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.
MINUTES
of the
Board of Trustees
Loyola University New Orleans
December 7, 2012


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 stake holders 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
toted 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.

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PRESIDENT        SECRETARY

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DATE