MINUTES

Board of Trustees

Illinois State University

May 6, 2016

The Board of Trustees convened at 10:00 a.m. on Friday, May 6, 2016, in the Old Main Room of the Bone Student Center, Illinois State University, Normal, Illinois. Chairperson Donahue called the meeting to order. Trustee Davis called the roll.

The following members were present.

 Trustee Bergman

 Trustee Davis

Trustee Dobski

Trustee Donahue

Trustee Kinser

 Trustee Louderback

 Trustee Joyce

Absent: Trustee Churney

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

President Larry Dietz

Vice President for Academic Affairs Janet Krejci

 Vice President for Finance & Planning Greg Alt

 Vice President for Student Affairs Brent Paterson

 Vice President University Advancement Pat Vickerman

 Board Legal Counsel Jane Denes
 Chief of Staff Jay Groves

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#### APPROVAL OF AMENDED AGENDA

Chairperson Donahue: I ask for a motion to approve the amended Agenda. Trustee Louderback so moved and was seconded by Trustee Dobski. Motion made, seconded and vote recorded with all members present voting aye.

**APPROVAL OF MINUTES**

You have before you the Minutes of February 19, 2016. Is there a motion to approve? Trustee Davis so moved and was seconded by Trustee Kinser. Motion made, seconded and all members present voting aye.

**CHAIRPERSON’S REMARKS:**Good morning everyone and thank you all for joining us today. Last evening was a special one for not only current Trustees, but also for former Trustees and many others who have served since 1996. President Larry and First Lady Marlene Dietz hosted a dinner last night in recognition of the 20th anniversary of the Board of Trustees. Many former board members were in attendance, including 6 of 8 of the inaugural Board members from 1996.

It was great to see some familiar faces, and some new ones, and I am pleased a few have stuck around for the beginning of today’s session. As I call your names, please stand for recognition—and audience members—please hold your applause until I have completed reading the names. First, William Sulaski, our inaugural trustee and the first chair who served from 1996 until 2003; Jaime Flores who was also an inaugural trustee who served from 1996 to 2005; Diane Glenn who was an inaugural trustee who served from 1996 to 2005; Aliazar Mendiola who was our first student trustee; Ellen Schumacher who served as a student trustee from 2014 thru 2015; Zach Koutsky a student trustee from 2004 – 2005. Also with us is President Emeritus Dr. David Strand, the first President to serve under the Board of Trustees, and we also have Dr. Richard Dammers who served as the Assistant to the President under Presidents Vic Boschini and Al Bowman. I don’t want to forget all of the Trustees who are sitting here who were at last night’s dinner as well. Ladies and gentlemen we owe all these individuals a very warm welcome.

On behalf of the current Board I want to thank you for your service, your leadership, setting of the foundation for this Board and your continued engagement with the University. You are all welcome to stick around but I know you have very busy schedules, so thank you again.

One of the things we traditionally do at the beginning of the May Board meeting is to introduce and welcome our next student leaders for the coming fiscal and academic years. Student Trustee Connor Joyce’s term expires at the end of June, and later in this meeting we will honor Connor’s exemplary service over the past year.

Joining the Board as the new student trustee is Ryan Powers. Ryan is from Mundelein, Illinois, and is a senior majoring in Accounting and Finance. Ryan has previously served in student leadership as Student Body President and President of the SGA Assembly. Ryan, could you please stand for recognition?

Our new Student Body President is Kyle Walsh. Kyle is a Bloomington resident, and is a junior, majoring in Politics and Government and Legal Studies. Kyle previously served on the Student Government Association as Secretary of College Affordability, and he was also the Student Trustee at Heartland Community College. Kyle, could you please stand for recognition?

On a personal note I have known Ryan over this past year and I just happened to meet Kyle – they were both in Springfield on April 20th. That was kind of an all university engagement day at the Capitol. The students who were participating were on the 2nd floor walking around chanting, protesting and trying to get the Governor’s attention, but I literally ran into Ryan and Kyle on the 3rd floor behind President Cullerton’s office waiting to go into a meeting with the him and they told me they had a meeting with Leader Durkin scheduled and had met with Dan Brady and other legislators. I was very impressed that they were taking time to actually talk to the legislators as opposed to just circling the 2nd floor. So thank you for all you did that day and for what you do for the University.

I want to thank the Campus Communication Committee for organizing this morning’s discussion hour. ISU’s Speech and Hearing Clinic is just one more outstanding example of the University’s outreach into the community, and we thank Heidi for her informative and educational presentation.

I do want to take just a moment to address the budget action that has taken place in Springfield over the past couple of weeks. As you know, both the House and Senate approved stop gap funding for public colleges and universities on Friday, April 22nd. The governor signed the measure on Monday, April 25.

For Illinois State, the bill provides about $20.9 million or about 31 percent of the University’s FY2015 budget. It also provided $7.5 million in Monetary Award Program reimbursement, about half of what Illinois State provided to our students this academic year. $20.9 million is approximately the appropriation we received from the state in 1970 – 46 years ago. If the state of Illinois does not provide us any more money for FY2016, that means our appropriation would be equivalent to what we received 46 years ago. The madness has to be stopped. Damage is being done – hurting us in recruiting and retaining our faculty and we are hearing of parents advising their children to look at out-of-state schools as a result of what is going on in Illinois.

It is no way for our administration to run a university not knowing what is going on. I am encouraged at least by this stop gap effort. There was a demonstration of a bi-partisan compromise and I appreciate the work of Governor Rauner and his staff, the general assembly’s leadership, our ISU local legislators including Dan Brady, Keith Sommer, Senators Bill Brady and Jason Barickman. But as I mentioned this is only a temporary fix. Much more work is needed to restore public higher education in Illinois to fiscal health and to restore Illinois’ image as a leader in higher education.

I look forward to more timely discussions in Springfield that will lead to a permanent FY2016 budget and hopefully a full FY2017 spending plan for not only this university but for all universities and colleges in the state of Illinois.

It is important that we recognize President Dietz for his leadership on this matter, not only for ISU, but for his efforts as the convener of presidents and chancellors for all Illinois’ public universities. Larry, I know during these past few weeks you spent a lot of time in Springfield and I know the Board appreciates all of your efforts. As I mentioned earlier I would like to thank the hundreds of ISU students, faculty, staff members, alumni and Redbird friends that have carried the message to Springfield that Illinois State and public higher education merits predictable and appropriate investment from the state.

President Dietz, I now turn things over to you for your remarks.

**PRESIDENT’S REMARKS**

Good morning everyone—and Trustee Donahue, thank you for your kind remarks. I don’t do things by myself. We have a terrific team here of vice presidents, deans, faculty, staff members and the students have really done great work in Springfield, while some individuals of other institutions might be raising cane – our students were very respectful, focused and diligent about how they delivered their message. So my hat off to our students – you would have been proud to see them in Springfield as I did. I certainly want to echo your sentiments about our students, faculty, staff members, alumni and friends. Throughout this year’s very challenging budgetary climate, our Redbird family has been a powerful voice for public higher education in general, and Illinois State University specifically—and I deeply appreciate all of your voices. We certainly are not done – we have more say – but it is a good start.

I also want to thank our State Government Affairs Director, Dr. Jonathan Lackland, who worked tirelessly, navigating me and many groups of students through a host of meetings with legislators and staff members as well as Senate testimony. Jonathan clearly has an internal GPS system that guides him through the Capital very efficiently and effectively—he is very well regarded in Springfield and that helps with the voice that we have down there to be effective and when necessary loud and at other times a little quieter to be more effective - so thank you Jonathan.

I also agree with Trustee Donahue that while the stop gap measure provides a small window of relief—the work won’t be complete until bi-partisan efforts yield a full FY2016 budget and hopefully a FY2017 budget plan.

I thoroughly enjoyed last evening’s dinner with our current and former Trustees. For someone who has been part of Illinois State for five years, it was a great opportunity to meet some of the Board’s earlier leadership—and it was very easy to see how their collegiality and engagement has benefited the University over the years—so it was terrific to be part of that event. We are absolutely delighted to have you here today and thank you for your leadership and for providing a foundation that has help make this institution as successful as it has been.

I know we will be recognizing the service of Connor Joyce later in this meeting—but I also want to recognize and congratulate Ryan Powers on his election to the Board and Kyle Walsh for his election as Student Body President. I know both gentlemen well, and I look forward to working with you.

Speaking of transitions, I have several to comment on this morning. As you know, Dr. Levester Johnson, who currently serves as the Vice President for Student Affairs at Butler University, will become ISU’s Student Affairs VP on July 1. I want to sincerely thank Dr. Brent Paterson for his outstanding service as Interim Student Affairs VP for the past two years. Serving in an interim role is never easy and Brent did an excellent job in leading the division. He is a great mentor to his colleagues and to the students his division serves so well. Brent, can you please stand to accept our thanks?

Dr. Ajay Samant will become the next College of Business Dean on July 1, meaning Interim Dean Gerry McKean will be able to return to retirement after having retired several other times. Gerry has been part of the ISU family for 40 years, and he did a great job as Interim Dean—Gerry, can you please stand for recognition?

Dr. Judy Neubrander will become the next Mennonite College of Nursing Dean, meaning Catherine Miller will return to the Mennonite administration after serving as Interim Dean for two years. Catherine, you depart as Interim Dean with your college in great health and in great shape—so can you please stand for recognition?

Perry Schoon, our dean in the College of Education, has been named an American Council on Education fellow for the 2016-2017 academic year. While he is away, Al Azinger, an emeritus faculty member from Educational Administration and Foundations, will step into the Acting Dean role. Perry, congratulations on your fellowship, and can you please stand for recognition?

A couple of appointments to announce: Dr. John Baur has been named associate vice president for Research and Graduate Studies, after serving in that position in the Interim role since 2013. His leadership skills and academic experience make him the ideal person to lead our Research and Graduate Studies area. John, can you please stand and be recognized?

And Dr. Jennifer Friberg has been appointed as the Cross Endowed Chair in the Scholarship of Teaching and Learning, effective July 1. The Cross Chair enhances innovation and research in teaching, increases Illinois State’s ability to attract outstanding teaching scholars to campus, and promotes scholarship in teaching among all disciplines. Jen, could you please stand for recognition?

And finally my wife Marlene has brought distinction to Illinois State University as having just been named as a Trustee to the prestigious Lincoln Academy where she will serve with a regent from that same prestigious group, Jane Denes, our General Council, so Marlene will you please stand and be recognized? And Jane, of course is up here, so we will give you a round of applause.

The Illinois State Campus Climate Assessment, conducted by the University of Pennsylvania’s Center for the Study of Race and Equity in Education, has been completed after a year-long study. A pdf copy of the assessment can be found through a link on the Office of the President website. As I have said on many occasions, the largest room in the world is the room for improvement, and this assessment offers many ways for Illinois State to strengthen its commitment to the core value of diversity.

The work to address the assessment’s findings and recommendations will begin immediately. I also want to thank everyone who took part in the assessment by participating in a focus group or taking the university-wide survey. You thoughts were greatly appreciated. I also want to say again a special thanks to Dr. Paterson for serving as a liaison with the University of Pennsylvania during this year long effort.

While many of us have been busy with the economic and political impacts of the budget crisis, others on campus have been managing the impact it can have on students and their families who are shopping for their higher education experience. Our teams from Enrollment Management and Admissions have been doing an amazing job recruiting the fall 2016 class to ISU under the shadow of headlines that often paint a bleak picture for Illinois colleges and universities.

As of today, we have more than 19,500 applications for ISU’s fall 2016 semester and our enrollment deposits are very close to last year’s numbers. I want to thank Troy Johnson, our Associate Vice President for Enrollment Management, and Jeff Mavros, our Director of Admissions, and their staff members for the tremendous job they have done carrying ISU’s message of strength and stability throughout the state and beyond. I also want to thank Stacey Mwilambwe, our director of housing, for her good work in finding housing for all of these students. Would all of you please stand and receive our thanks and recognition?

While students and their families continue to confidently invest in Illinois State—so do our alumni, corporate partners, friends and University family. Our total fundraising production for this year is more than $13.5 million. Reaching the second-best fundraising production year in ISU’s history, our goal of $21 million, is well within our reach and the right conversations are taking place to position us for a strong year-end.

Annual Giving is running ahead of this time last year in total dollars given by our Redbird alumni. In fact, Annual Giving reports total dollars from alumni are at their highest point in the last four years.

Faculty-Staff gifts to Annual Giving are also at a four-year high in total dollars. I appreciate the confidence and trust that our faculty, staff, and annuitants have placed in this institution. I would like to thank those of you here today for your gifts and for us to say “we gave at the office” is a huge incentive whenever we go out and ask others to give to the University.

And, for the second year in a row we have had a record breaking year for Illinois State branded licensed apparel and merchandise. Licensing reports royalties ahead of last year by 12.1 percent, and the estimated total sales of branded Illinois State merchandise for the fiscal year is near $5 million. These totals speak to the loyalty of our students and alumni and to the strength of our brand.

In Athletics, as the 2015-16 school year winds down, championships are up for grabs and a few have already been secured by the Redbirds.

The Illinois State women's track and field team snapped a 19-year old drought, as they finished first at the 2016 Indoor Missouri Valley Conference Championships for the first time since 1997. The women placed a record 14 athletes into the finals, which resulted in several all-conference honors and individual titles. The men’s team placed fourth overall, but several athletes took home individual championships. With the softball and baseball championships also quickly approaching, there is a lot to watch for as the 2015-16 competition season comes to an end.

Senior gymnast Amanda Mohler finished her career by being named the Midwest Independent Conference Senior of the Year and conference champion on the balance beam. She went on to compete in the NCAA Regional in Alabama, as will freshman golfer Trent Wallace who earned his spot at the NCAA Regional with a first-place finish at the 2016 MVC Men’s Golf Championship in Kansas.

The 2015-16 senior class was also recognized on April 27 at the annual ISU Credit Union Senior Banquet. The 73 seniors helped lead their teams to more than 580 victories, seven regular-season conference championships, six conference tournament championships and 12 postseason appearances.

Finally, I hope everyone is making plans to attend Commissioning ceremonies and Commencement exercises today and tomorrow. The Commissioning ceremony begins today at 1:00 p.m. in the Center for the Performing Arts Theater.

The Mennonite College of Nursing ceremony will be at 4:00 p.m. today in Braden Auditorium, and the College of Arts and Sciences ceremony will be at 7:00 tonight in Redbird Arena.

On Saturday, the College of Education ceremony will be at 9:00 a.m. in Redbird Arena, College of Applied Science and Technology at noon in Redbird Arena, College of Business at 4:00 p.m. in Redbird Arena and the College of Fine Arts at 7:00 p.m. in Braden Auditorium.

This is the University’s 157th Commencement, and more than 3,700 students are participating. Graduation is among the most important events for the University—it is not only important for students and their families—it is a wonderful experience for the faculty, staff and the extended university family—so I hope you can make plans to attend at least some of the ceremonies.

That concludes my initial remarks. I now invite Dr. Susan Kalter to the podium for a Campus Communication Committee report.

**CAMPUS COMMUNICATION COMMITTEE REPORT**Kalter: Illinois State University can celebrate this week because we have kept our eyes on the prize. The prize is education—a sound, liberal arts education—and the thirst for lifelong learning. For over a century, those two levers have raised people even from the humblest of beginnings to better circumstances.

We want to express our sincere gratitude to many individuals. Gratitude opens us to receive even greater gifts. And with only one-third of a three-legged stool of state funding, we’re gonna need all the gifts we can get!

First, thanks to Heidi Verticchio from the Eckelmann-Taylor Speech and Hearing Clinic who gave a wonderfully informative presentation this morning about the great work of that clinic.

We are grateful to previous members of the Board of Trustees who helped guide this university toward far-thinking strategic planning, fiscal responsibility and a functional shared governance system.

We are grateful to Brent Paterson who will soon be passing on his mantle of leadership in Student Affairs. Dr. Paterson has led the division over the past two years and dedicated the past 15 years of his career to the health and betterment of students here at ISU. He has and will continue to serve as a mentor to students who find a calling in college student personnel services and find their joy in helping others navigate their young adulthood successfully.

We thank interim deans Gerry McKean and Catherine Miller for their service to our colleges of Business and Nursing. Under Dean McKean’s leadership, our College of Business now ranks in Businessweek’s Top 75 undergraduate business schools in the country while our nursing students have continued to excel in their licensure examinations under Dean Miller’s direction of the college and her advocacy for its faculty and facilities.

While we are at it, let us also thank our continuing Dean of Arts and Sciences Greg Simpson and our Chair of Anthropology and Sociology Jim Skibo for taking it to the street. In their recent op-ed, they busted three big myths about the funding of higher education. And we can add to those myths one more false assumption: that all of our revenue goes into one central pot with no externally imposed restrictions on where we may allocate it! Higher education is often asked to act more like a business but hamstrung by excessive regulation when it tries to direct its resources toward its core mission and next highest priorities.

Meanwhile, through the resources of the Stevenson Center for Economic and Community Development, Dr. Skibo’s colleague Frank Beck alongside economics professor Hassan Mohammadi, also took it to the street recently by educating our Community Partners about the positive economic impact ISU has on McLean County. We thank them for this research which complements Dean Simpson and Dr. Skibo’s reminders of the immense intangible benefits of having a society of critical thinkers, informed citizens and the thriving introspection—the holding up to ourselves of a mirror of self-scrutiny—that the arts and humanities provide.

We are grateful to our outgoing Student Trustee Connor Joyce, who has served our students faithfully in the office he must now vacate and to our incoming Student Trustee Ryan Powers who as Student Body President has shown leadership and initiative in one of our most challenging years. Together with a number of other leaders in our student government, Connor and Ryan have rallied the students at ISU. They and our incoming Student Body President Kyle Walsh have stirred their fellow students to speak to their governments both local and state, asking them to invest more in the next generation and to heed their calls to action.

We thank our student leaders for the Lobby Days that they organized this year, their investment of time in researching and preparing compelling arguments and telling the story of our students. We thank them in particular for the Lobby Day on April 20. Two more trips to Springfield and we’ll be at 93% funding!

We are keeping our eyes on the prize. The Board will consider in these next few months two resolutions that are symbolic of that prize, though in opposite ways. We look forward to your support to fund a small but crucial piece of the larger Milner Library renovation. This public institution has always prided itself on the accessibility of its books in open stacks, where students and other patrons could grab learning off the shelves for themselves. To maintain this pride, we must repair, dewater, and refurbish the first floor, where over one-sixth of the print collection awaits the humid hands of eager learners rather than the humidifying rains, mold, and mildew of the past several years and where we hope to see unveiled new learning spaces yet to be conceived.

We also support the tuition increase proposed to you by our University Administration. Though the price of a college education ought be supported by an ethic of state funding championed by our college-educated legislators, so that its costs can be spread among the many, it will be lofted out of reach for even more in this next year if we fail to balance our protection of needs-based grants with sustained overall revenue. As with the state budget, we cannot balance ours through cost-cutting alone, especially with our personnel already feeling the pinch as work is redistributed from vacant positions left open through attrition.

Finally, we are grateful to Dr. Dietz whose leadership here and throughout the state as convener of our university presidents and chancellors has kept the focus on the imperative to maintain the accessibility and affordability of college.

No college or university is perfect but we are keeping our eyes on the prize. Too often lately in the public arena, skeptics have expressed the view that universities should “get back to business” and avoid the “distractions” of efforts to achieve racial justice and gender equity and LGBTQ rights on campuses. We respond by saying “this *is* our business.” A climate conducive to learning for all students *is* our business. A focus on justice and equity *is* our business. Holding America to the promises of its Constitution that it still has to keep *is* our business. Our students cannot absorb lessons inside the classroom if they must absorb assaults to their dignity inside and outside the classroom. And our students took up one of those challenges recently by making April Sexual Assault Awareness Month a prominent event on this campus.

Earlier in the year, we hosted a remarkable visit by activist and intellectual Angela Davis and her niece Eisa Davis. There seems no better emblem for the struggle toward public funding of K-12 education, higher education and social services than a woman whose powerful, unconquerable speech has reminded us for forty years that prisons are not the answer. Funding prisons is not the answer. Education is the answer. Bright futures are the answer. Opportunity for all is the answer.

As we study our campus climate, we will keep our eyes on that prize and our hand to the plow. Had it not been for the initiatives of our faculty and staff committed to diversity and the support for those initiatives at the presidential level, we would not now have the information from the campus climate assessment that will give us a road map to even greater achievement. Historically white colleges and universities like ours have a long way to go. Over the last 16 years that I have been here, the campus has come a long way and has a longer way to go, but has possibly done more to nurture student voices for change in the past year than at any other time in my witnessing.

And this Commencement weekend, we will see for the first time three special graduation recognition ceremonies: Umoja, a recognition ceremony for black graduates, is in its fourth year; the second annual Lavender Graduation took place last month; and Nuestros Logros/Our Achievements, the new Latina/o graduation ceremony, was inaugurated just a few days later. Thanks to all who put those together and to Graduation Services for the superhuman feats that they will pull off again today and tomorrow. Congratulations to all our graduates! GO YOU REDBIRDS!

Dietz: Thank you Susan. Now, I would like to call to the podium our Director of State Government Relations, Dr. Jonathan Lackland, to provide a legislative update.

**LEGISLATIVE REPORT**Lackland: Good morning. We heard during Chairman Donahue’s report about Senate Bill 2059 that initially gave ISU the stop-gap funding – the only thing I wanted to add to that is that our message was very clear and very central to the sponsor of that bill, Representative Rita Mayfield. When she asked basically where we stood on that measure, ISU’s statement was that we support a stop-gap measure for now as long as we know that this isn’t the end. We must push down the line to make sure we have comprehensive full funding and which she agreed.

There has been considerable discussion about a bill that passed the Senate yesterday – SB2048. That is a measure that would actually list ISU roughly at about $1.5 million. It had MAP funding at about $46 million. When you combine both SB2059 and SB2048 together that would give ISU roughly about $40.5 million. The concern is that it did pass the Senate yesterday by a vote of 55-2. There was considerable concern that once it left the Senate and went over to the House that basically it would die. There was considerable concern from the Speaker’s perspective but also from the Black Caucus.

As a result I spoke with the Chair of the Black Caucus – Representative Rita Mayfield – and asked once this Bill passes the Senate, what are you guys going to do? She indicated that we gave you funding from a stop-gap perspective, which we were appreciative of, but she said we can’t do anything at this point until we provide funding for human services. So what is going to happen with SB2048 as it stands is the House at this point is going to sit on it until they can find the funding needed for human services. Again, the message to the Representative was that is great – we support your efforts and appreciate what you have done, but we need funding. She promised that they are going to look at this, they have not forgotten about the public universities and MAP and that we will be in the que at some point.

If I can shift gears, I want to bring your attention to HB4446 that passed the House and is sitting in the Senate now. This is a measure that was brought forward by Representative Wheeler and from what I understand Representative Wheeler was actually at a conference and they were talking about issues dealing with individuals that have been formally incarcerated and how that plays within the university’s systems. As a result Representative Wheeler came back to Illinois and wanted to propose legislation that would prohibit community colleges, public universities and independent colleges and universities from inquiring about or considering information about a person’s prior criminal conviction. I can tell you the public universities are opposed to this for a lot of different reasons – one of which institutions are concerned that this Bill would prohibit us from knowing about the past of those that we are bringing into the fold within our universities. Two, we feel that the proposal directly infringes upon other state laws, sexual assault, etc. that were aimed to protect our students. And this is the biggest – students that are seeking a professional degree will need to have a background check and unfortunately if this bill were to become law, you will have a cadre of students that would have gone their entire time within a university and get a degree that reasonably they will not be able to utilize.

We have worked with Senator Pat McGuire who we wanted to make sure took the bill up in the Senate because we knew he would work with us and would negotiate. We are in the process now of negotiating, working with the Heartland Alliance, which is the organization Representative Wheeler has convened to negotiate on the Bill. We are hopeful that maybe there could be changes or maybe stall the Bill – our message has been clear that we want to hold it for this year, get our chiefs of police involved, our general counsels involved around the table before we move forward on any type of measure such as this. The last thing I want to add on this Bill is that the Illinois Association of Chiefs, Illinois Campus Law Enforcement Administrators Association are opposed to this Bill and have made their voice heard.

So that concludes my report and am open for any questions.

Bergman: That last bill you described –what was the Bill number?

Lackland: It is HB4446.

Thank you Jonathan.

Trustee Donahue, I have no reports and five resolutions for Board consideration today. With your permission, I will move to those resolutions.

**ACTION ITEMS**

Resolution 2016.05/07: FY2017 Student Tuition, Fees, Room and Board Rates

Tuition and fees are among the most important factors affecting access to and affordability of higher education. Illinois State is very sensitive to students’ and their families’ investment in a college education, and we continue to work with state and national leaders to provide affordable access to our institution despite the lack of state financial support. As you know, this year was a particularly difficult year, in that we have operated through FY2016 with only about 31 percent of our state operating appropriation, and 50 percent of our Monetary Award Program reimbursement—which totals a shortfall of about $60 million.

We know that we cannot force out students and families who invest in ISU to bear the brunt of the state’s budget crisis—so the great majority of our shortfall has been made up through spending reductions. Still, we know we cannot completely cut our way to building and maintaining a high-quality university—so a proposal for modest revenue replacement is necessary.

I also want to remind you that for 70 percent of our students, tuition will not increase at all, because of the four-year guaranteed tuition rate for undergraduate students.

In proposing tuition rates for new students in FY2017 we have followed Board policy to ensure our rates are competitive with other senior public universities.

For new in-state undergraduate students, we are recommending $ 370.25 per semester credit-hour for the 2016-2017 academic year. This rate is $10.78 or 3 percent more per semester credit-hour than was charged new in-state students in 2015-2016. Over a four-year academic period, this equates to an annual increase of .74 percent.

For new out-of-state undergraduate students, we are recommending $740.50 per semester credit-hour for the 2016-2017 academic year. This rate averages out to an annual increase of 4.54 percent per year over the four year period—and brings our out-of-state tuition rates to two-times vs. the current rate of 1.7 times the in-state tuition rate—which also brings us more in line with other Illinois public universities.

However, under the Enrollment Competitiveness Program that you approved during a previous meeting, selected high-achieving or talented out-of-state students or students residing in states contiguous to Illinois would be eligible to pay the in-state rates.

For in-state graduate students, we seek your approval for $389 per semester credit-hour for the 2016-2017 academic year. This rate is $15 more than semester credit-hour rates for 2015-2016.

The four-year guarantee does not apply to graduate tuition rates. For out-of-state graduate students, we seek a charge of $808 per semester credit-hour for the 2016-2017 academic year. This represents a $31 increase over 2015-2016 rates.

For mandatory fees, the University requests authority to charge mandatory fees to all new students, including new and continuing graduate students, of $81.84 per semester credit hour. This rate is $2.38 more per semester credit-hour than was charged students new to the University in fall 2015.

The University also requests authority to increase the off-campus outreach fee assessed for courses offered off-campus to $81.84, an increase of $2.38 per semester credit-hour.

For room and board rates, the University requests an increase of just 1 percent for the 2016-2017 academic year. Under this proposal, University Housing Services will remain adequately funded to meet operational costs and fulfill repair and replacement reserve requirements. Total costs for room and board depend on the package selected by the student, but examples are included in your materials.

As you can see on the table included in your materials—for Illinois State, this represents an overall increase of just 2.1 percent or $491 per year, and again, this is only for new students. I believe this is a reasonable figure given the state’s continuing economic circumstances and its inability to increase support, or even approve a full budget for public higher education.

Under our projected costs, this also places us below the costs of all University of Illinois campuses and Northern Illinois University, among the 10 public universities that offer room and board packages. I ask your approval of this resolution.

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

I personally am supportive of this measure. As a Trustee I am very cognizant of the affordability and not wanting to put this cost entirely on the backs of students and parents. But as President Dietz mentioned we are $60 million short for FY2016. As the he pointed out we can’t cut our way out of this nor can we raise tuition to cover $60 million and I believe a balanced approach is a fair way to go.

The past year I know the staff and this Board have worked hard and have cut spending by 20%. I believe there are approximately 90 administrative related positions that have gone unfilled. We are asking staff to be prepared to do even more with not knowing what is going on here in Illinois. As you have heard the total cost out the door is going up a little over 2 percent. I believe this proposal keeps us competitive and I really thank the staff for sharpening their pencil and coming in with what I believe is a very fair proposal.

Dobski: I am not going to repeat everything that has been said here but again over the years and the short time I have been involved, the status of this University is highly regarded not only in Illinois but across the country as far as recognition and achievements. Again, being part of this community you often hear about the cost of higher education and why does it keep going up, but at the same time if we are going to maintain this University’s greatness, we have to do something with the uncertainty that has been stated here with the legislation and budget. Unfortunately it is not going to get better in the near future but we have to maintain what we have here. I think with Troy Johnson’s marketing and with all the controversy and the financial planning that has been done and the foresightedness, I think we are one of the strongest universities in Illinois and unfortunately this has to be approved to maintain what we have here.

Kinser: I just want to say thank you to VP Alt and President Dietz for providing all the information and background and everything that was needed to come to a decision like this and I feel this Board has been extremely concerned with the students as well as the quality that we have and that there are things that we have had to do. I appreciate all the help and assistance in feeling secure with this decision.

Davis: Without repeating all that has stated I would like to say first of all we have always tried very carefully to make certain that we are not overtaxing our students relative to tuition. We really do find ourselves right now between a rock and a hard place, not to our doing. Everyone is totally aware that the state has once again reneged in terms of what they are required by law to do. But that does not mean we sit back and do nothing. We have postponed hiring and have cut our operational costs by 20% and as Chairman Donahue has said we have tried to keep the University affordable and accessible. That is what we are here for. But we have reached a point now when we are looking at the deficit that we are in terms of the $60 million shortfall because of the state not funding us, so we have to make decisions and not find ourselves like some other universities closing our doors. That is just totally unacceptable and we take pride in the fact that we continue even during these dire terms to give a quality education to our students.

And you have our commitment that is what we are going to do, but we can’t do it until we make certain that we have again the resources to do that. So as much as I hate to increase our students’ tuition it is minimal and there may be some who would argue with that, but once again we remain competitive, we have not lost our standing, our tuition is less than University of Illinois and Northern Illinois – so with that I definitely do support this proposal.

Bergman: No one up here wants to increase tuition. The Board met in a work session not too long ago and looked at some different options. I believe that there is a better option than what we are going to vote on here. In this situation we are looking at a 3% increase in tuition and a 3% increase in fees. Another option we looked at was a 2% increase in tuition and a 5% increase in fees and it would have provided almost the same amount of money – it would actually provide $360,000 less to the University, but when you are looking at $400 million that is not a whole lot. The concern I have is we and the other universities, publics, in Illinois kind of priced ourselves out of the market, which is why overall there are fewer students going to public universities in Illinois. Not here at ISU as much but overall. When you look at tuition increase, it is cumulative year to year. In other words if we raised tuition 3% this year, next year we are going to start with that 3% being the baseline and we may raise it 3% again and again. In several years it is going to be a lot more money than if we were to raise it say by 2%. So, I believe there was a better alternative that we saw which was a 2% increase in tuition and 5% increase in fees rather than 3% and 3%. However, I am not saying this is a bad plan that we are voting on, I am just saying I personally think that there was a better plan out there. However because this is not a bad plan and I understand the situation I am going to vote in favor of it.

Louderback: Nobody ever wants to raise tuition. This is one of the hardest things I have had to do since being on the Board. I do believe because of the quality of what we have we aren’t losing students. I have friends that work at Northern and they are very concerned about what is going on. I know people are looking around, but the thing I like about ISU is that we are stable. Our administration has done an unbelievable job of cutting and we can’t cut anymore. The state has to come through with something. I have two juniors that are going to go to college in a year – would I like it to be lower, of course, but I don’t want to lose quality. I feel this is one vote where we totally get an unbelievable viewing and understanding of what is happening and what is going on with the whole university. At least these incoming students know exactly what they are going to pay for the next four years – it will not change and that is a plus. If we have to do it again, we still have people who know what they are doing and they know how to take care of the finances and the legal aspects and I just look forward to continuing our trademark that we have as one of the best universities in the state of Illinois.

So I will vote yes.

Joyce: With being a student and working with prospective students, 3% isn’t going to be a deal breaker. The students that are coming here, the students that are accepted know that they are going to get a quality education here and quality comes with a cost. We haven’t raised tuition to the point that we can’t get any students here because they know that they are going to get a good product, a good education and for that reason I am supportive of the 3% increase also.

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

Dietz: I also want to say thanks for investing your time and energy in work sessions and being patient with us as we put together a variety of scenarios that has resulted in this vote today. A special thank you goes out to Greg Alt and his staff and all the vice presidents for working through a tough year and being good stewards of the resources that we have.

Resolution 2016.05/08: Authorization to Spend FY2017 Appropriations

This is an annual resolution that allows the University to honor its financial obligations between July 1 and the October 2016 meeting where the Board will review the University FY2017 operating budget. I ask your approval for this resolution.

Donahue: Is there a motion and a second? Moved by Trustee Louderback and seconded by Trustee Joyce. Motion made, seconded and vote recorded as all members present voting aye.

Resolution 2016.05/09: Connect Transit Agreement

This resolution represents our continuing relationship with Connect Transit to provide campus and community transit services to students, faculty and staff members. By presenting their ISU Redbird card, students, faculty and staff can ride on any Connect Transit route free of charge.

Total ridership is expected to exceed 900,000 by the end of FY2016 and ridership is expected to show an increase for next year. The cost for this service for FY2017 is not to exceed $532,750, with the source of funding being student fees and parking revenues. I ask your approval of this resolution.

Donahue: Is there a motion and a second? Trustee Davis so moved and was seconded by Trustee Dobski. Is $532,750 what we paid last year or is this an increase?

Alt: Yes, it will be an increase of 2.5 percent. We negotiate this each year. Originally the Connect Transit asked for a 5 percent increase. Deb Smitley and parking and transportation actually negotiated it down to 2.5 percent.

Donahue: So we are paying more, so are more people using the service?

Alt: More people are using the service, primarily I think because of the Cardinal Court facility and actually increasing some routes, but we have seen a steady increase in ridership.

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

Resolution 2016.05.10: Authorization to Contract for E-Commerce Services

Illinois State has used a third party vendor for the past 10 years to provide e-commerce services to the campus community. Over this time frame, security requirements and service option needs have increased, requiring the University to expand the scope of these contracted services. The agreement with the current provider will expire during this next year, therefore making it necessary to solicit proposals and enter into a new contract.

We are seeking technology that will provide excellent customer service for the University’s students, staff, and other authorized users. The integrated system will be capable of processing billing, payments, and refunds and work in conjunction with our student information system.

We request approval to enter into an agreement with the successful vendor with an initial term that will begin as soon as practicable and end June 30, 2021. The total cost is not to exceed $1.2 million, with the funding source being General Operating Revenue. I ask your approval of this resolution.

Donahue: Is there a motion and a second? Trustee Louderback so moved and was seconded by Trustee Dobski. Is the $1.2 million the total cost for five years or for just one year?

Alt: Total cost over five years.

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

Trustee Donahue, I will turn it over to you for the final resolution.

Donahue:Thank you President Dietz. Trustee Joyce, before I ask for approval of this resolution, I just want to say that on behalf of the entire Board, it has been a pleasure to work with you over this year. You have earned the respect and admiration of your student peers, your Board colleagues and the entire University community.

I know the people you served with have appreciated your input and advice, and I know that the University has benefited from your participation in all aspects of University governance. The service of the student trustee is not always exciting—but it is always important—and I want you to know how much we appreciate the excellent work you have done on behalf of the University. Personally as I have gotten to know you this past year, I have been amazed and impressed with the wide range of your skills and I personally thank you.

Before we read the resolution, I had the opportunity to meet Connor’s mom. Mom, can you stand up so we can say hello? You should be very proud. Connor is a fine young man.

Connor, if you will please come forward, I will present you with a token of our appreciation as I read Resolution 2016.05/11.

Whereas, Connor Joyce was selected by his constituents at Illinois State University to represent

their interests as a member of the Board of Trustees of Illinois State University, and

Whereas, Connor Joyce ably discharged that responsibility, while at the same time keeping in

mind the interests of all of the people of the State:

Therefore, be it resolved that the Board of Trustees of Illinois State University expresses its

deep appreciation to Connor Joyce for his service on the Board and for his success in all future endeavors.

Is there a motion and a second? Trustee Davis so moved and was seconded by Trustee Bergman. Motion made, seconded and vote recorded as all members present voting aye.

Joyce: Thank you Chairman Donahue. This is two things, both the end as my term of student trustee and graduating tomorrow. As I walked in here, the Old Main Room, I spent four years in this room. Freshman year I was on Watterson Area Government and I believe we had one or two meetings here. My sophomore year I was in Student Government and this is where we hold our general assembly meetings. Junior year being student body president I sat here as co-chair on the Academic Senate and this year I am here serving on the Board. It’s been four good years. I came here and I transformed myself as a new person thanks to the support of a lot of individuals. I was exposed to shared governance and it was something new to me and it was something to be able to be a student, but have my voice heard. It is unparalleled to what I have heard of other universities and of other student experiences. To be able to have been in the positions that I have held – I am only 22, it’s is amazing. I am in debt to ISU and I will give back any way possible and as I join the alumni association, I am excited to do whatever I can to continue on to be a Redbird. Thanks you very much to the Board, President Dietz, all the vice presidents and everybody else who made this four-year journey as good as they were.

Thank you Connor. There is also one other person who is here with Connor today who I have got to know this year and have seen here at a variety of events and that is Alita. Alita, could you please stand so we can say hello?

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 Louderback so moved and was seconded by Trustee Joyce. Motion made, seconded and vote recorded as all members present voting aye.

We will now move into Executive Session. At the close of Executive Session, the Board will reconvene in public session only for the purpose of adjournment.