2014 Release all
March 22, 2014 Release allMay 9, 2014       Release all

June 6, 2014 Release all

July 25, 2014 Release all

Copies of these Minutes are in your meeting folders. As Chairperson, I will entertain a motion at this time to release as public the above list of Minutes of the Executive Sessions held by the Illinois State University Board of Trustees. Trustee Schumacher so moved, and was seconded by Trustee Kinser. Motion made, seconded and vote recorded as all members present voting aye.

**CHAIRPERSON’S REMARKS**

Donahue: Good morning everyone and thank you for joining us for the first regular quarterly meeting of the Board of Trustees for 2015. It has been an incredibly busy last few days on campus. On behalf of the entire Board, I want to thank everyone involved in the planning of the many events surrounding Founders Day—including the Years of Service Luncheon, Bell-Ringing, Illinois State Showcase, Convocation and Alumni Awards dinner. I also want to congratulate all of our faculty, staff, student and alumni honorees who make us all so proud to be associated with this great university.

I particularly want to congratulate Senator John and Mrs. Joanne Maitland on receiving Illinois State’s highest honor—the Honorary Doctorate. I served alongside Joanne as a Board member and have known her and John for many years. They are both amazing people who have a very special relationship with Illinois State.

One of the duties of the Board Chairperson is to place into the record Board committee appointments for the year, and that is traditionally done at the February meeting. According to Board By-laws, the Chair and Secretary, who is Trustee Davis, serve on the Executive Committee with at least one other member, and that member is Trustee Bergman. I will serve as the Board representative to the Civil Service Merit Board. Serving on the Audit Committee will be myself, Trustee Churney, Trustee Schumacher and Trustee Bergman, who will serve as the Chair. Our Foundation and Alumni Board representative is Trustee Kinser. I am also forming a new committee which will be entitled State Affairs.

Two days ago Governor Rauner proposed a budget, which included a 31.5% cut to higher education. If enacted that could result in Illinois State losing $23 million. There also could be a cut for this fiscal year that ends on June 30th if the Governor is given the power to rescind some of our money. Since July of this year this Board has been very proactive in our fiduciary responsibilities. We saw those potential dark clouds on the horizon and have had numerous working sessions and special meetings devoted to the budget. Our retreat in November almost exclusively focused on finances. Let me be clear, Illinois State University is in strong financial shape due in part to the foresight and hard work of this Board and administration, as well as the work of previous Boards and administrations. And when we come out on the other side of this budget process we will be in just as strong of a financial position. This new committee will ensure the Board remains proactive in providing and receiving strategic information and direction as it relates to the University’s fiscal health. The committee will be chaired by Trustee Davis and the members will be Trustee Bergman, Trustee Churney and Trustee Schumacher. I believe it is important that as we move forward with any recommendations or decisions that the prospective of our students and the impact to our students be a part of the equation. I have had lengthy conversations with Ellen on her participation on this committee and I know she is up for the challenge.

In addition, it is the duty of the chair to appoint non-Board members as Treasurer to the Board and as an ex-officio member of the Municipal Clerks Training Institute. Greg Alt will serve as Treasurer and University Audit Director Rob Blemler will serve the Municipal Clerks Association.

Finally, I just want to take a moment to thank my fellow trustees for their continuous engagement with Illinois State. That includes their participation in scores of academic, cultural, athletic and social events—attending important celebrations like Founders Day—and even taking time for special meetings. Trustees serve public universities in Illinois without compensation and all make significant investments of time—and as Board chair, I appreciate their efforts.

Thank you all. I will now turn the meeting over to President Dietz.

**PRESIDENT’S REMARKS**

Thank you Trustee Donahue, and I also want to say thanks for the way you started your comments this morning with your very kind, generous and accurate information and it is a great day to be a Redbird. Some of that will bear repeating and I will do that later in my remarks because we have a lot to be proud of here today and it has been a while since we have reported on some of the activities that have happened at the University. So I will try to cover a good deal of that in my report today and be as brief as I can.

So good morning, and thank you all for coming today. It was a distinct pleasure to confer the Honorary Doctorate of Humane Letters degree to John and Joanne Maitland yesterday. Joanne spoke for herself and for John as she offered some very moving words about their relationship to Illinois State University. As I said yesterday, I can think of no two people who are more deserving of the honor than John and Joanne, and we look forward to their involvement with ISU for many years to come. Also, congratulations to our newest University Professors and all of our faculty, staff, student and alumni award winners—it was a very busy and very fulfilling day yesterday.

I want to thank the Campus Communications Committee for organizing this morning’s discussion hour, and I want to publicly want to thank Associate Provost Jim Jawahar for his presentation on the Higher Learning Commission and the accreditation process. The accreditation process isn’t the most headline-grabbing activity that takes place on a university campus, but it is among the most important—and Jim, along with Bruce Stoffel from the Provost’s office and a very large faculty, staff and student team have done an outstanding job throughout this process.

I want to also alert the Board to several appointments: Jonathan Lackland has been appointed as our new Director of State Government Relations. Jonathan will begin his service at ISU on March 2, coming to us from the Illinois Board of Higher Education. The Director of State Government Relations reports directly to the President, and Jonathan takes over for Phil Adams, who retired after 16 years of service to ISU. Jonathan, can you please stand and be recognized?

Also, our McGuire-Woods legislative consultant Louie Mossos, has departed to work for State Senator John Cullerton, and taking over for him is Kent Gaffney. Kent joined McGuire-Woods in 2013 as a Vice President of State Government Relations. Prior to joining the firm, he served as the 52ndDistrict State Representative in the Illinois House of Representatives. Before becoming a legislator, he was the Director of Appropriations for the Illinois House Republican caucus from 2001-2011. Kent will give us a legislative update a bit later, but Kent could you please stand and be recognized?

Jan Murphy was appointed Interim director of Campus Dining Services in January. Dr. Murphy is a professor in the Department of Family and Consumer Sciences and has also served as Interim Provost and Associate Provost. Jan, could you please stand and be recognized?

Pam Cooper was appointed Director of Career Services earlier this month. Pam is a long-time member of the Career Center staff and had been serving as Associate Director of Employee Relations. Pam, can you please stand and be recognized?

And finally, one retirement. Arlene Hosea, our Assistant to the Vice President of Student Affairs and Director of Campus Dining Services has retired after 24 years of service at ISU. Our dining service is one that has been highly regarded both on the campus, throughout the state and nationally for providing high quality food, great service at a reasonable price. Arlene, can you please stand for acknowledgement?

As I am sure you are now aware, Gov. Bruce Rauner delivered his Budget Message Wednesday, proposing drastic funding cuts in many programs, including higher education. He has called for a FY2016 budget reduction of nearly $400 million for higher education, which equates to a 31 percent cut for Illinois State University and other public universities throughout the state.

This is obviously disturbing news for our campus community and other public universities across Illinois. It is important to remember, however, that the proposed budget is simply a starting point in a long process. There will be a great deal of negotiations taking place in the Statehouse in the coming months. We will be monitoring those budget negotiations in Springfield very closely and actively participating through House and Senate appropriation hearings, discussions with our Board of Trustees and the Illinois Board of Higher Education, and meetings with legislative leaders. Indeed, my time to appear in those hearings in Springfield will be on March 19. My colleagues will have other days they will appear there as well, but we are involved in the discussion and it will be a while to work through all of the details of that. I want to say thank you for Dan Brady. Dan is our representative and works hard for us in the capitol, which is where he is today. But Dan had also given me a heads up about some of the information to expect, so I really appreciate that.

Budget cuts at that level, however, would have an impact on many areas of the University operations and there are many issues on the table for discussion. Some areas that could be affected include tuition – as set by our Board of Trustees – scholarships, faculty and staff compensation, hiring decisions and maintenance projects. Throughout the process, I want to assure you that protecting the jobs of our outstanding faculty and staff is our highest priority. We will do everything we can to prevent measures such as layoffs and forced furlough days.

I do want to share with you some information that illustrates how the higher education cuts – as proposed – would affect Illinois State. The University would see almost one-third of its state appropriation taken away for FY2016. That would mean decreasing from about $74 million this fiscal year to $51 million next fiscal year. Under that scenario, the state-appropriated spending authority of the University would be roughly what it was in 1984. If you subtract current unfunded state mandates that we also have to pay for such as insurance premiums and required tuition waivers, our spending authority would actually be at the 1979 level.

As I mentioned, the Governor’s proposal is part of an ongoing budget process. Nothing in Springfield has been finalized. I, along with other university presidents, will be communicating to the Governor and the General Assembly that cuts of this magnitude would have a devastating impact on public universities and the Illinois families that invest in higher education. Indeed next Tuesday we have a conference call of all the public university presidents and chancellors and hopefully we will have some messaging that will come out of those discussions. We will also be working with the Board of Higher Education in providing again measured responses to the budget proposals.

Students that attend Illinois public universities tend to stay in Illinois and become employed, productive, taxpaying citizens. Illinois is already the second-largest exporter of college students in the country. To offset such a budget reduction, universities would face going well beyond internal cost-cutting measures by recommending tuition increases that could send even more students across state lines to attend college. We are very sensitive about that issue and want to make sure that the policy makers understand that. As the process unfolds, I will keep the campus community informed of further developments that affect the University. Hopefully by now all of you have read your emails. We sent out an email just this week to let you know where things are going and what we plan to do and we will continue that communication.

As we near the end of the eighth month of our fiscal year and second month of the new calendar year, the University remains financially healthy given the state’s economic circumstances. As of today, we have received $30.1 million of our approximately $74 million FY2015 appropriation. That means we are about two-thirds of the way through our fiscal year, and we have received about 41 percent of our state appropriation.

Private fundraising at Illinois State for FY2015 continues to shatter previous records. This is a very good news story. Private fundraising productivity as of February 19th is $29.8 million. To put this in perspective, total fundraising productivity at the end of last fiscal year, June 30, 2014, was $19.5 million. At that time it was out largest fundraising year ever. So at $29.8 million we have already surpassed last year so will be establishing another record breaking year of fundraising. We are very grateful for the support of our donors and all of our friends. As the future enfolds, these individuals and their commitments will become even more important to the University.

As you might expect, Annual Giving is also running ahead of last year in both the number of alumni donors and dollars generated. Annual Giving ended the calendar year ahead in Alumni Donor Giving by 9 percent, with Annual Giving dollars up 17 percent.

Annual Giving’s success is due in part to our Giving Tuesday event on December 2nd. Giving Tuesday is an annual worldwide day dedicated to giving back. Illinois State staff, alumni and volunteers broadcast e-mail messages, social media posts and challenges throughout the day. The Redbird community responded in force with 1,152 gifts for a total of just over $343,000 dollars in that single day of giving. I think we ought to have Giving Wednesday, Giving Thursday. But that was a terrific effort for our first time out with an activity like that. I want to thank and congratulate Interim Vice President of University Advancement Pat Vickerman, his team, and all who have helped make this success possible.

Applications for the fall 2015-2016 academic year have passed the 16,500 mark. In many years that number would set a record for Illinois State, but given that last’s year’s enrollment numbers set a 25-year high, applications for the coming year are short of last year’s numbers. This year’s application season occurs while we are transitioning to the new LeapForward information systems, so a few hiccups are not unexpected.

Enrollment deposits, which are the key indicator for attendance, are actually running 3 percent ahead of last year’s pace at over 1,400. I want to thank the many, many people who are working with Leap Forward for their tireless effort and perseverance, as well as our Admissions and Enrollment Management staffs. It’s a very tough job involving a lot of hours, a lot of time and frankly a lot of frustration.

As you know, we are conducting two Vice Presidential searches this academic year—Vice President and Provost and Vice President for University Advancement. We are close to completing the Provost search, and beginning next week, we will bring four finalists to campus to meet with shared governance groups and participate is open forums.

The four candidates are Janet Krejci, our Interim Provost—Associate Provost Jim Jawahar—Michael Licari, who currently serves as Interim Provost at the University of Northern Iowa—and Matthew Shaftel, who is the current Associate Vice President for Academic Affairs at Florida State University. I want to thank search committee chair Tony Crubaugh and the entire search committee for selecting four outstanding finalists from dozens of applicants—and look forward to meeting the finalists in the coming days.

Meanwhile, the search committee for our next Vice President for University Advancement is well underway. The committee is now collecting application materials from prospective candidates and will be convening soon to review those materials. We also plan to complete this search before the end of the academic year.

The spring 2015 academic semester has seen success on many levels. Illinois State has placed in several rankings, including being named as one of the best values in public colleges in the country by *Kiplinger’s Personal Finance* magazine. This is a testament to both our high academic quality and affordable price, and it rightly places us among the nation’s most prestigious universities.

The Mennonite College of Nursing online nursing program has also been ranked as one of the Best Online Nursing Programs, according to *U.S. News & World Report*. Schools were ranked in five general categories including student engagement, faculty credentials and training, peer reputation, student services and technology, and admissions selectivity.

Also, Illinois State maintains its reputation as a choice for returning veterans. Military Advanced Education named our university a top school in their *Guide to Colleges & Universities*. The guide measures best practices in military and veteran education at 600 institutions including private, public, for-profit, not-for-profit, four-year and two-year colleges.

Illinois State student Dyrell Ashley has been named the University’s first-ever Gates Millennium Scholar through the Bill & Melinda Gates Foundation. He is one of 1,000 students nationwide who will be awarded a good-through-graduation scholarship that can be used to pursue a degree in any undergraduate major. The Gates Millennium Scholars Program was established in 1999 to provide outstanding African American, American Indian/Alaska Native, Asian Pacific Islander American and Hispanic American students with an opportunity to complete an undergraduate college education in any discipline area of interest.

The fall season for Illinois State Athletics was one for the record books and the success of the fall teams was unprecedented, both on the field of play and off. For the first time in school history, the Illinois State football team advanced to the FCS National Championship Game in Frisco, Texas. The game was one of the most thrilling in recent memory, as the Redbirds came from behind in the fourth quarter to take the lead, but ultimately fell to four-time national champion North Dakota State. That championship appearance ended a run of fall championships the department has never seen before.

The Redbird soccer team was MVC regular season champions for the second-straight season and won its fourth-consecutive MVC tournament title to advance to the NCAA Tournament, where it picked up a first round win over South Florida.

The ISU volleyball team won its first MVC regular-season and tournament titles since 1997 and posted the first undefeated MVC regular season in school history at 18-0. The run included a 23-match win streak and the Redbirds advanced to the NCAA Tournament for the first time since 2007. ISU earned a first-round win over Marquette, their first NCAA win since 1996.

Combined, the ISU football, volleyball and soccer teams recorded an amazing 31-1 mark in conference play. Coaches Drew Roff, Melissa Meyers and Brock Spack each took home Coach of the Year honors, a total of seven players earned Player of the Year honors and seven were named All-Americans.

The athletic success was only matched by our student-athletes academic success in the fall of 2014. ISU student-athletes set a departmental grade-point average record this fall, with a 3.16 GPA during the fall semester, topping the previous record of 3.15, set during the fall 2011 and spring 2012 semesters.

In addition, a record-setting 301 student-athletes were named to the AFNI Honor Roll, while six teams set or tied team GPA records. Congratulations to Athletics Director Larry Lyons, his coaches and staff members, and to all of our amazing student athletes.

With that, I would now like to call Alex Skorpinski of the Campus Communications Committee, to the podium for a report.

**CAMPUS COMMUNICATIONS COMMITTEE**Thank you President Dietz and good morning everyone. On behalf of the Campus Communications Committee, I would also like to thank Dr. Jim Jawahar for this morning’s coffee hour presentation on the Higher Learning Commission reaccreditation process. Our HLC accreditation assists in cementing Illinois State’s dedication to academic excellence.

I would also like to add our congratulations to all of the honorees recognized during yesterday’s Founders Day celebrations, including our honorary degree recipients John and Joanne Maitland.

We are well into the swing of the spring semester, which, as is typical, has come with its fair share of accomplishments. First and foremost, we must thank our colleagues in Facilities for their hard work keeping our campus clean and safe, regardless of what winter in Central Illinois can throw our way.

Our Solar Car team finished 13th in an international competition in Abu Dhabi. Campus Dining Services was ranked 101 out of nearly 1200 campus dining facilities in the nation. Our Student Government Association has worked through the Academic Senate approval process so starting in fall 2015, the last week before finals will be formally designated “Success Week.” An effort over two years in the making, Success Week provides students a better environment in which to be academically successful through one of the most difficult times of the academic year.

We would like to note our appreciation for the extraordinary contributions our non-tenure-track faculty make to the excellence of instruction on this campus. We recognize and appreciate that our NTT faculty have been working without a contract and support the ongoing good-faith bargaining process between the University and the NTT Union, trusting negotiations carried on in good faith will result in a mutually agreeable contract and pay increase.

The LEAPForward initiative continues, and we would like to recognize and thank the staff who have dedicated their time to keeping that very large project moving forward. And of course, though over a month ago, I still don’t think we’ve come down from the high seeing Redbird Football battling it out in an incredible effort for the FCS championship down in Frisco, Texas.

At the end of this month, the College of Business’s annual Business Week, will feature CFO of Chipotle Jack Hartung as the keynote, speaking on building a sustainable business culture. The spring semester will also see Science and Technology Week, hosted by the College of Applied Science and Technology, as well as Communication Week, hosted by our School of Communication. April will also see the first ever “RedbirdHacks,” an interdisciplinary hackathon for all students to prototype, program and pitch their ideas to corporate sponsors.

We look forward next week’s visit to campus by our candidates for the Vice President for Academic Affairs and Provost, the first of two vice presidential searches on the calendar for this semester. Thanks goes out to the search committees for both the Provost search and the Vice President for University Advancement search as we move forward in creating a strong leadership team for this fine institution.

During the State of the University, President Dietz mentioned specifically that he would “walk the talk” in “attracting administrators from underrepresented groups.” We like to commend the president in doing just that, appointing Jonathan Lackland as our new Director of State Government Relations, the first African-American direct report to the president in 10 years.

This week has been a big one for Illinois State. Presidential Scholarship Interviews, Founders Day, and of course, Wednesday saw the Governor delivering his budget address. While simultaneously lauding the importance of education to the state, the new budget includes a 31% cut in state funding for Illinois State and other public universities. Such a cut, as President Dietz has mentioned, would push us back to approximately 1984 as far as state-appropriated spending is concerned (or if you subtract unfunded state mandates, 1979). Detrimental doesn’t begin to cover what this would mean for the University’s ability to remain competitively affordable, devastating hits a bit closer to the mark. Also looming on the horizon is the pension issue, which, if the governor moves forward with his plan, may make it extremely difficult to maintain and recruit talented faculty and staff to Illinois State.

We recognize and appreciate the fiscal responsibility shown by our campus leadership in their continuing efforts to work through what can only be described as trying times with regards to our state budget, and look forward to future discussion in how best to address the needs of keeping an Illinois State University education affordable, while being able to still offer the individualized attention that sets us apart from every other university in the state.

The budget process will be a long one, with hopefully many revisions to come. That being the case, it is imperative that our campus leadership, our alumni, and the Board strengthen and cultivate relationships with our state officials, in an effort to advocate on behalf of the institution with respect to funding. Thank you.

Dietz: Thank you Alex. Now I would like to ask to the podium, Kent Gaffney, from our legislative consulting group McGuire-Woods, to provide a legislative update.

**LEGISLATIVE REPORT**Gaffney: Thank you very much. First I would like to say on the substantive bills the process has just really begun. I think the legislators come in for the new session, start filing the substantive bills for the committees. They have probably filed close to 2,000 pieces of legislation at this point and the hearings will start picking up as we go through. We will track all of those bills and be in communication as far as things that have a major impact.

Just to touch on, again, what everyone else has done a little bit, I think it is important to hit on the timeline that was referred. The first immediate issue that is before the University is the remainder of FY2015. There has been negotiations on-going really before Governor Rauner was in office. The negotiations started where he basically said that under his math he believes there is a $1.6 billion shortfall and that shortfall is based upon underfunding of childcare programs, prison guards and a lack of revenue growth that was projected and also there was a piece of the budget that would allow Governor Quinn to go into all the special state funds throughout the state – take money out of those special state funds, but he would have to pay that back within 18 months. Governor Rauner has stated that he doesn’t want to borrow money from those funds and pay it back. So if you add up that math it ends up being about $1.6 billion.

What the concern is that in the legislation that is being negotiated, he proposed having the sole authority over his four-year term to reach into special state funds by himself without oversight and basically take that money, not as a loan. And also require reserves on state agencies and universities unilaterally by himself and in several other items as such. The legislative leaders and I would probably say all the members of the caucuses have not gone along with that plan. So negotiations have gone on for about five weeks now and it is at a point now where they are saying you can do some of these things but we are going to cap how much you can take, we are going to cap how much you can take out of funds, what you can do with reserves. So that discussion is on-going as I left Springfield late yesterday. The Senate is not is session next week, so there isn’t a bill in place for this to come out tomorrow – so the earliest we are going to see something on this is the week after next and then we will have an idea if there is an impact to the University and every other entity throughout the state that impacted by the state budget. So that is the immediate concern there.

Just to touch real quick to put in context what we are facing as far as the state budget. I just kind of want to add a few details to that. What Governor Rauner says when he is coming in – if you carried on the spending as the state has currently with the certified budget payment and with the Medicaid payments and so forth, that would be about $38 billion worth of spending. What the state has is $32 billion, so he is saying there is a $6 billion structural deficit where you have $6 billion less dollars than what you would be spending. So to make up that deficit, that is what his budget is based upon, and again what was referred to was the pension issue.

He says $2.2 billion dollars to make up that $6 billion will be to take Tier I pension employees and move them to Tier II and that will save you $2.2 billion. I think that everyone is this room knows, there has been pension discussion and reform conversations going on. I think the previous Senate Bill 1 is in front of the Supreme Court and whether or not that is constitutional or not is still an on-going legal debate, but I am pretty confident to say that you will not pass a bill for $2.2 billion and change Tier I to Tier II and not have that go to the courts. So to build into a budget plan $2.2 billion that you can apply in FY2016 is probably unlikely. So there is a major piece of the budget that probably is not going to happen. That is going to get you to the negotiating table.

Another piece as everyone is well aware of is the local government distributive fund. It’s a portion of the income tax and gets returned back to local governments – he is reducing that from 8% to 4% for a savings of about $630 million. Among the city of Chicago and others, I think that would be a huge hit to their budgets and will be a very contentious thing to pass within the legislature. There are some Medicaid issues that the legislature passed on a bi-partisan working group last year. All of those that just passed in May would basically be repealed out and have a value of about $320 million.

And group insurance, health insurance for state employees and union members is another huge piece of his plan – about $700 million. The union contracts are up for negotiations. That roughly cuts the cost of their state insurance in half and he says he is going to do that by increasing their co-pays, reducing their medical benefits and so forth. And, again, between now and when the union contracts are finalized, it is going to be a very contentious deal – but to reduce that by half is a pretty high goal.

So, just those four pieces make up about $4 billion of lot of issues in front of it and it is worth repeating, this is just a starting point. This is a document that is put out. We passed a law a few years ago which basically said you can’t introduce legislation that brings in new revenue that hasn’t become law and then use that revenue to appropriate in a budget proposal. Going back a little bit in history we had things like selling the Thompson Center for $300 million and we are going to increase education funding. Well you never sold the Thompson Center for $300 million. There was the gross receipts tax for $1 billion that was put out there a few years back – we are going to do that for $1 billion and here is how we are going to spend it. So basically the legislature said you can’t do that anymore. So Governor Rauner’s hands were tied a little bit as far as what he is able to propose. And that is why you see some of these drastic issues laid out. But again it is step one – we have a long way to go.

Representative Brady is in Springfield today working with the legislators and the other caucuses to address the issue of higher education and the other issues. Also he asked me to mention technically how it works as the minority spokesperson on the Higher Education Appropriations Committee – the good thing is he is there and he will have a very strong say in what comes out of that committee and what the final product is. The bad thing is in that position he will be the co-sponsor of Governor Rauner’s bill that cuts education by 30%. So if you see that come out in the press and so forth over the next day or two, just know that technically that is how it has to be. It will be Jim Durkin, Representative Brady co-sponsoring that and I believe Senator Chapin Rose will also be co-sponsoring the legislation because they are Republicans and the Governor is Republican.

The immediate concern the remainder of FY2015 and what we may face here probably we will know in a couple of weeks. The rest of the budget process will be on-going. Jonathan and I will be working thru the substantive bills as they are filed and work with everybody thru that process as we continue on.

Thank you Kent and welcome to board.

Bergman: Kent, you are a former state representative. Where was you district?

Gaffney: 57th District – I had Fox River Grove, Cary, Barrington.

Bergman: Northwest burbs?

Gaffney: Yes.

Bergman: Thank you.

**REPORTS**I have three reports for you this morning. With your approval Trustee Donahue I will move to these reports.

**Report 2015.02/1000.01: Goal Statements**As you know, each year the President prepares goal statements for the Board of Trustees and for the University community. The Board of Trustees engages in a similar exercise during its fall retreat. Copies of both statements were made available for today’s audience.

The sets of statements provide guidance for and are aligned with *Educating Illinois*, the University’s strategic plan, and the University Master Plan for physical development. Both documents reflect considerable interaction with every facet of the University community.

**Report 2015.02/1000.02: Affirmative Action Plan**The 2015 Illinois State University Affirmative Action Plan represents the University’s commitment to achieving equal employment opportunities for traditionally underrepresented groups as well as providing a positive multicultural experience to the students, faculty and staff who live and work in this complex global society.

Represented in this year’s plan are University efforts to increase the visibility of employment opportunities to traditionally underrepresented groups, educate faculty and staff on the recruitment resources and funding available to assist in these efforts, and set forth expectations to build on the University’s strengths and address challenges in our overall commitment to equality and diversity. I want to thank Shane McCreery, our Director of Equal Opportunity, Ethics and Access, for compiling this report.

Davis: I would also like to thank those who were involved in developing the report. I would, however, like to focus on page 1 on the report – the Goal Attainment chart. Let me first of all say I really do appreciate having a chart because what it does is it gives in a glimpse the stats and a prospective as to where we have had gains to occur and where there are some areas that we really need to work on. I did have some question in regards to some of your columns, your categories. What you define as protective group placements – what are we talking about there?

McCreery: Those would be traditionally underrepresented populations – African Americans, Hispanics, Asians, Native Americans and Pacific Islanders.

Davis: And the Expected Protected Group Placement?

McCreery: In total placements that shows in the last fiscal year how many employment opportunities have been available in each job category. The protected group placements – let’s pick the first category with official managers – we had 34 total opportunities for hire. Of those 34 we had 4 that were a racial/ethnic category that would qualify under the plan. The expected protected group placements – the Office of Federal Contract Compliance identifies that out of 34 placements there was an expectation that 4 of those would be of minority background. So, therefore, when we had 34, we hired 4, we met that goal. Taking the next category – professionals – in that situation we had 91 opportunities for hire, 10 of those 91 were minorities. The OFCCP’s goal was 16, so we did not meet that criteria.

Davis: Giving an overall summation or conclusion in terms of what we have before us in this report, what would your comments be?

McCreery: The availability of minorities in certain job categories is on the rise, so the University has an affirmative duty to target those populations and hire those populations so that we are at par with the available labor force. The areas where we are experiencing most growth for our available labor area is actually Hispanics and Asians. We continue to apply our emphasis on diversity on all categories, but we are strategizing with the individual hiring authorities to do a better job of providing outreach and non-traditional recruitment opportunities – not just posting something on the website – but networking thru discipline specific publications and word-or-mouth to attract a more diverse search pool, which would then in turn lead to more diverse hires.

Davis: Thank you.

Bergman: Are you aware of DFI, Diversifying Faculty in Illinois?

McCreery: Previously served on the executive committee.

Bergman: I am aware of it also being on the BHE and we have some very fine people that are coming up and getting doctoral degrees. I certainly hope there is a methodology here that Illinois State University is looking at the qualifications of those folks. Unfortunately, about half of them go into industry, but there are still plenty of fine folks that we have and I hope that there is a methodology for ISU to consider them.

McCreery: Yes we do. We still representation on that executive committee. My office posts our job vacancies on the DFI job board to attract applicants from that category.

Dietz: The overall answer is that we have more work to do.

**Report 2015.02/4000.01: Grant and Contract Activity**Illinois State University receives funding for externally funded projects from federal, state and private sources. Externally funded grants and contracts support professional activity of faculty and staff members in basic and applied research, instructional programs and community service. You have the report in your material, but I just wanted to point out a few items.

University sponsored projects awarded in FY2014 totaled $19.5 million—an 8 percent increase from FY2013. This increase occurred along with a 12 percent increase in the number of awards, which totaled 253. The Colleges receiving the most external funding in FY2014 were the College of Education at $8.7 million, the College of Arts and Sciences at $5.7 million and the College of Applied Science and Technology at $1.7 million.

During FY2015-2016, Illinois State will continue several programs that are designed to improve the success rate of proposal submissions, and to encourage higher levels of submission. Each of these initiatives is aligned with the Strategic Plan for Research, Scholarship and Creative Expression, which is detailed in your board packets**.** I might add that even though we never would like to see a rejection on any of our proposals, that obviously happens from time to time and we learn a lot from what they tell us whenever they don’t approve a proposal. My thanks to Associate Vice President Dr. John Baur for compiling this report.

**RESOLUTIONS**There are 11 resolutions this morning. With your approval Trustee Donahue, I will move to them now.

**Resolution 2015.02/01:Nelson Smith Building and Julian Hall Roof Replacement**

The roof of the Nelson Smith Building is 20 years old and the roof over Julian Hall is now 28 years old, and both are now in need of replacement. The total project costs not to exceed $1.3 million, with funding coming from General Operating Revenue. I ask your approval for this resolution.

Donahue: Can I get a motion and a second? Trustee Davis so moved and was seconded by Trustee Schumacher. Any discussion? Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2015.02/02:Authorization for Parking Lot Resurfacing and Lighting**

This project addresses three separate parking lots that are all close to each other and provide almost 600 parking spaces for faculty, staff and students. The plan is to redevelop the three lots into a single lot to improve traffic flow and parking efficiency, and to replace the lighting for safety and efficiency. The cost is not to exceed $1.4 million, with funding coming from Parking Reserves. I ask your approval for this resolution.

Donahue: Can I have a motion and a second? Trustee Churney so moved and was seconded by Trustee Kinser. Any discussion?

Schumacher: I would just like to say that I had to park in one of these lots when I was in one of the residence halls and it was a nightmare, so I am glad to see it be redone.

Donahue: Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2015.02/03: West Campus Fire Alarm Replacement**

The West Campus Complex includes Wright, Wilkins and Haynie Halls and the Linkins Dining Center. You might remember these were the first residence halls to undergo extensive renovations about 12 years ago. We now seek to upgrade the existing fire alarm system to bring them up to code. The improvements will include audible alarms and enhancements to each building system’s main panel. The cost is not to exceed $940,000, with the funding coming from Housing Revenue Reserves. I ask your approval for this resolution.

Donahue: Do I have a motion and a second? Trustee Churney so moved and was seconded by Trustee Kinser. Any discussion? Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2015.02/04: University VoIP Installation**

VOiP stands for Voice Over Internet Protocol, a phone system that provides safety and security features not available on the outdated University High School phone system. The cost to purchase and install the technology is not to exceed $750,000, with funding coming from General Operating Revenue. I ask your approval of this resolution.

Donahue: Do I have a motion and a second? Trustee Schumacher so moved and was seconded by Trustee Davis. Any comments? Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2015.02/05: Renewal of Student Health Insurance**

Our Student Health Insurance and Accident Plan expires in August of this year. During your meeting three years ago, the Board approved an agreement with Aetna Student Health which included a provision for up to 9 renewal periods upon mutual agreement. Today, we ask the Board to approve the renewal for the 2015-2016 policy year and approve a student health insurance rate of $249 for the 2015-16 academic year and a rate of $187 for the Summer 2016 session. This represents a 6.9 percent increase over last year’s rate. I ask your approval for this resolution.

Donahue: Can I have a motion and second? Trustee Schumacher so moved and was seconded by Trustee Churney. Any discussion?

Schumacher: As a student who is using this health insurance I want to say that personally I think it is a very good plan. I have been talking with the folks from student insurance all year and if you look at the chart we were given comparing to other state schools, we are second to the lowest just compared to Eastern but we have a much more comprehensive plan than they do.

Donahue: I would just like to say that I was at an alumni event prior to the Loyola basketball game in Chicago and a young man named Aaron came up to me and advised me that this was going to be at the meeting. I guess Aaron worked on this and like I say every time this place is such a special place because Aaron showed so much passion and love for insurance and I listened for him for about 20 minutes, and I say that in a very good way, and I thanked him for taking the time to tell me the importance and how this is needed. I wholeheartedly endorse this. Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2016.02/06: Higher Learning Commission Accreditation Assurance Argument:**

As I indicated in my earlier remarks, accreditation is the primary process for assuring and improving the quality of higher education institutions in the United States and for ensuring compliance by the institutions with federal statutes and codes. During your October meeting, the Board received the latest draft of the Assurance Argument and a status report on the reaccreditation process.

Today, we ask for your endorsement of the Assurance Argument, and that it accurately and effectively documents University compliance with criteria established by the Higher Learning Commission. I ask your approval for this resolution.

Donahue: Can I have a motion and second? Trustee Churney so moved and was seconded by Trustee Davis. Any discussion? Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2015.02/07:Authorization to Rename Former Drivers Education Building**

This resolution is a simple name change to reflect the operational use of a building that has been repurposed and reassigned to the Campus Recreation Department. I ask your approval of this resolution.

Donahue: Do I have a motion and a second? Trustee Schumacher so moved and was seconded by Trustee Kinser. Any discussion? Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2015.02/08: Approval of B.A., B.S. in Fashion Design and Merchandising**Trustees, these final four resolutions all ask your approval for the establishment of new instruction, which also requires approval from the Illinois Board of Higher Education. They would create stand-alone programs in the Department of Family and Consumer Sciences within more comprehensive departments. The first asks for degree granting authority for the B.A. and B.S. in Fashion Design and Merchandising. The program is intended to prepare students for careers in the global apparel and textile industry. Enrollment is project at 135 full-time students once fully implemented. I ask your approval for this resolution.

Donahue: Do I have a motion and a second? Trustee Davis so moved and was seconded by Trustee Kinser.

Bergman: Mr. Chairman, please not that I am going to abstain on this motion and the next three motions because these require approval of the Illinois Board of Higher Education.

Donahue: We will recognize Trustee Bergman’s abstention. Motion made, seconded and all members present voting aye with one abstention.

**Resolution 2015.02/09: Approval of B.A., B.S. in Interior Design**

This curriculum is intended to develop students’ skills and knowledge in design, sketching and technical knowledge, including knowledge and skills needed to pass the National Council for Interior Design Qualification certification exam. Enrollment is projected at 100 full-time students upon full implementation. I ask your approval for this resolution.

Donahue: Can I have a motion and second? Trustee Davis so moved and was seconded by Trustee Schumacher. Any discussion? Motion made seconded and vote recorded as all members present voting aye with one abstention.

**Resolution 2015.02/10: Approval of B.A., B.S. in Food, Nutrition and Dietetics**

The curriculum of this proposed program includes two options: Dietetics and Food and Nutrition Management. The program will prepare students for careers promoting optimal health, as well as careers in the food industry by combining business and management principles with food service and hospitality skills. Enrollment in the program is projected at 120 full-time students upon full implementation. I ask your approval for this resolution.

Donahue: Can I have a motion and second? Trustee Churney so moved and was seconded by Trustee Schumacher. Any discussion? Motion made, seconded and vote recorded as all members present voting aye with one abstention.

**Resolution 2015.02/11: Approval of B.A., B.S. in Human Development and Family Sciences**

The curriculum of this program is intended to prepare students to provide educational, preventative and intervention services to individual families to enhance personal family and community well-being. Graduates will be prepared for careers in a variety of settings, including residential facilities, hospitals, crisis centers, child-care, and universities. Enrollment is project at 130 full-time students upon full implementation. I ask your approval for this resolution.

Donahue: Can I have a motion and second? Trustee Kinser so moved and was seconded by Trustee Schumacher. Any discussion? Motion made, seconded and vote recorded as all members present voting aye with one abstention.

Dietz: Thank you very much. I would also like to commend the faculty and the administrative staff in these respective areas for taking a close look at their curriculum, making sure that it is up-to-date, and capturing the interest in the workforce’s needs in the state of Illinois.

Trustee Donahue, that completes today’s resolutions.

**Donahue**: Thank you President Dietz. In addition to public comments made at each quarterly meeting by the Campus Communication Committee, the Board of Trustees also invites public comment from members of the University community and greater local communities. The process for making public comment can be found through a direct link from the Illinois State University Board of Trustees Website, which is linked to the Illinois State Homepage at [www.IllinoisState.edu](http://www.IllinoisState.edu). There were no requests for public comment for this quarterly meeting.

I would now entertain a motion to move into Executive Session for the purpose of considering the appointment, employment, compensation, discipline, performance, or dismissal of specific employees pursuant to 5ILCS, Section 120/2 (c)(1); collective negotiating matters between the University and its employees, 5ILCS, Section 120/2 (c)(2); litigation which has been filed and is pending before a court or administrative tribunal, as allowed in 5ILCS, Section 120/2 (c)(11); and the purchase or lease of real property as allowed in 5ILCS, Section 120/2 (c)(5). Is there a motion? Trustee Davis so moved and was seconded by Trustee Kinser. Motion made, seconded and vote recorded as all member present voting aye.

We will now move into Executive Session. At the close of Executive Session, the Board will reconvene in public session for a Trustee Education session and to adjourn. No action will be taken during this session. Thank you all for coming today.