Resolution 1

Mr. Joseph E. Mahoney, Jr., chair of the finance committee, reported that the committee recommends Board approval of the interpretation of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. *A copy of the UPMIFA resolution is included in the October 7&8 Board Book under Tab 7, page 15.*

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

Resolution 2

Mr. Kevin Poorman, chair of the trusteeship committee, reported that the trusteeship committee unanimously recommended placing Ms. Robin Burgess on the Board approved list.

It was so moved and unanimously approved by the Board of Trustees.
MINUTES
of the
BOARD OF TRUSTEES
Loyola University New Orleans

October 8, 2010
Board Meeting
Audubon Room, Danna Student Center


By Phone: N. John Simmons, Jr., and Elissa Moran.

Absent: Dennis C. Cuneo, Shawn Donnelley, Rita Benson LeBlanc, Kevin P. Quinn, S.J., Ashley Schaffer, and Chad Shinn.


1. Opening of Meeting

Ms. Suzanne Mestayer called the meeting to order at 9:05 a.m., on Friday, October 8, 2010.

Ms. Mestayer welcomed the following new trustees to their first BOT meeting: Fr. R. Bentley Anderson, S.J., Fr. Richard P. Salmi, S.J., Fr. Stephen Sauer, S.J., Mr. Robert “Bob” Brown, Mrs. Anne Gauthier, Mr. Sean O’Keefe, and Dr. Virginia Angelico-Tatum.

She also welcomed the following individuals attending their first BOT meeting. Mr. Bill Bishop, vice president for Institutional Advancement, Ms. Kate Gremillion, president of the Student Government Association and Mr. Michael Morin, vice president of the Student Government Association.
Ms. Mestayer commented that Loyola received many accolades at the start of the school year. Loyola ranked #7 among regional universities in the South in the *U.S. News & World Report Best Colleges* rankings. She said this is the 20th year in a row that Loyola ranks in the top 10 schools in the South. Also, Loyola ranked 8th in the report’s “Great Schools, Great Prices” category.

Loyola is among the nation’s best private colleges and universities in narrowing the graduation gap between minorities (African-American and Latino) and white students, according to two reports conducted by the academic advocacy group, The Education Trust. From 2006-08, Loyola graduated 63.2% of white students to a compared 65.2% of black students, which places the university as the 4th best in the nation for narrowing that margin. A separate report shows Loyola ranked 11th in the country for the smallest graduation rate gap between Latinos and whites, graduating 66% of their Latino students compared to 63.2% of white students.

Mrs. Mestayer reminded the Trustees that a copy of the Trustee Commitment and Responsibility Statement is in the meeting folders. The statement was developed by the Trusteeship Committee and approved by the Board in May 2009. She asked each Trustee to review and return signed copies to Ms. Lelong who will keep them on file in the president’s office.

2. **Approval of Minutes**

The minutes of the May 14, 2010 Board Meeting were approved.

The minutes of the August 31, 2010 Executive Committee Meeting were approved.

3. **President’s Report**

Fr. Wildes expressed his gratitude to Mr. and Mrs. Tom Benson for their recent gift of $8 million. The gift will be used to renovate the old library to become the Tom Benson Jesuit Center. He also recognized fellow Trustee Ms. Rita Benson LeBlanc for her help with this.

Fr. Wildes mentioned that Mr. Tom Longin, who helped the Board reconfigure its committee structure a few years ago, conducted a review over the summer on how the current configuration is working. He received good responses and suggestions. Fr. Wildes said the Executive Committee will work to implement suggestions. Also, as a result of the feedback from the Trustee surveys last spring, there will be a focus on developing more ongoing and a greater depth of Board education programs as we move forward. For example, today, there will be an in-depth presentation on enrollment and Loyola’s ongoing operations in this area.

Fr. Wildes commented that since his report to the Board was written, Loyola ranked in the top 25 of “Service Learning Colleges” in a recent *U.S. News and World Report* ranking. Loyola is the only Jesuit university listed in this ranking. He commented that
service learning is not a requirement at Loyola; rather it is voluntary—it is part of the culture here.

Fr. Wildes updated the Board on the two dean searches. The application deadline for the law dean search is October 31. The search committee will conduct 12-14 preliminary interviews in early November then narrow the field to 6-7 candidates to present to the law faculty in January. The library dean search is in the advertising and recruiting phase. The deadline for applications is January 12. Thus far, there are six applicants for the library dean.

Fr. Wildes announced that he officially resigned as the chair of the Ethics Review Board for the City of New Orleans. He now serves as a commissioner of the New Orleans Public Belt Railroad.

4. Board Education: Presentation on Admissions

Mr. Sal Liberto, vice president for enrollment management, explained the Office of Enrollment Management is responsible for undergraduate admissions both first years and transfer; financial aid and scholarships; retention and graduation rate effort coordination and graduate and professional studies admissions. He said the focus of today’s presentation will be on undergraduate admissions and first year students and how the university arrived at its enrollment goals.

He explained there are a series of steps the administration takes to determine the optimal enrollment for Loyola. Over the last couple years, Loyola went through these steps to decide the university’s optimal undergraduate enrollment and looked at what obtainable goals must be achieved to reach that point. The strategic plan, Loyola 2012, outlines these goals and addresses how the progression from 500 to 850 first year students will be reached. The university’s goal next year is to enroll an incoming class of 850.

Mr. Liberto explained that a good measurement of undergraduate enrollment is the number of applications the university receives. He reported that since 2007, applications at Loyola have grown 79%. In 2007, Loyola enrolled 502 new first-years and two years later, in 2009 that number increased to 806, which is a 60% increase. This year new first-years totaled 782 with 145 transfer students for a total of 927. He noted that Katrina is a line of demarcation for Loyola’s enrollment models. The models worked until 2005. After 2005, it is a new marketplace. Although enrollment is not fully back to pre-Katrina levels (pre-2005), the demand is now above pre-Katrina levels. In fall 2009-10, Loyola reached lifetime records in the number of applications received.

In approaching the strategy to enroll 850 first-years for the fall 2011, Mr. Liberto explained the process takes place through the “admissions funnel.” The process begins with identifying prospects. Loyola purchases lists of names based on the university’s admissions criteria and then begins a communication cycle with its prospects. He reported that 13% of Loyola’s prospects turn into inquiries; the market average is 10%. The admissions process continues with turning inquiries into applicants all the way
through to enrolling students. In addition to front-end investments, the admissions office utilizes multi-class recruitment efforts and direct and indirect marketing to engage prospective students. He explained that in addition to currently recruiting fall 2011, the office is also working on fall 2012 and 2013 by communicating to high school juniors and sophomores. High school juniors build the list of schools they want to apply to in January and it is essential to engage them early in order be on their lists. Mr. Liberto noted that the use of social media such as Facebook and Twitter has taken off in the last several years. He said the university recently launched a new i-phone application that has been very successful.

The next phase of the admission funnel is securing applications from prospective students. The challenges Loyola’s admissions operations face in generating applications in the marketplace are shrinking demographics until 2015, overcoming negative perceptions of New Orleans, an unstable economy, and competition with the top 5 “cross-apply schools. With 40% of Loyola’s applications coming from within the state, the schools Loyola most overlaps with in applications are Louisiana State University, University of New Orleans, Tulane, Spring Hill College, and University of Louisiana at Lafayette.

Approximately 23% of inquiries apply with 60% of applicants being admitted. This acceptance rate puts Loyola in the top third in selectivity in the United States. Mr. Liberto commented that there are several factors the university considers in shaping classes including academic standards, diversity, housing capacity, and merit-based and need-based funding.

Deposits are received from 26.5% of admitted students and 90% of those enroll. He pointed out that Loyola offers rolling admissions which gives the university some flexibility because students are accepted through the summer. He said marketing and recruiting efforts must continue in order to “yield” a high percentage of acceptances. This is done by promoting the value of a Loyola education and its identity as a “Jesuit-Catholic” university, as well as engaging accepted students and their parents in discussions that will help them determine if Loyola is the right “fit” for them. He noted his office set-up a web portal just for parents in order to engage them in conversations about choosing Loyola.

In concluding his presentation, Mr. Liberto recapped the successes in admissions. He cited growth in demand; growth within the out-of-state market (this year Loyola enrolled 60% of our students from out-of-state, in 2007 it was 45%); maintaining a strong academic profile, significant growth in net tuition revenue over 5 years with a $22 million gain; and improved retention and persistence rates. The improvements in retention and persistence rates are partly due to the fact that the university is enrolling more attainable classes by doing a better job at shaping classes from the onset. Fall 2007 to fall 2008 retention was 73%. Last year and this year, Loyola’s retention rate increased to 80%. The long-term goal, he said, is a retention rate of 86% over the next 5-6 years.
5. Committee Reports

A. Finance

Sub-committee on Facilities. Mr. Joseph E. Mahoney, Jr., chair of the finance committee, called upon Mr. John Finan, Jr., vice chair of the sub-committee on facilities, to update the Board on facilities. Mr. Finan reported that the renovation of Thomas Hall is slightly behind schedule with a completion date of February 2011. The West Road Garage project is under budget and is scheduled to be completed in March 2011. The expansion to the garage will add 200 parking spaces. Architects and design teams have been selected for Phase II projects which include the renovation of Monroe Hall and Student Center and residence hall.

Sub-committee on Endowment. Mr. David Ferris, vice chair of the sub-committee on endowment, reminded the Board that it has been a year and half since the university’s outside consultant CSG was selected. Since then, CSG formulated a new asset allocation for Loyola’s unrestricted portfolio. Currently, the balance of the unrestricted fund is approximately $175 million and the restricted fund is $70 million. He said the university has been moving at a fairly slow pace in rebalancing its portfolio. Six months ago, the sub-committee began meeting monthly via teleconferencing to discuss the rebalancing of the portfolio. He explained the sub-committee analyzed each component of the portfolio and looked at the use of active and passive managers. The committee has made significant changes in the last quarter. Many of the changes involved switching to active managers. He also commented that the portfolio has been performing well and beating its respective benchmarks.

Mr. Mahoney reported that the university’s operations for fiscal year 2009-10 resulted in a deficit of $6.7 million which will be offset by Business Interruption insurance.

He also reported that the university’s operations for the fiscal year 2010-11 are projected to result in a deficit of $2.5 million while maintaining a 5% draw on endowment. The shortfall will be offset by Business Interruption insurance. This is a slightly higher deficit than $2.2 million deficit presented to the Board in May 2010. 

(A memorandum with the updated financial projections for 2010-11 was distributed in the Board packets at the meeting.)

Mr. Mahoney reported that the committee recommends Board approval of the interpretation of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. A copy of the UPMIFA resolution is included in the October 7&8 Board Book under Tab 7, page 15.

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

Mr. Kevin Poorman, chair of the trusteeship committee, reported that committee reviewed its scope of responsibilities and discussed its goals for the upcoming year. The committee will focus on Board education, Trustee assessment, and recruiting and training leadership among the Board.

Mr. Poorman reported that the trusteeship committee unanimously recommended placing Ms. Robin Burgess on the Board approved list.

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

C. Academic and Student Affairs

Fr. Paul Soukup, S.J., committee member, reported that the meeting began with a tour of student residences and the science labs in Monroe Hall. He noted that facilities issues impact student life, student retention, and attracting new students and that the committee wanted to be familiar with the issues on campus. The committee heard a number of reports including an implementation update on the strategic plan, and updates on the admission and recruiting processes as well as initiatives from student government. Lastly, he reported that the revision of the common curriculum will be a focus of the committee’s work this year.

D. Audit

Mr. Barry LeBlanc, audit committee chair, said that last year the committee took on the responsibility of addressing risk assessment within the university by identifying and categorizing risks. This year, the committee will look at control and security risks, mostly within the area of information technology. A regional CPA firm has been engaged to conduct a review of the IT system in order to identify any risks to the university’s system.

E. Institutional Advancement

Mr. Derby Gisclair, institutional advancement committee chair, reported that Mr. Bill Bishop gave a frank and candid assessment of the work that has been done thus far in preparing for a capital campaign. He said the committee reviewed the numbers that are needed for a campaign of Loyola’s size and discussed the Board’s role in fundraising. He also reported that a campaign organizing group has been formed to do some intense preparation work for the capital campaign in the coming months.
F. Mission and Identity

Fr. Gerald Cavanagh, S.J., mission and identity committee chair, reported that Mr. Bill Bishop gave a presentation on how the Jesuit Catholic mission will fit into the capital campaign and the university’s fundraising endeavors. In addition, Dr. Ricardo Marquez, assistant director of the Jesuit Center, updated the committee on his work in facilitating Jesuit and Catholic mission and identity for faculty and staff. Fr. Cavanagh said the committee also discussed the plans for the renovation of the old library. Lastly, he commented that the mission and identity committee opens each of its meetings with a prayer and that the committee asked him to suggest to the Board that other committees do the same.

6. Executive Session

The Trustees met in Executive Session.

With no further business, the meeting adjourned at 11:40 a.m.

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PRESIDENT        SECRETARY

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Date