Resolution 1

Ms. Gail Jock, vice chair of the academic and student affairs committee, reported the committee recommends Board approval of the Grants Authority Resolution included in the October 2012 Board Book under Tab 9 which gives Dr. Marc K. Manganaro and Dr. Heidi Davis authority to submit grant proposals, to accept funded grants, and to sign contracts as stipulated in current Loyola policy.

It was so moved and unanimously approved by the Board.

Resolution 2

In light of the successful completion of the Five Year SACS Accreditation, Ms. Jock reported the academic and student affairs committee would like to present the following resolution for Board approval:

The Board of Trustees thanks Senior Vice-Provost Lydia Voigt, her staff and all the members of Loyola University's SACS Accreditation team for the tremendous work they performed preparing the Five Year review report. Given the outstanding results of their efforts, SACS officials had one minor critique; the energy spent producing the document was time well spent. And we wish the LUNO accreditation team continued success.

It was so moved and unanimously approved by the Board.

Resolution 3

Dr. Virginia Angelico-Tatum, vice chair of the trusteeship committee, reported the committee approved placing the following individuals on the Board Approved List:

Joseph E. "Joe" Mahoney
Carol G. Waguespack

It was so moved and unanimously approved by the Board.
MINUTES
of the
Board of Trustees
Loyola University New Orleans
October 5, 2012

Michael Braden, S.J., Dennis Cuneo, Donald C. Faust, M.D., David M. Ferris, John Finan, Jr.,
Anne Gauthier, Robert Gerlich, S.J., S. Derby Gisclair, Gail W. Jock, Rachel Kent, Rita Benson
LeBlanc, Robert A. LeBlanc, Jr., Floyd J. Malveaux, M.D., Kevin Poorman, Kevin P. Quinn,
S.J., Peter Rogers, S.J., Richard Salmi, S.J., Robert Savoie, N. John Simmons, Jr., Paul Soukup,
S.J., Ileana Suquet, and Kevin Wildes, S.J.

Absent: William A. Blase, Jr., Robert Brown, Carolyn Callahan, T. Frank Kennedy, S.J., Joseph

Guests: Khaled Bahr, Bill Bishop, Gita Bolt, Jay Calamia, James Carter, S.J., Ted Dziak, S.J.,
Barbara Ewell, Paul Fleming, Kathy Gros, Gail Howard, Elizabeth Kordahl, John Laborde,
Kristine Lelong, Sal Liberto, Marc Manganaro, Ph.D., Leon Mathes, M. L. “Cissy” Petty, Ph.D.,
and Tommy Screen.

1. Opening of Quarterly Meeting

Mr. Kevin Poorman, Board chair, called the business meeting to order at 9 a.m. on Friday,
October 5, 2012.

Mr. Poorman introduced the new Trustees in attendance: Dr. Rachel Kent, Ms. Rita Benson
LeBlanc, Ms. Ileana Suquet, and Fr. Michael Braden, S.J.

Mr. Poorman asked the Trustees to review and sign the Trustee Committee Statement found in
the Board folders. He said each year Trustees are asked to reaffirm their commitment to serving
as a Trustee of Loyola.

Approval of Minutes

The minutes of the May 18, 2012 Board Meeting were approved.

The minutes of the September 4, 2012 Executive Committee Meeting were approved.
2. President’s Report

In his update on enrollment, Fr. Wildes said that although the first year class of 870 is one of the largest in the university’s history, it came in under the budgeted goal 900. Also, enrollment in graduate programs is down by approximately 20%. Falling short of the enrollment goals clearly has budget implications and the cabinet is working on holding down expenses to achieve a balanced budget. Long term remedies include hiring a full time director of financial aid and the establishment of a working group that will look at the university’s overall enrollment and retention strategies. In formulating a long term enrollment strategy, Fr. Wildes would like to identify what is the right size for the incoming class given Loyola’s facilities and budget.

From the area of academic affairs, Fr. Wildes announced Loyola successfully completed its SACS five-year review. He noted the SACS accreditation is a very rigorous accreditation review. In addition to SACS accreditation, the College of Business recently underwent a site visit from the AACSB, the governing body for business school accreditation. The business school received an overall positive report. The search for the Dean of Humanities and Natural Sciences is underway. Implementation of the common curriculum continues. On the student affairs front, refurbishment of Cabra Hall and Buddig Hall continues. Also, there has been ongoing campus dialogue about the athletic consultant’s report.

Mission and Ministry recently set-up the Center for Community Engagement which gives the university a way to better coordinate and audit the service work conducted throughout the community by our students. After Hurricane Isaac, many of our students, particularly those in LUCAP, responded to the needs of people in the community. A pilot program for faculty modeled after the national Ignatian Fellows Program will soon begin on campus.

Fr. Wildes reported that work on Monroe Hall continues and that he made the decision to add the 6th floor. The College of Business Stock Trading Room which was made possible through a gift has been completed.

The quiet phase of the capital campaign is underway. Fr. Wildes reported to date over $22 million has been committed and $42 million in proposals is currently under consideration.

Fr. Wildes reported the university purchased for $350,000 at “auction” one block of Loyola Avenue, the part between Calhoun and campus, which was needed for the construction of Monroe.

Fr. Wildes announced the federal government increased Pell Grants. He commented that if there is sequestration, it will impact Loyola’s federal financial aid. He asked Mr. Tommy Screen, director of governmental relations, to elaborate. Mr. Screen explained that if nothing happens by January 3, 2013, and the fiscal cliff takes effect, there will be an 8% cut in discretionary spending in the federal budget. For Loyola, this means our federal aid programs would be cut 8% which would affect nearly 700 students. (The Pell Grant Program is exempt from these cuts.) It would cost the university approximately $250,000 to bridge the gap if the cuts take place. He said that most likely something will take place before January 3 that will prevent the cuts from going into effect.
3. **Board Discussion**

Ted Long, Ph.D., AGB consultant, presented “Getting Governance Right: Roles and Responsibilities of University Trustees.” He presented the challenges facing good governance and highlighted the recent governance fiascos at Penn State and UVA. In discussing effective governance and what is expected of trustees, he outlined the major board responsibilities as defined by AGB. Major board responsibilities include defining the character of the institution, providing effective institutional leadership by selecting, supporting, and assessing the president; and charting a course for the future through the development of strategic planning. In addition, Boards serve to strengthen institutional capacity in terms of educational quality and fiscal soundness and ensure best practices, ethical action and legal compliance. In addition, he discussed the integration of leadership between the president and board as well as managing the boundaries of governance and management. Lastly, he outlined the hallmarks of effective boards.

4. **Committee Reports**

**Academic and Student Affairs**

Ms. Gail Jock, vice chair of academic and student affairs, reported the committee was given the following updates: SACS accreditation, facilities, Student Government Association (SGA) report, and a dashboard on key performance indicators. Also, Marc Manganaro, Ph.D., gave a “new provost report.”

She reported the committee recommends Board approval of the Grants Authority Resolution included in the October 2012 Board Book under Tab 9 which gives Dr. Marc K. Manganaro and Dr. Heidi Davis authority to submit grant proposals, to accept funded grants, and to sign contracts as stipulated in current Loyola policy.

It was so moved and unanimously approved by the Board.

In light of the successful completion of the Five Year SACS Accreditation, Ms. Jock reported the committee would like to present the following resolution for Board approval:

The Board of Trustees thanks Senior Vice-Provost Lydia Voigt, her staff and all the members of Loyola University's SACS Accreditation team for the tremendous work they performed preparing the Five Year review report. Given the outstanding results of their efforts, SACS officials had one minor critique; the energy spent producing the document was time well spent. And we wish the LUNO accreditation team continued success.

It was so moved and unanimously approved by the Board.
Finance

Mr. David Ferris, chair of the finance committee, reported the major issue discussed at the committee meeting was the shortfall in revenue of approximately $4 million. He explained in a large part, the shortfall is a result of the first year class having 30 less students than budgeted, however, the bulk of the revenue shortfall is a result of less students (approximately 90) matriculating into the junior and senior years. Follow-up committee discussion focused on the proactive steps the administration is taking in terms of targeting additional transfer students to make up for the loss revenue and the action steps the enrollment and financial aid offices will take to address this moving forward. Mr. Jay Calamia, vice president for finance and administration, noted the decline in Loyola’s graduate enrollment also contributed to the revenue shortfall. He pointed to an article from the New York Times included in the Board folders about the nationwide trend of declining graduate enrollment. Specifically, Loyola’s nursing and LIM graduate programs enrollment did not meet this year’s budget assumptions. Mr. Calamia said the issues effecting the budget assumptions for 2012-13 will be reviewed and revised in the future five year budget models. He reminded the Trustees, that in past years, adjustments within the budget have been made in order to bring in a balanced budget and again this year we will keep our commitment to producing a balanced budget. Mr. Ferris noted that prior to this meeting; Loyola’s five year budget models used an aggressive retention figure which did not truly reflect Loyola’s historical retention. As we move forward that number will be adjusted down to better reflect the more recent experience.

Mr. Derby Gisclair, vice chair of the sub-committee on endowment, updated the Trustees on the endowment’s performance for fiscal year ending July 31, 2012. He reported the LCG made several recommendations to the university’s Investment Policy Statement that were eventually adopted by the endowment sub-committee and brought forth to the finance committee. Most significantly the liquidity constraints were modified so that Loyola’s policy reflects what the credit agencies are looking for and this will give them a higher measure of confidence in how the oversight of the university’s endowment is handled. In addition, the committee reviewed and discussed asset allocation and selecting and conducting the remaining investment manager searches.

Institutional Advancement

Mr. Derby Gisclair, chair of the institutional advancement committee, gave an update on the activities of the advancement office including the annual fund, the capital campaign, and the Centennial. Two major points highlighted were: the commitment to unrestricted giving and the annual fund alumni participation goals. He explained it is a challenge to achieve the aggressive goals set forth for unrestricted giving and solutions to this challenge were discussed at the meeting. Increasing alumni participation in the annual fund continues to be a goal for the advancement office and he noted alumni participation is increasing. Mr. Gisclair also highlighted the importance of Trustee participation in annual giving since both alumni and Trustee participation factors into the college rankings such as the U.S. News and World Report’s Best Colleges.
Trusteeship

Dr. Virginia Angelico-Tatum, vice chair of the trusteeship committee, reported the committee held a conference call with Tom Longin, Ph.D., AGB consultant, to discuss the results of the 2011-12 Trustee Self-Evaluation. For the last three years, Dr. Longin has tabulated and analyzed the results of the annual Trustee Self-Evaluation for the Board. Overall, the survey results are very positive. Dr. Longin noted the results indicated that Trustee development has improved over the last few years. Moving forward, he recommended the Board focus on the strategic responsibilities, specifically, fiscal integrity and educational quality.

Fr. Wildes added that he asked Ms. Gita Bolt, general counsel, along with the trusteeship committee, to review the bylaws. The bylaws have not been reviewed in some time and do not reflect how business is conducted in today’s “electronic age.” Any revisions and recommendation will go to the full board for approval either later this year or early next year.

Dr. Tatum reported the committee approved placing the following individuals on the Board Approved List:

Joseph E. “Joe” Mahoney
Carol G. Waguespack

It was so moved and unanimously approved by the Board.

Audit

Mr. John Simmons, Jr., chair of the audit committee, reported the committee met with the university’s external auditor, Deloitte & Touche, and that the external audit is near completion. The draft of the year-end financial statements will be mailed to the Board prior to the December meeting. He explained over the years the audit committee has assumed oversight of the risk management process at the university and as such the committee reviewed a comprehensive list of risks to the university. At yesterday’s meeting, the committee specifically discussed the university’s whistleblower policy. In addition, the committee reviewed the internal audit plan for next year in which the internal auditor looks at compliance in some of the higher risk areas.

Mission and Identity

Fr. Bentley Anderson, S.J., chair of the mission and identity committee, reported Mr. Sal Liberto, vice president of enrollment management, gave a presentation on how the university’s mission and identity is promoted in the recruiting and admissions process. The committee was also given updates on the Tom Benson Jesuit Center, the AJCU Board Survey, and the development of Christian Life Communities among the student body.
5. Executive Session

The Trustees met in Executive Session from 11:25 a.m. until noon.

6. Adjournment

The meeting adjourned at noon.

[Signatures]

PRESIDENT

SECRETARY

December 7, 2012
DATE
Resolution 1

Dr. Malveaux presented the action item regarding the selection of Honorary Degree recipients. He reported the committee recommends Board Approval of the following individuals:

- Dean Baquet
- Germaine Bazzle
- Tom Brokaw
- Robin Roberts
- Carl Stewart
- Phyllis Taylor

It was so moved and unanimously approved by the Board.

Resolution 2

Mr. Derby Gisclair, vice chair of the sub-committee on endowment, reported the finance committee recommends Board approval of the 2013-14 budget as presented on pages 6-7 under Tab 10 of the December 2012 Board Book. The proposed budget is based on an incoming class of 875 new students with an additional 130 transfers and readmits for a total of 1,005 new/readmits. The retention rate used in the budget is 75%. Law revenue is based on a class of 703 students. This budget includes a 4.9% tuition increase, with the exception of no 2014 summer sessions’ increase, no salary pool increase, a 4.9% room increase, with the exception of the renovated Cabra Hall, and a 4.9% Board increase. There are no fee increases. This proposed budget results in a surplus of $100,000.

It was so moved and unanimously approved by the Board of Trustees.

Resolution 3

Mr. John Simmons, Jr., chair of the audit committee, reported the committee recommends Board approval of the financial statements for the year ended July 31, 2012 as prepared by Deloitte & Touche LLP for the university. Deloitte & Touche issued an unqualified opinion on the financial statement of the university.

It was so moved and unanimously approved by the Board.


1. Opening of Quarterly Meeting

Mr. Kevin Poorman, Board chair, called the business meeting to order at 9 a.m. on Friday, December 7, 2012.

Fr. Peter Rogers said an opening prayer.

Approval of Minutes

The minutes of the October 5, 2012 Board Meeting were approved.

The minutes of the October 18, 2012 Executive Committee Meeting were approved.

2. President’s Report

Fr. Wildes reported the enrollment goal for next fall is 875 new first year students and 130 new transfers. This goal is based on past work and on deliberations with Sal Liberto, Jay Calamia and the budget team. These numbers make sense in terms of the university’s capacity. A national search is underway for a new director of financial aid. Because the financial aid budget is a significant part of the overall university budget, it is essential that Loyola have someone with good expertise in this area so that the needs of the students are met in a way that results in good outcomes for both the students and the university.
The 2012-13 budget is projected to result in a balanced budget with a surplus of $100,000. The endowment committee is working with the consultant, LCG, on rebalancing the portfolio. Work continues on capital projects including Monroe, Cabra, and Buddig. Fr. Wildes reported the purchase of Veritas Hall was completed and that LEED Gold certification was awarded for the newly renovated Thomas Hall. Fr. Wildes will soon review the designs for a new building for the Jesuit Benson Center.

In academic affairs, the search for the dean of the College of Humanities & Natural Sciences is progressing, the implementation of the Common Curriculum is underway, and AACSB recently conducted a site visit. The Office of Student Affairs continues to engage in campus dialogue about the athletic consultant’s report.

In the area of mission and ministry, a new program on Ignatian faculty development is being established in collaboration with a faculty member. Prior to the November elections, the office along with the Jesuit Research Institute, sponsored a seminar on faithful citizenship. In February 2013, Loyola will host the national conference, Heartland-Delta Faculty Conversation.

Fr. Wildes commented that a significant amount of his time is spent on the Capital Campaign and fundraising. Thus far, $23 million has been committed to the campaign and $35 million in proposals is currently under consideration. The Centennial celebration continues with the Presidential Lecture Series and Centennial on the Road.

During the fall presidential campaign, there was a lot of discussion surrounding higher education and because of this Fr. Wildes would like to point out that Loyola's default rate on student loans is 3.8% which is below the national average of 5%. On the horizon on the federal level is the higher education reauthorization act. Loyola will be involved with AJCU and the other private college associations as this legislation goes through congress. On a state level, Fr. Wildes reported the moratorium for the endowed professorship program has been lifted and Loyola is moving forward with submitting proposals.

Fr. Wildes announced that the University General Counsel’s Office is adding a compliance officer who will begin in January 2013. With higher education being a highly regulated industry, it is part of the responsibility of the administration to make sure the university is in compliance with all the federal and state laws. He also reported an ethics hotline will be set up.

3. **Board Discussion**


In his presentation he discussed the origins, evolution, and development of higher education in the United States. Two major legislations: the Morrill Land Grant in 1862 and the GI Bill of 1944 helped to expand higher education and the access to higher education. The GI Bill transformed higher education by removing the major hurdle of going to college: the cost. The number of college students nearly doubled in a ten year period from 1.5 million in the 1940s to
2.7 million in 1950. Since World War II there has been significant growth in higher education with the impact being linked to promoting upward mobility and providing towns with a core of community leaders.

American colleges and universities are largely decentralized, with public universities administered by states. Universities and colleges are accredited by independent and regional accreditation organizations which exist to help control quality. Fr. Wildes commented the most recent evolution in higher education is the for-profit sector. He pointed out the for-profit universities enroll 9% of students and receive 36% of all tuition aid paid by the Federal government.

Fr. Wildes said affordability and technology are the key issues facing higher education today. Affordability encompasses tuition, student debt, value, access and completion. Education and emerging new technology raises the question about space/place and method of teaching, online or the traditional classroom. He makes the case that for undergraduate education, in the Jesuit model, education needs to take place primarily face-to-face in real time. In this model, technology can augment teaching and what happens outside the classroom. However, some programs will benefit from new technologies such as in graduate and professional programs. The use of Internet technologies in these programs makes it possible to reach groups we otherwise would not reach. An example of this is Loyola’s master degree in criminal justice.

Measuring the value of higher education will be tied to two fundamental questions: what is a university and what is an educated person. Society’s answers to these questions will drive how universities address issues of technology and affordability in the future. Fr. Wildes pointed to research on the value of an education which shows that an individual who completes a degree does significantly better in terms of income than someone without a degree. He said we need to be better at talking about value, the added value of what we do as a Jesuit university.

In terms of Loyola’s mission, Fr. Wildes explained the goal of the Jesuit model of education is formative rather than merely about information. He stressed this model is about the formation of our undergraduate students and includes educating the whole person, educating that takes place with others, and education that goes outside the classroom.

4. Committee Reports

Academic and Student Affairs

Dr. Floyd Malveaux, chair of the academic and student affairs committee, reported the Student Government (SGA) President gave a presentation on the SGA budget and explained how funds are allocated. Provost Marc Manganaro gave updates on the common curriculum and issues related to the implementation of the strategic plan. Dr. Malveaux further reported the committee discussed retention and student success. He explained that over the last several years, Loyola’s retention rate has varied from 75 to 82 percent. In the last couple of years, there has been a slight decline. He pointed to a bar graph found under Tab 9 of the December 2012 Board Book which shows the variables that contribute to retention and student success with academic performance at the top of the list. The administration is taking a serious look at retention and addressing the
issue with such programs as the new mentoring initiative, First in the Pack, and convening a retention and student success summit which will bring together various stakeholders from around the university to take a comprehensive look at this issue and develop a strategy to improve retention and student success.

Dr. Malveaux presented the action item regarding the selection of Honorary Degree recipients. He reported the committee recommends Board approval of the following individuals:

Dean Baquet
Germaine Bazzle
Tom Brokaw
Robin Roberts
Carl Stewart
Phyllis Taylor

It was so moved and unanimously approved by the Board.

Finance

Mr. Derby Gisclair, vice chair of the sub-committee on endowment, reported the finance committee recommends Board approval of the 2013-14 budget as presented on pages 6-7 under Tab 10 of the December 2012 Board Book. The proposed budget is based on an incoming class of 875 new students with an additional 130 transfers and readmits for a total of 1,005 new/readmits. The retention rate used in the budget is 75%. Law revenue is based on a class of 703 students. This budget includes a 4.9% tuition increase, with the exception of no 2014 summer sessions' increase, no salary pool increase, a 4.9% room increase, with the exception of the renovated Cabra Hall, and a 4.9% Board increase. There are no fee increases. This proposed budget results in a surplus of $100,000.

It was so moved and unanimously approved by the Board of Trustees.

In updating the Board on the endowment, Mr. Gisclair reported that as of the end of October 2012, the unrestricted endowment totaled approximately $167.5 million. For both fiscal and calendar years, Loyola's unrestricted endowment outperformed the broad index and the stock specific index used by the committee. At the end of October 2013, the restricted endowment totaled approximately $83 million. He noted the restricted endowment performed very well and is up 15% calendar year-to-date. Currently, the portfolio is undergoing restructuring as the consultants recommend new managers.

Mr. Sean O'Keefe, vice chair of the sub-committee on facilities, said he went on a walking tour of Monroe, Cabra, Buddig, and the new law clinic. He highlighted the impressive pace in which the renovation of Monroe Hall is moving and the impressive progress on the work of Cabra. All renovation projects are on time and on budget.
Institutional Advancement

Mr. Derby Gisclair, chair of the institutional advancement committee, reported that as November 30, 2012, $23 million in commitments has been made to the campaign and with the proposals currently in the pipeline it is possible to reach $30 million by the end of the calendar year. The committee discussed the readiness of the campaign as it relates to when to go public and they reviewed the case for support. The top fundraising priorities are scholarships, the Loyola fund, and Monroe Hall. The Loyola Alumni Association is taking ownership of the unrestricted piece of the Loyola Loyal Campaign which will involve coordinating the efforts of the alumni chapters to increase alumni participation in giving and to raise unrestricted funds for the campaign.

Lastly, Mr. Gisclair reported the committee will begin initiating a policy for Board involvement for the solicitation for unrestricted dollars. He commented this is an important component of Trustee responsibility. The policy will begin first with the institutional advancement committee before it is launched board wide.

Trusteeship

Mr. Dennis Cuneo, chair of the trusteeship committee, said the trusteeship committee is also responsible for governance issues and the bylaws have not been reviewed in several years. A thorough review is necessary in order to bring the bylaws up-to-date. He reported Ms. Gita Bolt, general counsel, has completed a thorough review of the bylaws and presented proposed revisions to the committee. The committee is now reviewing the proposed revisions. Once the committee approves the revisions, the revised bylaws will be sent to the full Board for approval.

Mr. Cuneo invited Board members to nominate trustee candidates by sending the names of candidates to him and Fr. Wildes.

Audit

Mr. John Simmons, Jr., chair of the audit committee, reported the committee recommends Board approval of the financial statements for the year ended July 31, 2012 as prepared by Deloitte & Touche LLP for the university. Deloitte & Touche issued an unqualified opinion on the financial statement of the university.

It was so moved and unanimously approved by the Board.

Mr. Simmons reported the committee held a discussion with industry leaders from Deloitte & Touche LLP about the issues and trends in higher education including growing market share by looking at international students; administrative costs benchmarking; issues in information technology (IT), particularly the shortage of IT resources; and co-op arrangements within the area of purchasing.
He stated that the committee reviewed its charter and provided revisions to the administration. Other committee discussions included risk management and the oversight responsibility of the Board, the ethics hotline and the whistleblower policy.

Mission and Identity

Fr. Bentley Anderson, S.J., chair of the mission and ministry committee, reported Dr. M. L. “Cissy” Petty, along with two students, gave a presentation entitled “Promoting the Mission through Student Affairs” to the committee. The presentation focused on how student affairs through its work helps to maintain and keep alive the mission and identity of the university once students are on campus. She highlighted the initiatives in university and student life at Loyola that fosters student formation in the Jesuit tradition as well as principles of good practice for student affairs at Catholic colleges and universities.

5. Executive Session

The Trustees went into Executive Session at 11:10 a.m.

6. Adjournment

The meeting adjourned at 11:40 a.m.

\[Signature\]

PRESIDENT

\[Signature\]

SECRETARY

8 March 2013

DATE
Resolution 1

Mr. Poorman reported that the institutional advancement committee recommends the approval of the New Orleans Endowed First Generation Scholarship Trust Fund established as an endowed fund, the income of which shall be used to establish the Derby and Claire Gisclair Athletics Scholarship for First Generation Students. *(Resolution attached.)*

It was so moved and unanimously approved by the Board.

Resolution 2

Mr. Poorman reported that the committee recommends Board approval of the appointment of Deloitte & Touche as external auditors for the 2012-13 fiscal year.

It was so moved and unanimously approved by the Board of Trustees.


Board Retreat

On the afternoon of March 7 and the morning of March 8, a Board Retreat was held at the Windsor Court Hotel in New Orleans. Dr. Ted Long, a consultant from the Association of Governing Boards, facilitated the retreat which focused on what the Board responsibilities are for mission and identity and in a specific sense for Catholic Jesuit institutions. He also discussed mission and identity as it relates to the institution’s academic programs. On Thursday afternoon, Archbishop Gregory Aymond spoke to the Trustees about the mission and identity of Catholic universities.

1. Opening of Quarterly Meeting

Mr. Kevin Poorman, Board chair, called the business meeting to order at 11:15 a.m. on Friday, March 8, 2013.

2. Approval of Minutes

The minutes of the December 7, 2012 Board Meeting were approved.

The minutes of the February 7, 2013 Executive Committee Meeting were approved.
3. Business Meeting/Action Items

Institutional Advancement

Mr. Poorman reported that the institutional advancement committee recommends the approval of the New Orleans Endowed First Generation Scholarship Trust Fund as an endowed fund with the income of which shall be used to establish the Derby and Claire Gisclair Athletics Scholarship for First Generation Students.

It was so moved and unanimously approved by the Board.

Audit

Mr. Poorman reported that the audit committee discussed the selection of an external auditor for the university and that Deloitte & Touche presented an engagement letter and action plan for 2013 to the committee. It was noted that the fees for this year will remain the same as last year. Mr. Poorman reported that the committee recommends Board approval of the appointment of Deloitte & Touche as external auditors for the 2012-13 fiscal year.

It was so moved and unanimously approved by the Board.

4. Legal Presentation

Ms. Gita Bolt, university general counsel, conducted a training session from a legal perspective for the Trustees regarding their fiduciary responsibilities as Trustees. She stressed that the fiduciary care that is owed to the institution is the highest standard of care imposed at either equity or law and that duty can be breached by not asking proper questions and not providing the necessary oversight as a governing board.

Ms. Bolt highlighted the following five points:

1. Boards should ensure that institutions assess and minimize the risk associated with having children on campus. She noted a university policy regarding minors on campus is currently being drafted and will address requiring background checks on those individuals who work with children and mandatory training.
2. General Counsel to the university should ensure they fully disclose to the Board present and potential risks that may impact the institution.
3. The Board must exercise appropriate oversight and ensure accountability of the administrators. They must ask the proper questions. As a Board, Trustees have a duty to inquire further.
4. Ensure that athletics operates in a culture of compliance.
5. Boards should ensure that the university has appropriate legal counsel.

She further discussed two topics impacting higher education that the Board should be made aware of and how the administration is addressing those issues. First is the Cleary Act which requires all colleges and universities that participate in federal financial aid programs to keep and disclose information about
crime on and near campus by publishing and distributing an annual security report. The report is due by October 1 each year. Failure to comply with the Cleary Act could result in fines up to $35,000 per infraction as well as reputational risk to the institution. Monitoring Loyola’s compliance of the Cleary Act is one of the top priorities for the new compliance officer.

The second issue is the Dear Colleague letter of April 4, 2011, which is the Department of Education’s guidance for handling allegations of sexual assault under Title IX. Although it is guidance, failing to comply will result in penalties. Title IX prohibits discrimination on the basis of sex in institutions of higher education that receive federal financial aid. The Dear Colleague letter includes sexual violence as sex discrimination thus prohibited by Title IX. Furthermore, if an individual was impaired by drugs and/or alcohol, they cannot consent. This changes how investigations are handled. In addition to changing the standard used in investigation, university-wide sexual harassment training is required and students now must be included in such training so that they know that sexual violence is sex discrimination. University administrators attended extensive training regarding compliance with the Dear Colleague letter and Title IX.

5.  Executive Session

There was no Executive Session.

6.  Adjournment

The meeting ended at 11:50 a.m.

___________________________    _______________________
PRESIDENT       SECRETARY

_______________________
DATE