

**MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF
ILLINOIS STATE UNIVERSITY
BOARD RETREAT**

JULY 14, 2025

The Board Retreat of the Board of Trustees of Illinois State University was convened on Monday, July 14, 2025, at 8:33 a.m., at the Holiday Inn & Suites and Rock Run Convention Center, 1471 Rock Creek Blvd., Joliet, Illinois. Dr. Kathryn Bohn, Chair of the Board, called the meeting to order.

Roll was called and the following trustees answered present:

Kathryn Bohn, Chair
Ryan Russell
Julie Hoeniges
Lia Merminga
Bob Navarro, Secretary
Darren Tillis

The following trustee(s) were absent:

Scott Jenkins
Doug Peterson

Others present:

President Tarhule, Provost Yazedjian, Vice President for Finance and Planning Glen Nelson, Chief of Staff Katy Killian, Vice President for University Advancement Pat Vickerman, Vice President for Student Affairs Levester Johnson, Director of Intercollegiate Athletics Jeri Beggs, Interim Chief Equity and Inclusion Officer Byron Craig, and Board Counsel Carrie Haas.

After confirming there was an in-person quorum, Chair Bohn asked for a motion to approve the agenda. Trustee Tillis, seconded by Trustee Hoeniges, motioned to approve the agenda. The Board vote to approve the agenda was unanimous. The motion carried.

Chair Bohn next called for public comments. No members of the public requested to address the Board.

Chair Introduction

Chair Bohn welcomed and thanked the Board for their attendance at the board retreat.

Chair Bohn next asked Board Counsel Haas to present an overview of Trustee Roles and Duties.

Board Counsel Haas presented an overview of Trustee Roles and Duties including discussion of the trustees' fiduciary duties to the University.

Chair Bohn next asked President Tarhule to lead discussion on the agenda items.

President Tarhule presented on the goals for the board retreat and presented on the "big picture" context including discussion of the issues facing the University identifying both external and internal factors. Discussion was had regarding the long-term financial health of the University in light of a decrease in state funding, a decrease in purchase price power and the declining number of high school graduates (enrollment cliff).

President Tarhule also highlighted the University's accomplishments including a new budget redesign, a balanced budget, record fundraising, a new ambitious strategic plan, the College of Engineering, successful HLC accreditation, and the fulfillment of University positions.

President Tarhule next asked VP of Finance Nelson to lead a discussion on Budget Overview, Process and Forecast.

VP Nelson first discussed the overall budget system (the need to move from a decentralized system) and the work being done by consultant Grant Thornton. VP Nelson stated that FY25 is projected to balance and discussed the initial actions taken by the administration to address financial challenges facing the University including redefining financial aid strategies, elimination of redundant software licenses, reduction of Board/President events, reduction of instructional capacity, and elimination of national memberships.

VP Nelson next discussed that FY26 will be a transition year for the University and identified enrollment, funding uncertainty and inflationary increases as significant concerns. Discussion was had regarding financial aid, tuition costs, expenses and reimbursements for special education waivers. VP Nelson stated that it will become increasingly difficult to balance the budget in light of the circumstances. Discussion was had regarding what the Board can do to help. After a brief break, VP Nelson

introduced Rick Strasser from Grant Thornton. VP Nelson next discussed stakeholder engagement.

President Tarhule next asked VP Vickerman to provide a Campaign Update.

VP Vickerman provided a historical background of public university fundraising and that ISU did not get serious about fundraising until the late 1990s. Discussion was had regarding the 1st and 2nd fundraising campaigns, and the record-breaking fundraising secured for 2025. VP Vickerman next discussed ways to increase endowment value and identified the timeline for the University's next capital campaign. Discussion was had regarding gifts and fundraising for the College of Engineering and College of Business.

President Tarhule next asked Chief of Staff Killian and Interim Chief Equity and Inclusion Officer Craig to lead discussion on Legislative Priorities and to provide Federal Landscape Update.

Chief of Staff Killian stated that the University's legislative priorities remain the same as before: increase in state funding, reduction in unfunded state mandates, and passage of the equitable funding bill. Discussion was had regarding work with elected officials to support the University's legislative priorities.

Interim Chief Equity and Inclusion Officer Craig and Killian led a discussion on the federal landscape impacting the University and the student body. Discussion was had regarding the executive orders issued by the Trump Administration including their impact on the University's ability to enroll and retain international students and obtain funding through grants. Discussion was next had regarding support and assistance available to undocumented students and international students.

After a short break, President Tarhule asked Director Beggs to lead discussion on the NCAA House Settlement.

Athletic Director Beggs provided a general overview of the NCAA House Settlement and NIL (name, image, likeness). Discussion was had regarding the two major changes from the NCAA House Settlement (roster caps and revenue sharing in house) and the NCAA House Settlement's impact on University Athletics. Athletic Director Beggs next highlighted the increased potential of losing student athletes to other schools and that the NCAA House Settlement will require a reallocation of resources. Discussion was had regarding NIL GO, the NIL revenue cap, and that athletics will work with finance and planning to determine best practices for revenue sharing.

President Tarhule asked VP Nelson, VP Johnson and Provost Yazedjian to lead a discussion on the Campus Master Plan Update and Facilities Update.

VP Nelson began by discussing the Campus Master Plan and the need to integrate with *Excellence by Design*. VP Nelson discussed capital budget planning for FY26 and provided building project updates focusing on the Wonsook Kim College of Fine Arts (WKCFA) and the STEM Building. Discussion was had regarding the Capital Development Board, delays associated with the funding of approved projects specific to WKCFA and the STEM Building, and the need of the University to complete the STEM Building by Fall 2027. Provost Yazedjian provided an update regarding the College of Engineering including discussing student enrollment, curriculum, engineering events and fiscal projections.

After a short break, VP Johnson led discussion on the Housing Master Plan, the University's need for more student housing and updates to available options. VP Johnson introduced the Director of University Housing Stacey Mwilambwe and the Assistant Vice President for Business Operations for Student Affairs Wendy Polifka, and presented on the need for new student housing and the options available to the University. VP Johnson discussed Design Build v. Public/Private Partnership (certified housing) options and debt capacity/financial ability of the University. Discussion was next had regarding the student cost of new housing, student need for new housing, and the status of existing housing. VP Johnson identified an additional 1,200 beds as ideal but an additional 900 beds as more realistic. The Board and the administration highlighted that new student housing is a top priority.

Adjourn

At approximately 3:50 p.m., Trustee Tillis, seconded by Trustee Navarro, made a motion to adjourn the meeting. The Board unanimously agreed to adjourn. The motion carried.