Loyola University New Orleans Board of Trustees

Executive Committee Meeting

AGENDA

February 4, 2014

10 a.m. CST

President’s Dining Room, Thomas Hall, 1st Floor

I. Enrollment Update      Fr. Wildes
II. Finance Update        Fr. Wildes
III. Reduction in Force – Executive Committee Consultation Fr. Wildes
IV. Legal Update          Gita Bolt
V. Amended & Restated Articles of Incorporation Gita Bolt
VI. March 2014 BOT Retreat Fr. Wildes
VII. Honorary Degree Candidate Fr. Wildes
(Attachments)
Fr. Wildes called the meeting to order at 10 a.m.

**Enrollment Update.** Fr. Wildes reported that Ms. Roberta Kaskel has agreed to stay on another year as interim vice president of admissions and enrollment management. He said she brings a good leadership style and is reorganizing and rebuilding the admissions team. Al McIvor, a former admissions dean, is mentoring the admissions staff on territory management and yield techniques. In addition, the admissions office is revitalizing a program for high school counselors in which they visit campus and meet with Loyola staff and faculty to learn about the university.

Mr. John Finan asked Fr. Wildes what is needed from the Board at this time in terms of admissions. Fr. Wildes replied that he would like approval of his plan to organize the March Board meeting as a retreat. The format of the retreat would give the Board an opportunity to learn more about the admissions operations and to hear from representatives of the consultant group, The Lawlor Group, about national enrollment trends and Loyola’s admissions operations, specifically.

Fr. Wildes also mentioned that the Board will soon receive an email inviting them to participate in a webinar conducted by Scannell & Kurz scheduled for February 24, 2014. Kathy Kurz principal in Scannell & Kurz will discuss the state of financial aid nationally and specific to Loyola. She will explain how Loyola’s financial aid modeling and packaging policies for 2014-15 were developed.

**Finance Update.** Fr. Wildes stated the university started the academic year with a deficit of $7.5 million. The administration has been taking steps to reduce and control expenses. One of the first steps taken was to initiate a hiring freeze last May. In December, a Voluntary Severance Plan (VSP) to faculty and staff was offered. The VSP resulted in a savings to the operating/salary budget of $2,375,462. This leaves a remaining deficit is $5.1 million. Fr. Wildes reported that later this week, there will be a Reduction in
Workforce (RIF). The number of full time staff employees will be reduced by 17 and part time staff employees by 1. He then reported that we will review Extraordinary Faculty and most likely will not renew 11 contracts. Fr. Wildes explained that Extraordinary Faculty describes full time faculty who are not tenured nor in a tenure line track. These steps along with a number of vacancies that have not been filled, attrition and reduction of hours will help close the deficit.

Fr. Michael Braden asked if the non-renewal of Extraordinary faculty contracts will impact student-teacher ratio. Fr. Wildes responded it will not and that Academic Affairs is making sure that classes are covered so they will be no impact to students. Fr. Braden also asked if the reductions would affect grounds maintenance. Fr. Wildes replied the university has an outside contract with WFF that was not effected in the reduction.

**Reduction in Force Resolution.** Fr. Wildes presented the Resolution: Authority to Implement Phase II RIF to the Executive Committee. The resolution gives the Executive Committee authority to approve a draw down from the endowment to fund Phase II of the plan to reduce the $7.5 million deficit with a Reduction in Force (RIF). Phase II will need to yield a least $5, 124, 538.00 in order to reduce the deficit and whereas the administration request Board approval from the Executive Committee to fund the RIF and subsequently withdraw the same amount from the Endowment. Mr. Kevin Poorman, Board Chair, moved to approve the resolution and Mr. Derby Gisclair seconded the motion. The Executive Committee voted unanimously to approve the Authority to Implement Phase II RIF.

**Legal Update.** Ms. Gita Bolt gave an update on pending legal matters to the Executive Committee.

**Amended and Restated Articles of Incorporation Resolution.** Ms. Bolt presented the Resolution: Adoption of Amended and Restated Articles of Incorporation and Bylaws. She explained that there are no changes in the body of the Bylaws rather this amendment has to do with specific language requested by the Secretary of State of Louisiana in order to file the articles of incorporation with the state of Louisiana. The required language is “Adoption of Amended and Restated Articles of Incorporation and Bylaws” which is pursuant to R.S. 12:34A(1). Mr. John Simmons moved to approve the resolution. Fr. Michael Braden, S.J., seconded the motion. The motion unanimously passed.

**March 2014 Board Retreat.** Fr. Wildes proposed that the Board use the March meeting time as a Board Retreat held on campus. He would like the Retreat to focus on three areas: enrollment, strategic plan and the process being developed on campus, and the Capital Campaign. He said the Retreat format would give the Board the opportunity to “drill down” into the three areas. The last hour of the meeting time on Friday would be reserved for any regular business that needs to take place.

Mr. Finan inquired about the development of the strategic plan and when it would be in the final form for the Board approval. Fr. Wildes said he is pushing for May 2014 but it most likely will be in a final form for the fall 2014 Board meeting. Enough work has been done that the Board will have the opportunity to review and ask questions at the upcoming meeting.

**Honorary Degree Candidate: David Gergen.** Fr. Wildes announced that David Gergen has agreed to speak at Loyola’s Unified Commencement. He also reported that Mr. Gergen has been nominated for an honorary degree and the nomination was approved by the Honorary Degrees Committee. Fr. Wildes would like to bestow on him an honorary degree for his public service at the May commencement. Rather than wait until the March 2014 Board meeting to bring Mr. Gergen’s nomination for an honorary degree to the Board for approval, Fr. Wildes would like to conduct the vote electronically so that we
may soon publicly announce our commencement speakers and honorary degree recipients. Mr. Gergen’s bio and a letter nominating him for an honorary degree were included in materials distributed to the Executive Committee prior to today’s meeting. Mr. Kevin Poorman made a motion for the Executive Committee to approve the nomination and recommend Board approval of the nomination. Mr. Gisclair seconded the motion. Motion passed unanimously. Fr. Wildes will prepare a letter to the Board to go with the honorary degree nomination and consent forms. The materials will be distributed to the full Board later today and the vote will be conducted electronically.

The meeting adjourned at 10:40 a.m.
To Father Kevin Wm. Wildes, S.J.:

I write this letter in the strongest support possible for David Gergen to receive an honorary degree from Loyola University New Orleans at graduation this spring.

Mr. Gergen's eclectic career shows Loyola University New Orleans' class of 2014 that good grades, intelligence, passion, and a commitment to others allows people to have multiple rewarding careers. Mr. Gergen is a public servant, author of the 2000 bestseller *Eyewitness to Power: The Essence of Leadership, Nixon to Clinton*, journalist, and teacher. He has excelled in each of these roles.

Mr. Gergen received his undergraduate degree from Yale in 1963 and a law degree from Harvard in 1967. Both universities conferred honors to Mr. Gergen. Grades matter.

A native of Durham, North Carolina, Mr. Gergen interned for Governor Terry Sanford for three summers. Through this experiential education, Gergen saw the importance of Sanford's progressive leadership for Civil Rights in the South.

Mr. Gergen has worked in the White House for Presidents Nixon, Ford, Reagan, and Clinton. He was a speech-writer for Nixon, Special Counsel to President Ford for Communications, President Reagan’s Director of Communications, and an advisor to President Clinton. When asked how he could switch from serving Republican presidents to advising Clinton, a Democrat, Gergen said, “I'm not a Republican. I've always been a registered Independent.”

When he wasn't shaping American politics inside the White House, Mr. Gergen used his journalism background to cover government and politics. His career as a political journalist began in 1984 and continues to this day. He was part of election coverage teams that won two Peabody Awards; in the late 1980s, he served as chief editor of *U.S. News & World Report*. Today, he continues to appear on CNN as that network’s senior political correspondent.

In 1999, he began another career – professor. As director of the Center for Public Leadership at Harvard’s Kennedy School, Mr. Gergen has provided scholarships for and mentored hundreds of the world’s future leaders. The mission of this center coincides with what we try to accomplish at Loyola – educate people for the common good.

For each of these reasons, I believe that Loyola University New Orleans should confer an honorary degree upon David Gergen.

Sincerely,

Peter Burns
Professor
Department of Political Science
David Gergen

David Gergen is a senior political analyst for CNN and has served as an adviser to four U.S. presidents of both parties. He is a professor of public service at the Harvard Kennedy School and the director of its Center for Public Leadership. In 2000, he published the best-selling book, *Eyewitness to Power: The Essence of Leadership, Nixon to Clinton*.

Gergen was born in Durham, North Carolina, where his father taught mathematics at Duke University. He graduated with honors from both Yale College (1963) and Harvard Law School (1967) and served as an officer in the U.S. Navy for nearly three and a half years, posted to a ship in Japan.

Gergen joined the Nixon White House in 1971, as a staff assistant on the speech writing team, a group of heavyweights that included Pat Buchanan, Ben Stein and Bill Safire. Gergen went on to work in the administration of Gerald Ford and as an adviser to the 1980 George H.W. Bush presidential campaign.

He served as director of Communications for Ronald Reagan and as adviser to Bill Clinton and Secretary of State Warren Christopher on domestic and foreign affairs.

In the 1980s, he began a career in journalism. Starting with *The McNeil-Lehrer NewsHour* in 1984, he has been a regular commentator on public affairs for some 28 years. Twice he has been a member of election coverage teams that won Peabody awards. In the late 1980s, he was chief editor of *U.S. News & World Report*, working with publisher Mort Zuckerman to achieve record gains in circulation and advertising. Today, he appears frequently on CNN as senior political analyst.

Gergen joined the Harvard faculty in 1999, and his work as director of the Center for Public Leadership at the Kennedy School has enabled him to work closely with a rising generation of younger leaders, especially social entrepreneurs, military veterans and Young Global Leaders chosen by the World Economic Forum. Through the generosity of outside donors, the Center helps to provide scholarships to 50-60 students a year, preparing them to serve as leaders for the common good. The Center also promotes scholarship at the frontiers of leadership studies.

He is active as a speaker on leadership and sits on many boards, including Teach for America, the Aspen Institute and The Mission Continues. He is a member of the Washington D.C. Bar and the Council on Foreign Relations and holds 25 honorary degrees.

Gergen has been married since 1967 to Anne Elizabeth Gergen of England, a family therapist. They have two children and five grandchildren. Son Christopher is a social entrepreneur in North Carolina as well as an author and member of the Duke faculty. Daughter Katherine is a family doctor, working with the underserved population at the Boston Medical Center.
RESOLUTION
THE BOARD OF TRUSTEES
OF
LOYOLA UNIVERSITY NEW ORLEANS

AUTHORITY TO IMPLEMENT
PHASE II RIF

WHEREAS, Loyola University New Orleans is a Louisiana nonprofit corporation duly organized and validly existing under and pursuant to the laws of the State of Louisiana (the "University"); and

WHEREAS, the Board of Trustees of the University (the "Board") is the governing body of the University; and

WHEREAS, pursuant to the Board bylaws, Article XII, Section 2(H), the Board is authorized to oversee the fiscal affairs of the University; and

WHEREAS, the University has experienced a decline in enrollment for fiscal year 2013-14, and as a result, the University is anticipating a deficit for fiscal year 2013-14; and

WHEREAS, the University, in an effort to offset the anticipated shortfall, proposed a Voluntary Severance Program (VSP) for tenured faculty, extraordinary faculty and full time staff with caps of $4,345,000 for tenured faculty; $181,000 for extraordinary faculty; and $1,424,000 for full time staff, which was approved at the October 18, 2013, Board meeting as Phase I; and

WHEREAS, the Administration now request Board approval of Phase II of the plan to reduce the $7.5 million dollar deficit with a Reduction in Force (RIF); and

WHEREAS, Phase I yielded savings in the amount of $1,979,552.00, plus $395,910 in fringe benefits equaling $2,375,462 in savings; and

WHEREAS, Phase II will need to yield at least $5,124,538.00 in order to reduce the deficit; and

WHEREAS, the Administration request Board approval from the Executive Committee to fund the RIF and subsequently withdraw the same amount from the Endowment; and

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees authorizes the University to proceed with Phase II of the plan to reduce the $7.5 million dollar shortfall, and for the withdrawal of an amount from the Endowment to further this purpose.

IN WITNESS WHEREOF, the University has caused this document to be signed by its duly authorized officer, on the date before written, at New Orleans, Louisiana.

BE IT KNOWN, that on the 4th day of February, 2014, the undersigned personally came and appeared:

[Signature]
Peter S. Rogers, S.J.
Secretary, Board of Trustees
LOYOLA UNIVERSITY NEW ORLEANS
RESOLUTION
THE BOARD OF TRUSTEES
OF
LOYOLA UNIVERSITY NEW ORLEANS
ADOPTION OF
AMENDED AND RESTATED ARTICLES OF INCORPORATION AND BYLAWS

WHEREAS, Loyola University New Orleans is a Louisiana nonprofit corporation duly organized and validly existing under and pursuant to the laws of the State of Louisiana (the "University"); and

WHEREAS, the Board of Trustees of the University (the "Board") is the governing body of the University; and

WHEREAS, pursuant to the Article IX of the Charter (Articles of Incorporation) and Bylaws, the Board is authorized to alter, amend, change or repeal any provision of the Charter by an affirmative two-thirds vote of the members; and

WHEREAS, the Amended and Restated Charter and Bylaws were presented to the Board at its meeting on May 17, 2013, after having given thirty (30) days notice.

WHEREAS, the Amended and Restated Charter and Bylaws accurately copies the articles and all amendments without substantive change except as made by any new amendments, and indicate any such changes, stating that each amendment has been effected in conformity with law.

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees unanimously adopts the Amended and Restated Articles of Incorporation and Bylaws.

NOW THEREFORE BE IT RESOLVED, that the members do not have shares.

NOW THEREFORE BE IT FURTHER RESOLVED, that the Board hereby adopts the Amended and Restated Articles of Incorporation and Bylaws and authorizes the University to file the Amended and Restated Articles of Incorporation as prescribed by law.

IN WITNESS WHEREOF, the University has caused this document to be signed by its duly authorized officer, on the date before written, at New Orleans, Louisiana.

BE IT KNOWN, that on the ___th___ day of ___February___, 2014, the undersigned personally came and appeared:

[Signature]
Peter S. Rogers, S.J.
Secretary, Board of Trustees
LOYOLA UNIVERSITY NEW ORLEANS

[Signature]
Notary

Printed Name: Carolyn S. Bryant
NP No.: #33800