

**GOVERNORS STATE UNIVERSITY
BOARD OF TRUSTEES
ANNUAL BOARD RETREAT**

**Minutes of the August 4-5, 2013 Meeting
Matteson Holiday Inn Convention Center**

Jack Beaupre, Chair

CALL TO ORDER AND ROLL CALL

The Board of Trustees Annual Retreat took place on Sunday-Monday, August 4-5, 2013 at the Matteson Holiday Inn Convention Center. The meeting was called to order by Chair Beaupre on August 4 at 4:09 p.m. Trustees Jack Beaupre, Brian D. Mitchell, Eileen Durkin, Patrick Ormsby, Anibal Taboas, Lorraine Tyson and Student Trustee Kayla Randolph-Clark were in attendance. Trustee Bruce Friefeld arrived at 4:29 p.m.

Others present: Elaine P. Maimon, President; Deborah E. Bordelon, Provost; Gebeyehu Ejigu, Executive Vice President/Chief of Staff; Karen Kissel, Vice President for Administration and Finance; Courtney Kohn Sanders, Vice President for Enrollment Management and Marketing; Will Davis, Interim Vice President for Development; Maureen Kelly, Director for Governmental and Community Relations; and Alexis Kennedy, General Counsel.

REPORTS

President Elaine P. Maimon

President Maimon thanked everyone for attending the Board Retreat. Maimon gave the following remarks: GSU was founded in 1969, the year of the first moon mission, and GSU's logo reflects this bold commitment to achieving difficult challenges and upward momentum. As we move forward with *Strategy 2015* GSU is fulfilling the vision of our founders as a full-service university, characterized by innovation and big ideas. GSU is a Public Square, not an ivory tower, in our inclusiveness and our capacity to unify the region. The first-year program for freshmen entering in fall 2014 reflects decades of research. There will be a strict limit of 270 students, with an early action deadline in November 2013, and three cohorts that include global citizenship, civic engagement and sustainability. Core curriculum has been developed in conjunction with the Illinois Articulation Initiative (IAI) so that students' credits will be transferrable. The General Education Task Force is utilizing an infusion model to enliven courses from within and foster writing across the curriculum, innovative and critical thinking, civic responsibility and ethical decision making. The goal is to expose students to many areas of study that they may not have thought of before committing to a major. The faculty have been working diligently on the curriculum to ensure it fulfills the University's high standards.

GSU also continues to promote its quality transfer pathway through the community colleges alongside recruitment of GSU freshmen. Maimon reported the president of Northern Illinois University was amazed that the GSU viewbook contained information for incoming freshmen as well as the lower cost Dual Degree Program (DDP). By taking a both/and NOT an either/or approach GSU is gaining national recognition as a model for other universities. Maimon thanked the Board for their support of the DDP, First Class 14, and Prairie Place, the student housing complex. She went on to explain that the housing will not consist of traditional dorms, but rather will be suite and apartment style housing. There will be approximately 290 beds in the first phase, and will house all level of students from freshmen to doctoral. The cohort themes will include full integration into the intellectual life of the campus with such activities as the Sustainability Cohort working in the GSU garden; the Global Citizenship Cohort participating in programs with international students; and the Civic Engagement Cohort engaging in voter registration and other civic activities.

Maimon continued by stating a full-service university must be committed to the health of the mind and body, and therefore team and intramural athletics will be discussed later in the Retreat by Executive Vice President Ejigu and Dean of Students Aurelio Valente. She stressed the benefits of having recreational opportunities for students both living on campus and commuting, and the need for GSU to update their current recreational facilities. She praised the completion of phase I of the E/F Wing renovation, which now provides students a learning environment that is state-of-the-art. Phase II is scheduled to be completed next year and we look forward to providing science facilities that are worthy of 21st century students.

Maimon reported that GSU has formed partnerships with universities in China, Turkey, India, Ethiopia and Chile. Currently a dozen faculty members from Sakarya University, 90 miles from Istanbul, are on the GSU campus for immersion studies in English. Sakarya wants all its faculty members and students to learn English, and for as many as possible to study with us. These types of opportunities will allow place-bound students to have intensive study-abroad experiences, as well as gain new global insights from interacting with an increased number of international students on campus. A recent article in the *Chronicle of Higher Education* titled “Interacting with International Peers in College May Confer Lasting Benefits” reported on research findings from Duke University that showed, “American students who interact more with their classmates from abroad don’t just gain greater cultural awareness but also develop skills that benefit them after graduation.” These are the types of experiences all GSU students should have.

In light of Mission Forward, Maimon asked the Board to look at the Seven Imperatives she listed six years ago in her Installation Address: 1) GSU will expand access to underserved student populations; 2) GSU will be a student-centered university; 3) GSU will be a model organization that asks, “Why Not?” and listens; 4) GSU will help unify the Chicago Southland, as well as Kankakee and Will Counties; 5) GSU will apply expertise in research, scholarship, and creative

activity; 6) GSU will be committed to a seamless educational experience, preschool to graduate school (P-20), with special emphasis on partnerships between GSU and community colleges; and 7) GSU will provide a debt-free baccalaureate education for local community college transfer students at the poverty level. The admission of freshmen, building student housing, the Dual Degree Program, and the GSU Promise, among other initiatives, are fulfilling the Seven Imperatives. Maimon referred to one of her favorite authors, Flannery O'Connor, who wrote a short story called, "Everything that Rises Must Converge." At GSU she sees important convergences in 2014, as its reputation rises, the new science labs are in use, the freshmen are coming, Prairie Place is under construction, the playing fields will be renovated, and global relationships are developing and thriving. The Board's decision to approve the admission of freshmen made these convergences possible. This big change brought together all the other changes into a whole that is definitely more than the sum of its parts. Many thanks to this Board for creating an environment that allows GSU to become a model twenty-first century university.

Beaupre stated he and Trustee Friefeld, who have been on the Board the longest, have seen great things occur at GSU during their time on the Board. Recently there has been an infusion of very accomplished people to the Board and GSU is in a position to make the kind of decisions to enhance what has gone on in the past and grow even more in the future. It is his belief that only the best is in sight for GSU in the future.

Beaupre asked Maimon to comment on recent legislative issues in Illinois that effect GSU, after having spent a good deal of time with the other university presidents addressing issues involving Illinois public universities. Maimon reported that the very last piece of legislation to be introduced was based on the "Six Simple Steps", a paper by the University of Illinois' Institute of Government and Public Affairs, and introduced by junior senator Mike Hastings. The Conference Committee, consisting of members of the Senate and the House, was created to find a solution to the pension problem, and two university experts have been behind the scenes working on this issue consistently. The hope is that there will be a settlement before Labor Day, or at least a partial settlement called a cost-shift settlement, with costs shifting toward the universities on a gradual basis. The university presidents have agreed to such a settlement because in the large context of things the universities can deal with a predictable cost shift at 0.5% per year as long as the other liabilities of the State are settled under pension reform. Attached to the bill are relief measures that would loosen restrictions universities currently confront with regards to procurement. Maimon pointed out that the good news is that things are moving forward in a positive direction.

Tyson asked what a cost shift of 0.5% per year would relate to in dollars. Ejigu stated that is dependent on the different rates of contribution associated with individual retirement plans, but that it would probably equal \$250-400K per year. Maimon added that amount is much less than when the universities are hit with deep cuts in appropriations. Friefeld asked how many years the

university would experience a 0.5% per year increase. Ejigu responded that the final contribution is 8%, so it could take 16 years, which in today's dollars, if the university were to pay the total 8%, it would equal approximately \$2.5-3M. Ormsby commented that during this period there will not be any guarantee that appropriations will not be cut, and Ejigu agreed, however if the entirety of the pension reform is incremental there are studies that show the State will come back to some degree of financial health. Ormsby added that there are a lot of complicating factors within the State. Ejigu replied that the question is: what options do we have? Maimon commented that President Cullerton went on record about the amount of money that would be freed up if the pension reform could move forward. She added that in its various public testimonies the universities have expressed their willingness to look at the cost shift, be good citizens, and share the pain. She could not think of another state where the state pays the pensions for the employees and the employers do not; it is an anomaly in Illinois. Therefore taking over the cost shift will stabilize the pension system. Maimon pointed out that the FY14 appropriations were level with FY13, which Cullerton stated was because of higher than expected tax revenue.

Beaupre asked how the proposed legislation would affect individual retirees. Maimon responded that the biggest change will be in the cost of living adjustment (COLA). Currently retirees get 3% each year compounded even though current employees have not been getting 3% yearly increases. She acknowledged that some retirees are not happy about the proposal to change the COLA. She stated some are arguing that in terms of the constitution, pension benefits are invaluable and can't be changed; however the 3% COLA was developed by the Comptroller and isn't in the constitution. The presidents and chancellors propose the COLA be tied to 0.5 of the consumer price index. The University can protect future employees this way. Maimon pointed out that another change proposed is the difference in the ERI (estimated rate of interest), which is an unfunded liability in the pension and is having deleterious effects in the bond markets. Fairly arbitrarily an expected rate of interest of 7% has been used, which is way higher than one should expect and doesn't make sense. It should be reduced moving forward.

Tyson asked Maimon to expand on state appropriations. She responded by explaining there are 14 public university campuses in Illinois, and in 2011 performance based funding was initiated. It is basically an incentive for the universities to compete with themselves, not with their sister universities. The presidents and chancellors asked the legislators to keep the amount of money for performance based funding at a very low level. Ejigu stated that on the operating budget side all the state universities received the same increase percentage, and no universities saw a decrease. The state set aside 5% of the total pool of university appropriations and based on performance criteria they distributed it. Two to three universities received very small amounts, and GSU has done well. Tyson asked for any available data, and why some universities receive more capital than others. Maimon stated that was a good question, because capital funds often seem to be distributed arbitrarily. She would like to see a South Suburban Coalition that could

help GSU on the capital side, so instead of taking appropriations from another institution and giving it to GSU, the University would receive one time funding. Tyson commented that seems to be something that is easier for legislators to get behind. Ormsby asked if GSU has a strategy to adjust spending if in fact it does not get the state appropriations it needs. Ejigu responded that a plan is in place, and it is always assumed a certain amount of appropriations will be held back, as in the past, or that GSU will not get reimbursed. Provisions and reserves are set aside, and for FY14 a 5% reduction exercise was carried out in anticipation of that.

Maimon pointed out the list of legislation that may have an effect on GSU. One of particular interest is House Bill 513 – Alternative Certification Program Deadline Extension. She explained that Maureen Kelly worked with the Senate, House and Governor’s office to have this special piece of legislation passed for GSU. Maimon expressed her pleasure that GSU has their own person in Springfield to push such items through, and she thanked Kelly for being on top of it.

DISCUSSION ITEMS

Lower Division Curriculum, Freshman Admission Criteria, and Enrollment Trends

Provost Bordelon gave a quick overview of the lower division courses being proposed utilizing a Power Point presentation. The information was also in the Board Book. She explained that the three cohort themes—civic engagement, global citizenship, and sustainability—are not tied to any specific undergraduate major. Since GSU has the opportunity to grow the curriculum from the ground up the General Education Task Force is working to build innovative programming that is cohesive among curricular, co-curricular, and extracurricular activities. Bordelon pointed out that being a freshman is a scary endeavor, and there often isn’t a whole lot of opportunity to interact, so these initiatives will allow students to interact and bring them together more. The three cohorts will have 90 freshmen each, although there will be some flexibility among the cohorts. All courses will be aligned with Illinois Articulation Initiative (IAI) so they are transferrable. This has been an intense initiative, but is a very important one. Randolph-Clark asked how things will be handled if more students want one cohort over another. Bordelon explained that students are being asked to rank their preference.

Durkin asked how faculty are being engaged in this freshmen endeavor. Bordelon responded that those building the courses have been talking to their colleagues, bringing the information back to their divisions and colleges, and there has been a great deal of conversation on the subject. Ejigu pointed out that over the past seven years a significant number of faculty have retired, and approximately 15 new faculty per year have been hired over the last six years. Since bringing in freshmen was proposed, hiring of faculty has been very deliberate and purposeful, so the faculty profile has been changing. Maimon added that there has been a framework within the overall structure to go in this direction by redirecting resources. The deans are involved to make sure faculty are coming on board who are eager to teach first year students. Bordelon stated the

freshman cohort proposal was brought before the Faculty Senate, they are on board with moving it forward, and therefore it has been vetted at many different levels. Durkin commented that it seems the majority of people are excited and on board. Tyson asked if this cohort model was modeled after a program at another university. Maimon responded that she and Ejigu used the same cohort model at Arizona State University-West and that they learned a lot and made adjustments where necessary. She added that the idea of freshman cohorts is less widespread because they require a small class, so they are usually seen at small, exclusive private colleges. Tyson asked that given the innovation of this endeavor is GSU asking corporations or other institutions to get involved. Davis responded plans are currently in the works, with Maimon adding those efforts will be much more active in the coming months.

Kohn Sanders addressed the issue of recruitment of freshmen. Last year a recruiter was hired to work solely with prospective incoming freshmen. GSU has received 100 ACT scores already although the application has not been published yet. Recruiters are in high schools actively recruiting, going to college fairs, attending the State Articulation Fair, as well as community fairs in order to spread the word. In addition GSU has ads on the radio and TV. The Admissions Assumptions were handed out to the Board. Durkin asked if GSU is recruiting in Northwest Indiana, to which Sanders replied yes. Taboas asked for more information with regard to the number of math and science courses that will be required. Bordelon responded that one math and one science course will be required in fall 2014; additional math and science courses will be dependent upon a student's interest or major. Maimon reported that a recent Department of Labor study showed 70% of leadership jobs in the U.S. are dependent on statistics rather than calculus, and GSU plans to help guide students towards statistic because it is more useful in many professions. However this is not stated in the cohort because as students branch out and narrow in on a major they will determine what further math and science courses are needed.

Changes in Credit Rating

Kissel provided a handout from Moody's Investors Service which highlighted a summary rating rationale for the recent downgrade. It indicates that Moody's downgraded almost all Illinois universities due to the economic turbulence in the State of Illinois. Ejigu stated that in other words this action has nothing to do with the financial condition of GSU; it has all to do with the State's financial problems. Beaupre asked if all bonds held by the University are secured by an income stream, to which Ejigu responded they are. Tyson expressed that she works in the public finance arena, and that all those having ties to the State of Illinois have been affected. She asked if the Administration has considered using a financial advisor that has worked at Moody's to maintain GSU's rating. Ejigu responded that GSU does have a financial advisor; however this individual has not worked for any of the credit agencies. He thanked Trustee Tyson for her advice and agreed that the Administration will consult with some of the other college campuses and consider her recommendations. Kissel addressed specific questions on the handout. Taboas asked if GSU has any new financing or refinancing issues coming up. Ejigu responded that there

are none in the foreseeable future; however if significant declines in interest rates occur the University may consider refinancing.

Construction Projects

Kissel presented. Phase I of the E/F wing renovation is complete and occupied. Phase II is underway and based on recent reports by the contractors it will be complete and occupied by February or March 2014, which is four months ahead of schedule. The Engbretson Hall renovation, which is funded by the State, is being done under the direction of the Capital Development Board (CDB). The project is estimated to cost \$800K and will convert the space into a multipurpose, well-equipped space suitable for screening films, Board of Trustees meetings, special events, and classes (the space will seat 60-100 students). Construction is expected to begin in September and should be available for use at the beginning of the spring 2014 semester. The construction of Prairie Place, the on-campus housing development, is on target despite a few setbacks including a very rainy spring and an engineering design error in the height of the first floor. However GSU staff, the design team, and the contractor have worked collaboratively to determine a creative solution that will not compromise either aesthetics or functionality, nor add to ongoing maintenance and operational costs. The contractor, Carlson Construction, has assured the University that they can make up the lost time caused by these two factors. GSU is in the process of developing a strong student housing web presence, and next month marketing efforts will begin on the GSU website. One of the features is a virtual tour that the housing architects created, which Kissel played for the Board.

A recess was called by Chair Beaupre at 5:59 p.m.

CALL TO ORDER - MONDAY, AUGUST 5, 2013

The Board of Trustees Annual Retreat resumed on Monday, August 5, 2013 at the Matteson Holiday Inn Convention Center. The meeting was called to order by Chair Beaupre at 8:34 a.m. Trustees Jack Beaupre, Brian D. Mitchell, Eileen Durkin, Bruce Friefeld, Patrick Ormsby, Anibal Taboas, Lorraine Tyson and Student Trustee Kayla Randolph-Clark were in attendance.

Others present: Elaine P. Maimon, President; Deborah E. Bordelon, Provost; Gebeyehu Ejigu, Executive Vice President/Chief of Staff; Karen Kissel, Vice President for Administration and Finance; Courtney Kohn Sanders, Vice President for Enrollment Management and Marketing; Will Davis, Interim Vice President for Development; Maureen Kelly, Director for Governmental and Community Relations; Aurelio Valente, Dean of Students; and Alexis Kennedy, General Counsel.

APPROVAL OF MINUTES

Chair Beaupre entertained a motion to approve the minutes of the May 17, 2013 Full Board meeting. Durkin made a motion. Mitchell seconded. The motion was approved by unanimous voice vote.

DISCUSSION ITEMS (continued from previous day)

Enrollment

Sanders presented. She reported that last fall only two public institutions in the State of Illinois, the University of Illinois at Urbana-Champaign and GSU, reported increases in enrollment. Some reported declines as high as 7.5%. The fall semester this year is again looking very encouraging with fall enrollment numbers as of July 30, 2013 showing GSU is 7.7% ahead of where it was at this same time last year. Ejigu pointed out that the true numbers will not be available until mid-September; however this is very encouraging news. Tyson asked what the enrollment trend has been in recent years. Ejigu responded that they have been stable to slightly increased. He offered to obtain the data from Institutional Research and provide that to Tyson later in the week. Maimon pointed out that over her presidency there have been significant double digit increases in full-time undergraduate enrollment, which tells an important story about how the University is positioning itself. She also stated it is interesting to see that graduate enrollment appears to be steady if not slightly up, which is significant after several semesters of decreasing enrollment in master's programs. She credited the Deans and the Colleges for this improvement.

Report on the Academic Master Plan

Bordelon presented. She explained that the Academic Master Plan (AMP) process began in fall 2010 to clearly communicate GSU's programmatic growth in alignment with *Strategy 2015*. The Board has been updated at previous meetings of its progress. Bordelon gave a brief explanation of the process. The AMP was developed by former Provost Terry Allison to determine how the goals of *Strategy 2015* were to be achieved on the academic side and to develop new programs. The initial projection covers a 5-year time span, and balances undergraduate and graduate programs, with an emphasis on increasing undergraduate programs. Committee membership includes faculty, advisors, students and administrators, with feedback being welcomed from the GSU community. Both the Faculty Senate and the Student Senate elect members to represent them on the committee, which meets once a month. In the Board Book is a listing of programs that are currently approved and those that are in process. Durkin asked how input is obtained as to what programs are needed in each College. Bordelon explained input is obtained from the College Advisory Committees, which include members of the community in particular fields, as well as purposeful dialogue with hospitals, clinics, schools and other institutions that GSU works closely with. Durkin asked if the Committee looks at other colleges and universities to see what programs they are offering. Bordelon responded that is an important part of the process: looking

at the competition, the needs of the community, and how GSU can fill those needs. Tyson asked for an explanation of what the program in Informatics entailed. Bordelon replied it involves supply chain management, and that GSU is partnering with Harper College in this initiative. Ormsby explained that he is on the Board of the Illinois Manufacturer's Association and that there is a real effort to train and educate students on certain skill sets unique to manufacturing. He added that there are a lot of jobs available in this field but there aren't enough trained individuals. Maimon noted that in admitting freshmen the University had to close some gaps in its offerings in order to become a full-service university. Bordelon concluded by stating all programming developments will be brought before the Board regularly.

Proposal to Expand Recreational and Organized Sports

Maimon introduced the topic and stated that when the concept of admitting freshmen was introduced at a town hall meeting the first question was whether sports and recreation were part of the equation, and indeed the idea of a full service university would include recreational and competitive athletics. She introduced Ejigu and Valente, both of whom have extensive professional experience in collegiate athletics, who presented a White Paper on the topic.

Ejigu stated the purpose of the presentation is three-fold: 1) to review the need for expanding GSU's recreational sports programs and facilities; 2) to assess the need, benefits and feasibility of initiating and developing an organized athletics program; and 3) to seek the Board's guidance on next steps. An overview of GSU's current athletic facilities reveals that they saw 90,000 visitors in the past year which included activities such as swimming, bowling, softball, table tennis, and fitness and wellness. The White Paper, which is in the Board Book, refers to an article that appeared in NACUBO Magazine, *Collegiate Athletics: Not Just Nice but Necessary*. Ejigu and Valente highlighted the major components of the plan to bring competitive athletics to GSU:

- Facility improvements are needed; minor improvements indoor; major improvements outdoor.
- The competitive athletic teams proposed are: Men's and Women's Basketball, Men's and Women's Golf, Men's and Women's Cross Country, Women's Volleyball, and Men's Soccer. Table Tennis is not recognized as an intercollegiate sport and will remain a club sport.
- After visiting several colleges and universities, and extensive research, it was determined that the National Association of Intercollegiate Athletics (NAIA) provides the best scenario for GSU.
- The recommended timeline is to select a mascot this fall for marketing and branding, and begin recruiting in the partner community colleges.
- The costs associated with rehabbing current facilities and the eventual ongoing costs were outlined and provided to the Board.

- Potential risks and plans for avoiding them were outlined.
- Oversight responsibilities of the Board of Trustees will be discussed in depth later in the meeting when governance issues are discussed.
- In conclusion, all things considered, this is the time to introduce intercollegiate athletics to GSU.

Mitchell expressed his belief that it is very important to bring sports onto GSU's campus because there are certain things that go into the student selection process and athletics is one of them. Doing so will add meat to GSU's recruiting efforts, and make the decision of students to come to GSU more compelling. It's part of university life. Mitchell stated he is very supportive of this initiative in conjunction with the full-service university initiative. Durkin asked how the State supports athletic programs at the other universities. Ejigu responded that generally organized sports are specific to each college/university, in that they may use a combination of sources, including an athletic fee for all students and sponsorships among other things. Some states support big time athletic programs by offering the sale of revenue bonds, but direct support for athletics by states is very unusual. Durkin stated that although adding an athletics program will be the financial responsibility of GSU, she is on board. Ormsby pointed out that the large conferences, such as the Big Ten, have revenue sharing sources. Beaupre asked how adding a competitive athletic program will fit into GSU's current budget. Ejigu responded that the present budget has very limited funds for the operation of the existing facilities, which includes a very small amount of revenue from user fees. An athletics fee has not been proposed yet because there is a need for interest and support of organized sports before that can be introduced. Ejigu went on to say that with the limited number of sports being proposed there is an expectation there will be an impact on enrollment, and by the fifth year the University could actually break even.

Randolph-Clark reported she is involved in DDP recruitment in the community colleges, and the two most frequent questions asked by prospective students is whether there is student housing and competitive athletics. She questioned whether an NAIA membership could be converted to NCAA membership eventually. Valente responded that is possible, but not recommended because the NAIA expects a certain level of commitment. Tyson expressed her support for competitive athletics, and asked how much more NCAA membership is compared to NAIA membership. Valente replied that NCAA membership is approximately five times more than the NAIA, and it is much more regulated. In addition the NAIA is relatively scandal-free. Tyson asked what minimum number of teams is necessary to be a member of the NAIA. Valente responded six teams within four years. The various athletic teams being proposed were discussed further. Ormsby expressed his support of competitive athletics at GSU. Friefeld also expressed his support, stating it is a natural part of the 4-year equation. He added that GSU has come a long way since 1970. He looked to the Chair as to which Board committee should oversee athletics. Maimon echoed Friefeld's remarks, stating that GSU must continue to serve well the adult student as well as the traditional age student. She pointed out that the campus has 753 acres,

which includes fields and courts, so someone in the past must have had a vision that one day this discussion would take place. She added that the University has been missing the boat on serving the community college transfer students well, which GSU was created to serve. From a values context, what is being proposed will strengthen GSU traditions and move it forward into the 21st century. Friefeld commented that everything the Board does is in an effort to make GSU a better institution, a stronger institution, and that he believes athletics can make the University stronger if clear policies are developed to ensure athletics do not threaten the strength of academics. Beaupre recommended taking a closer look at what is happening in the local high schools and community colleges to determine what sports are a big deal. Ejigu agreed that in the final analysis it will be important to look at the pool of potential student athletes. Mitchell recounted how at a recent event sponsored by the Matteson Community Center, the Nike College Athletic Recruitment event, many of the students mentioned having to leave the state to compete in college athletics.

Taboas asked when a final proposal would be brought before the Board for approval. Ejigu stated the plan is to assign the proposal to one of the Board's committees for further evaluation, refine the proposal based on the Board's guidance, and possibly as early as the October meeting bring a resolution to the Board to introduce or initiate competitive athletics. Tyson asked if a concession stand is being considered to generate revenue. Mitchell added that the Matteson Community Center opened a concession stand and they have found it amazing how much revenue is generated by candy, popcorn and hot dogs, in addition to sponsorships by pizza distributors. Durkin recommended developing a business plan. Ejigu stated that the Administration will take all these recommendations into consideration and return to the Board with more information.

A short recess was taken. Open session resumed at 10:25 a.m.

Review of Proposed Tuition Rates for International Students from Partner Colleges and Universities

Ejigu presented, stating that the goal of this proposal is to grow enrollment. Enrollment of international students is a growing practice, primarily those from India and China, with currently over one million Chinese students studying abroad. International enrollment at GSU has been declining of late for two reasons, 1) the global financial crisis, and 2) the programmatic landscape in science and technology at GSU is not attracting international students. In addition, the lack of student housing and athletics is problematic. Peak international enrollment was 235 in 2007, predominantly from China and India. Last fall there were only 91 international students, and this fall it is expected that number will go down to 75. In an effort to increase its global presence the University developed the Global Affairs Committee, increased the staff in the International Services Office, are providing educational tours abroad for faculty and students, established a \$25K Study Abroad Fund, and established multiple affiliations with universities in China, Taiwan, Turkey, Ethiopia, Chile, India, and Canada. There are also a fair number of

international students at the partner community colleges. In October 2009 the Board approved a differential tuition rate for out of state students, reducing the multiplier in order to attract out of state students. Today the Administration proposes reducing the international student multiplier to 1.3 for undergraduate and graduate students in order to attract more of these students to GSU.

Durkin asked how much time do GSU recruiters spend in China, to which Ejigu responded “three to four days.” Durkin suggested that if GSU wants to increase tuition revenue from international students it should increase the amount of time devoted to recruiting. Ejigu explained that under this proposal the recruiting is done by the partner colleges and universities. They will recommend GSU and its programs to their students, such as on their website and in recruiting materials, with the agreement that GSU will give them a tuition break. The partner university will send GSU an English transcript, and once admitted they will collect the tuition and fees and wire transfer them to GSU. He added that even the admission processing is handled by the partner university. Durkin asked if GSU has any control over differentiating its brand from competing universities. Ejigu responded that GSU has developed an International Student recruiting brochure, and that GSU has control of its web content on their sites. Durkin explained that her daughter taught in China and that she has traveled there. She offered to continue the conversation after the meeting to offer her insights, which the Administration gratefully accepted.

Taboas pointed out that the White Paper addresses increased revenue; however it does not quantify the reduced revenue from the lower multiplier. Ejigu acknowledged that information was left out because most international students are enrolled in master’s programs and are not at GSU for very long. Taboas recommended that the decreased revenue from the current multiplier to the proposed multiplier be included in order to show the entire picture. Ejigu acknowledged his recommendation. Taboas asked what category do undocumented citizens fall into; foreign, out-of-state or in-state? Ejigu responded that is a very complicated issue; but from his experience they are considered non-foreign and their residency is established by how long they have lived in the state. He stated GSU does have some students that stay at GSU long enough to become residents and thus their tuition rate is then converted to in-state rates. Sanders added that undocumented students are considered in-state residents, whereas international students are on J1, F1, etc. Maimon emphasized that GSU is part of a consortium that is proactive in initiatives to encourage undocumented students to go forward with higher education. Tyson asked how long these various partnerships have been in place. Ejigu responded that a partnership with one university in China has been in place for six years, and the others have been forged in the last 12 months. Tyson asked how the Administration came up with the 1.3 multiplier, and what is being done to differentiate GSU from the competition it has with other U.S. colleges and universities in attracting international students. Ejigu replied that the practice of discounting is fascinating in higher education. Private universities have been doing it for years although much of it is not publicized. Public universities are involved in discounting as well, although some institutions

have regulations on how much they can discount. For example, Northern Illinois University engaged in such a practice to attract students to a declining master's program.

Maimon pointed out that GSU does maintain a base level of commitment of at least five students from a university in order for the discount to be honored as an incentive to recruit. Ormsby asked for clarification on the non-resident multiplier, which Ejigu confirmed is 2. Ormsby expressed his opinion that the value of this incentive lies in what is of value to GSU; in other words, if it is just enrollment then one would assume GSU would attract more out-of-state students than international students and unless there is an international initiative there doesn't seem to be as much value. Maimon pointed out that GSU has a good neighbor tuition agreement with Indiana students. She reiterated that the overall purpose of this initiative is two-fold, 1) based on a study from Duke University, place bound students benefit from having international experiences; and 2) GSU will only admit international students to programs that have space available, thus in effect filling empty seats. Ormsby asked if the international students would be taking spots in student housing. Ejigu responded that Illinois students have priority with regard to student housing, and after that it is on a space available basis. He also added that many programs, not listed here, are not included in the tuition discounting program including nursing, physical therapy and occupational therapy. He emphasized that as the University gains experience in this arena adjustments to these arrangements can be made. Maimon did acknowledge that it is the belief of the Administration that international recruiting will help fill the new student housing complex.

Tyson asked how the multiplier of 1.3 came about. Ejigu explained it was arrived at based on discussions with partner institutions, especially those in China, which have the capacity to send the most students. At this point GSU has a comparative disadvantage with others competing for international students and it is being suggested that one way of attracting them is with the reduced multiplier. Durkin suggested there is a way to create an advantage for GSU by strengthening its marketing and branding given her professional experience. Sanders acknowledged Durkin's recommendation, adding that recruitment of international students is important because enrollment numbers are not increasing at an appropriate rate. Ormsby questioned whether the freshman class would be enough to appropriately increase enrollment. Sanders responded that the maximum estimated number of freshmen to be accepted is 700 by 2020 unless a multipurpose building is built. There just isn't enough space to teach large, lower division classes. At present there is enough room to grow graduate programs; however space is limited with regard to growing undergraduate programs.

Review of Board's Oversight and Compliance Related Responsibilities

Kennedy presented. She expressed that Board oversight and compliance issues are becoming more of an issue in higher education, and that these issues are constantly expanding and more difficult to keep up with. In response, several higher education organizations have come together

to form a compliance alliance including the Association of Governing Boards (AGB), the American Council on Education (ACE), and the Association of American Colleges and Universities (AAC&U) to pool their resources with regard to compliance issues. In this case, compliance refers to compliance with state and federal governments, internal reporting, external observations, FERPA, records maintenance, the Clery Act, and Title IX with regards to athletics, gender, sexual violence, etc. In other words, compliance can no longer be university driven; it will be regulated by the endorsing or enhancing agents. The University has to have, for its own protection, a generalized compliance program that covers all aspects of compliance at the highest administrative levels and the Board of Trustees. The U.S. Federal Sentencing Guidelines for Organizations provides the following elements for an effective compliance program:

1. Creation of a culture of compliance and ethical standards at the University.
2. Training of Trustees, high level administrators and staff.
3. Strong enforcement.
4. Periodic evaluation of policies.
5. Ensuring employees in the University are comfortable reporting concerns.
6. Written policies and procedures must be available.
7. Disciplinary guidelines must be stated.
8. Periodic risk assessment and reporting must be made to the Board.

Kennedy went on to state that the role of the Board is to be familiar with the policies and guidelines, and to demand regular oversight of areas of high risk. The Board is to decide when and how often they want reports.

Taboas asked how current the University is in having an errors and omissions policy for the Board of Trustees. Ejigu responded that for this administration the issue of compliance cuts across every aspect of what the University does. Almost everything has federal and state regulations; the Board has By-Laws, Governing Policies, and Regulations it must follow; there are grant policies; and the University undergoes a Compliance Audit by the State of Illinois each year. Ormsby asked if there is an internal and an external audit function. Ejigu confirmed there is. The Auditor General's office assigns an auditing firm to the University each year to perform Compliance and Finance audits. In addition the University has an internal auditor that is a full-time staff member reporting to the President. This individual presents an annual audit report at the December Board meeting. Tyson questioned whether each department is responsible for federal grant reporting, or whether it goes through one office. Ejigu explained GSU has an Office of Sponsored Grants (OSPR) that is responsible for compliance issues pertaining to all grants. Kennedy indicated that in terms of guidance there is a compliance component at different levels; however it is recommended that the University have an umbrella function to oversee all of them. Beaupre noted that compliance responsibilities are at the draft phase.

A break was taken at 12:10 p.m. Open Session resumed at 12:57 p.m.

Kissel provided a brief overview of the University's liability insurance. She explained that GSU is part of three consortiums to purchase insurance as a group: the Illinois Public Higher Education Consortium (IPHEC) which covers all Illinois public universities for liability insurance; The Midwest Higher Education Consortium (MHEC) which includes 57 U.S. institutions for property insurance; and The State University Risk Management Association (SURMA) which includes the five original Board of Governors schools (GSU, CSU, NEIU, WIU and EIU). These policies provide coverage for Educators Legal Liability, Excess Liability, Liquor Liability, Foreign Liability, Crime and Special Crime. Taboas asked if the Trustees are covered under these policies. Kissel responded that they are, and that the Trustees are named in the actual insurance policies. Tyson asked Kissel to provide a copy of the presentation to the Trustees. A brief review of the GSU Board of Trustees By-Laws, Governing Policies, and Regulations was then undertaken by the Trustees, Kennedy and Ejigu.

PUBLIC COMMENT

There were no requests for Public Comment.

EXECUTIVE SESSION

Beaupre entertained a motion to go into Executive Session. Randolph-Clark made a motion. Ormsby seconded it. The motion was approved by a roll call vote with 8 ayes, 0 nays. The Board moved into Executive Session at 1:48 p.m. The Board returned to Open Session at 2:32 p.m. by a motion from Friefeld and a second by Mitchell. Beaupre reported no final action was taken by the Board in Executive Session.

NEW BUSINESS

ACTION ITEMS

1. ***Resolution 14-01: Termination of Employment.*** Beaupre entertained a motion to approve Resolution 14-01. Friefeld made a motion. Taboas seconded. The Student Trustee is prohibited from voting on matters of employment. A roll call was taken and there were 7 ayes, 0 nays. The motion was approved by unanimous vote.
2. ***Resolution 14-02: Appointment of Board Committees.*** Beaupre entertained a motion to accept the appointment of the Board committee members as outlined in Resolution 14-02. Friefeld made a motion. Tyson seconded. The motion was approved by unanimous voice vote.

DISCUSSION ITEMS

Election of Officers

Friefeld presented the following slate: Chair: Jack Beaupre; Vice-Chair: Brian D. Mitchell; Secretary: Eileen Durkin. Beaupre entertained a motion to approve the slate as presented. Friefeld made a motion. Ormsby seconded. Ballots were distributed to the Trustees and collected and tabulated by Kennedy. The slate was unanimously approved as presented.

Discussion of Presidential Assessment

A discussion took place in Executive Session.

Closing Remarks

Ormsby commented that the Administration appeared very well prepared for the Retreat and he appreciates the effort. He did express his concerns about identifying adequate compliance measures and formal reporting to the Board moving forward. He expressed his willingness for the Administration to take the lead in that regard. Randolph-Clark stated her first experience as a Trustee has been very interesting and helpful, and she thanked the other Trustees and the Administration. Durkin appreciated finally having a full Board to help make the necessary tough decisions. Tyson also expressed her appreciation for the Administration's preparedness for the Retreat. Mitchell noted the information and communication received prior to the Retreat was very helpful, and that having a full Board will result in an even more successful team. Taboas expressed his gratification for the electronic Board Book, which is a very efficient means of delivery. He did, however, voice his concern about the lack of academic matters covered during the Retreat. Beaupre recognized that as a legitimate concern, but followed up by stating it was his understanding that the Provost's Office is working on a study of outcomes of academic programs. Bordelon confirmed that, stating an assessment of student learning outcomes is currently being done following the recent visit by the Higher Learning Commission (HLC). That information will be provided to the Board once it has been completely evaluated. Maimon emphasized that at GSU academics is at the forefront. She pointed out that the Academic Master Plan, Admissions Policies, Student Housing and Athletics are all part of the aggregate learning picture at GSU and not in any way meant to diminish academic quality. She committed that in the future the Administration will do better at demonstrating how all these things tie into academics. Ejigu indicated that the Board Retreat agenda tends to focus on a small number of issues, while regular Board meetings involve continual reporting on various aspects of the University, in particular academics. Taboas replied he looked forward to hearing more of the matrix of academic features at future meetings.

There being no further discussion Beaupre entertained a motion to adjourn. Ormsby made a motion. Durkin seconded. The motion was approved by unanimous vote and the Board of Trustees Annual Retreat adjourned at 2:50 p.m.

Respectfully submitted,

Joan Johns Maloney