Resolution 1

Dr. James Caillier moved to approve Transforming Loyola 2014 and the motion was seconded by Mr. John Simmons, Jr. Mr. Finan noted that the Academic and Student Affairs committee unanimously recommended approval of the strategic plan included in the October 2014 Board book under Tab 9.

The Board unanimously approved the strategic plan, Transforming Loyola 2014.

Resolution 2

Academic and Student Affairs committee member, Dr. James Caillier, moved to approve the proposed degree programs in digital filmmaking and popular and commercial music. Ms. Rita Benson LeBlanc seconded the motion.

The Board unanimously approved the bachelor of fine arts in digital filmmaking and the Bachelor of Science in popular and commercial music.

Resolution 3

Mr. Edgar Chase reported that the finance committee recommends Board approval of the purchase of 7320 St. Charles Avenue, the 2nd to last of the remaining properties owned by the Dominican Sisters on the Broadway campus for $2,095,000. Mr. Calamia noted that the purchase will be offset with the expected $3 million in proceeds from the pending sale of Loyola’s property in Kenner, which will likely happen by the end of the year.

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

Resolution 4

Ms. Gauthier reported the committee approved and recommends Board approval of four resolutions to request Board of Regents Matching Funds for the following professorships:

- Derby and Claire Gisclair Distinguished Professorship in Theatre Arts
- KeCo3 Distinguished Professorship in Voice
- Marjorie R. Morvant Distinguished Professorship in Loyola Institute of Ministry
- Edward J. Womac, Jr. Distinguished Professorship in Law

It was so moved and unanimously approved by the Board of Trustees.
**Resolution 5**

Mr. Pastorek reported the committee recommends Board approval of the following individuals to be placed on the Board Approved List:

Marc D. Browning, M.D.
Gloria B. Callais
Joseph C. “Joe” Canizaro
Kurt J. Crosby
Eric J. Eckholdt
S. Derby Gisclair
Deborah “Dusti” Cherrey Jones
Joseph L. Jones, II
Peter A. Kennedy
Dennis P. Lauscha
Stuart H. Smith

It was so moved and unanimously approved by the Board of Trustees.
**MINUTES**
_of the_
Board of Trustees
Loyola University New Orleans
October 10, 2014


**Absent:** Janet Boles, Dennis C. Cuneo, Sean O’Keefe, Kevin P. Quinn, S.J., Peter Rogers, S.J., Ileana Suquet.

**Guests:** James C. Carter, S.J., Alice Clark, Ph.D., Bill Bishop, Gita Bolt, Jay Calamia, Ted Dziak, S.J., Paul Fleming, Gail Howard, Bill Locander, Bret Jacobs, Roberta Kaskel, Elizabeth Kordahl, Kristine Lelong, Marc Manganaro, Leon Mathes, Cissy Petty, Ph.D., Nate Ryther, Tommy Screen, Bud Sheppard.

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1. **Opening of the Board Meeting**

Mr. John Finan, Jr., called the business meeting to order at 9 a.m., on Friday, October 10, 2014.

Mr. Finan called upon Fr. Michael Braden, S.J., to say a prayer.

Mr. Finan stated that he has spoken to Fr. Wildes and Mr. Barry LeBlanc about restructuring the order of the agenda for today’s meeting and for future board meetings. He would like to begin the committee reports with the mission and identity committee followed by the academic and student affairs committee. This is reflective of the first being why we exist and the other is why we are here. Secondly, he said that to bring the best value of the talent of all the Trustees to Loyola, there will be a significant amount of time at each meeting to discuss strategy and critical issues. Today, the focus is on the presentation of the strategic plan. Mr. Finan invites all trustees to offer a prayer at future board meetings. He believes it is meaningful to begin each committee meeting with a prayer and encouraged committee chairs and vice chairs to do so at future meetings.

2. **Approval of Minutes**

The minutes of the May 16, 2014 Board meeting were approved.

The minutes of the August 1, 2014 Executive Committee meeting were approved.

The minutes of the September 2, 2014 Executive Committee meeting were approved.
3. President’s Report

Fr. Wildes highlighted several initiatives underway in Academic Affairs including the creation of articulation agreements with community colleges, the development of a fast-track MBA program in the College of Business, the development of a teacher certification program, and new degrees programs in digital filmmaking and commercial popular music. He commented that the articulation agreements will help address issues around enrollment and the new programs will be attractive to prospective students and build upon Loyola strengths. He is happy to announce that this fall for the first time, the first year experience had virtually 100% of first year students enrolled.

Fr. Wildes mentioned that advising is an important element in Jesuit education and as such Loyola is ‘beefing up’ how advising is done on campus in order to create a broader safety net for students. In addition to upgrading advising on campus, Academic Affairs and Student Affairs continue to offer ‘First in the Pack’ which is a mentoring program for first generation students. The program is now in its third year.

Other initiatives underway in Student Affairs included a recent job fair hosted by the Career Development Center in which 65 local employers came to campus. The event was designed for new students to find part time jobs and internships. Athletics and Wellness continues to grow its programs with a pilot rugby club and pursuing field options in order to expand athletics. The Counseling Center recently received a $15,000 grant for Tobacco Free Living.

Fr. Wildes reported fall 2014 enrollment numbers have exceeded the budgeted targets with 719 undergraduate students (616 first time, first year students; 103 new transfers and 29 readmitted students). It will take a couple of years to rebuild our infrastructure in terms of enrollment. Another positive sign is that the retention rate from first to second year students for the second year in a row is 80%.

Fr. Wildes reported that there has been a reorganization of the Jesuit Provinces in the United States. The New Orleans Province has joined with the Missouri Provinces to form what is now being called the Jesuits USA Central and Southern Province. The new provincial has already visited Loyola’s campus and met with Fr. Wildes.

In Mission and Ministry, a new Ignacio Volunteer Immersion program in South Africa will begin next summer and plans for expanding the program to include a New Orleans urban immersion program over the Easter break. In addition, there is a new “Belize Global Initiative” set-up to explore ways to expand Loyola’s presence in Belize and Central America.

Monroe Hall renovations remain on schedule and is slated for completion by December 2014. Fr. Wildes commented that it is an amazing transition. Discussions are underway with the Dominican Sisters about purchasing the property located at 7320 St. Charles Avenue. Proceeds from the Kenner land will finance the purchase.
Fr. Wildes reported that it was projected at the last Board meeting that for FY 2013-14, the deficit would be $4.3 million with a 5% endowment draw. The actual deficit was $2.1 million. He said this is due to the administration being vigilant in controlling expenses.

As of yesterday, the Faith in the Future Campaign is now public. Fr. Wildes thanked all the Trustees who participated in the event. As of October 7, the campaign has commitments of $44.7 million. He further reported that the Loyola Fund ended the fiscal year with more than $900,000 which is the second largest amount since 2007.

Fr. Wildes said he has been looking at the university’s organizational chart in terms of where marketing and communications falls within the reporting structure. With this in mind, a working group, headed by Dr. Cissy Petty, was formed last year. The group recommended re-structuring marketing and communications as an independent office lead by a vice president who would report directly to the president and have a seat on the President’s Cabinet. He said he has been in discussions with the Executive Committee, the Faculty and Staff Senates. All concurred with these recommendations. A national search for a VP of Marketing and Communications will soon begin.

On the governmental relations front on the federal level, Fr. Wildes said, we are working with AJCU and other higher education associations on the Higher Education Reauthorization Act. Closer to home, he reported that the City of New Orleans is looking at its tax base. There are many non-profits in the city and there has been conversations regarding the tax status of non-profits. Fr. Wildes said it is important to be in the conversations about this as he wants the university to have police, ambulance and fire protection. He mentioned that other cities, such as Boston, developed a taxing model for non-profits called, PILOTS, payment in lieu of taxes –which is alterative to property taxes.

Fr. Wildes prefaced the strategic plan presentation by making a few comments about the strategic plan that is being presented to the Board today for approval. It is an exciting time as Loyola creates its future. The plan focuses on student success from recruitment to enrollment to persistence to graduation. He said the initial strategy must focus on rebuilding all levels of enrollment –traditional, non-traditional undergraduate, summer and graduate. And the focus must be on increasing net tuition revenue. He stressed that the development of the plan is a concrete example of shared governance with input from faculty, staff, students and the Board.

4. Board Discussion

Strategic Plan

Provost Marc Manganaro said the planning of the new strategic plan, Transforming Loyola 2014, has been a 16-month long journey involving 17 members of the SPT, representing all units on campus - faculty, staff, administration and students. There has been widespread dissemination of the progress as we move forward including discussions with the Board throughout the planning process. The core of the plan sees Loyola as a learning center community driven by four overarching strategies and supported by 19 action plans. He said work over the summer involved “getting into the weeds” of each of the action plans and creating action plan templates that more specifically outline the steps involved in completing
the action plans such as identifying responsible parties, the phasing, and the cost. The plan is a work in progress. Although while all of these plans are very important, Provost Manganaro said the committee came to a consensus that five of the plans were especially of high priority for immediate implementation. Bill Locander, dean of the College of Business, spoke more about the planning process and how the committee assessed Loyola’s strategic advantages and vulnerabilities and the deployment of the plan.

Following the presentation on the strategic plan, the Board inquired about and discussed issues pertaining to the plan such as budgeting allocations, development of metrics for assessment, resources, and implementation of the plan. Provost Manganaro concluded the discussion by saying that the Board is being asked to approve the plan, itself, today, not the details of implementation.

Dr. James Caillier moved to approve Transforming Loyola 2014 and the motion was seconded by Mr. John Simmons, Jr. Mr. Finan noted that the Academic and Student Affairs committee unanimously recommended approval of the strategic plan included in the October 2014 Board book under Tab 9.

The Board unanimously approved the strategic plan, Transforming Loyola 2014.

5. Committee Reports

Mission and Identity

Fr. James Bowler, S.J., chair of the mission and identity committee, reported that the committee reviewed the Office of Mission and Ministry’s operations from last year and its projected programs for this year. He commented that Loyola is second to none in the quality and quantity of pastoral growth opportunities offered to students, faculty and staff. The committee spent most of its time on this question: “how do we remain a Jesuit Catholic school?” Fr. Bowler said the role of this committee this year will be to spend the majority of its time wrestling with this question. The committee brought forward that this question is a responsibility of the Board. Fr. Bowler suggested the focus of the Board spring retreat center around this question. He reported that Fr. Dziak has written a very good paper that answers the question by offering three solutions to this question: 1) to become secular; 2) to go back to yesterday; or 3) to wrestle with the contemporary situation we are in today. Fr. Bowler thinks it would be helpful for the full Board to read Fr. Dziak’s paper. Fr. Bowler also referenced an article in Conversations magazine which responds to this question and suggested that all Trustees read it. (Ms. Kristine Lelong will send an electronic copy of the article to Trustees.)

Academic and Student Affairs

Fr. Michael Braden, chair of the academic and student affairs committee, reported the committee spent half of the meeting discussing the strategic plan, enrollment, articulation agreements, the creation of a fast track MBA program and the teaching certificate. The other half of the meeting was spent discussing the proposed new programs in music industries studies, the bachelor of fine arts in digital filmmaking and the Bachelor of Science in popular and commercial music. He said these proposed degree programs are New Orleans based initiatives that draw on Loyola’s strengths.
discussions about the start-up costs of these programs, it was noted that the infrastructure for these programs is already in place as well as faculty. Dr. James Caillier moved to approve the proposed degree programs and Ms. Rita Benson LeBlanc seconded the motion.

The Board unanimously approved the bachelor of fine arts in digital filmmaking and the Bachelor of Science in popular and commercial music.

Finance

Mr. Edgar Chase, III, chair of the finance committee, called up Mr. Joseph Mahoney to give an update on the endowment. Mr. Mahoney reported that over the last couple of years, the university has retained a new consulting firm, LCG, located in Atlanta, to offer investing advice. For the last two years, the committee has been in the process of repositioning the endowment. Mr. Mahoney reported that for the fiscal year that ended July 31, 2014, the unrestricted endowment was up 9%, a little behind the benchmark set by the university. The restricted endowment was up 13.2%, significantly above the benchmark. He further reported that with Loyola’s 5% draw on the endowment and debt services, it was suggested Loyola explore private equity funds. LCG provided the endowment committee with detailed research on two private equity funds. The committee accepted the advisors recommendations and $10 million will be positioned into these funds.

Updating the Board on facilities, Mr. Paul Fleming, assistant vice president for administration, reported that the Monroe Hall renovation is ahead of schedule and on budget. Recently completed areas include the math, psychology, biology and chemistry departments. He said the cooperation and collaboration of many departments allowed the completion date for Monroe to move up to the end of December 2014. There is a commitment from the contractor that the first and second floors will be ready for the delivery of furniture scheduled for Dec 8.

Mr. Leon Mathes, associate vice president for financial affairs, reviewed with the Trustees the balance sheet found on page 14 under Tab 11 of the October 2014 Board book. Mr. Jay Calamia, vice president for finance and administration, said that at the May 2014 Board meeting, it was projected that the deficit for 2013-14 would be approximately $4.3 million. In reality, the deficit, unaudited, was $2.1 million for a swing of additional savings/less expenditures of well over $2 million. He explained that actual revenues vs. projected revenues were increased by $49,000 and actual expenditures declined by $2.1 million. He pointed to the “all other” category of expenditures which shows an additional $2.2 million that Fr. Wildes and the vice presidents committed after the May 2014 Board meeting in an effort to continue to bring the deficit down much lower than what was originally projected.

In discussion the 2014-15 projections, Mr. Calamia referred to the supplemental report of the finance committee included in the Board folders at the meeting. He reported that the university is projecting a $1.2 million deficit for 2014-15 with a 9.17% endowment draw. Within this deficit, the university has taken steps to reduce expenditures by $3 million by offering a Voluntary Severance Plan (VSP) to staff and faculty and through the reduction, from 8% to 4%, of the university’s contribution to its employee retirement plan. The reduction in the retirement plan would be effective January 2015.
Mr. Edgar Chase reported that the finance committee recommends Board approval of the purchase of 7320 St. Charles Avenue, the 2nd to last of the remaining properties owned by the Dominican Sisters on the Broadway campus for $2,095,000. Mr. Calamia noted that the purchase will be offset with the expected $3 million in proceeds from the pending sale of Loyola’s property in Kenner, which will likely happen by the end of the year.

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

Institutional Advancement

Ms. Anne Gauthier, chair of the institutional advancement committee, reported that even though the campaign is now in the public phase they continue to work on leadership gifts. She said as the campaign enters its public phase, a series of four dinners is being planned throughout the country to bring alumni up-to-date on the campaign. She and fellow committee member, Robert LeBlanc, spoke about the effort underway to better engage alumni not only financially, but in creative ways that enhance alumni involvement and foster alumni social and career networks. The committee also discussed the proposed Trustees giving guidelines (found on page 32, under Tab 12 of the October 2014 Board book). They will go to the Trusteeship committee for review at their December 2014 meeting. The purpose of the guidelines is to have more transparency in regard to the financial commitments expected of Trustees.

Ms. Gauthier reported the committee approved and recommends Board approval of four resolutions to request Board of Regents Matching Funds for the following professorships:

- Derby and Claire Gisclair Distinguished Professorship in Theatre Arts
- KeCo3 Distinguished Professorship in Voice
- Marjorie R. Morvant Distinguished Professorship in Loyola Institute of Ministry
- Edward J. Womac, Jr. Distinguished Professorship in Law

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

Trusteeship

Mr. Paul Pastorek, vice chair of the trusteeship committee, reported that the committee discussed the results of the Trustee Self-Evaluation. It was noted that the 2013-14 survey had the highest participation rate with nearly 80% of Trustees completing the survey.

Mr. Pastorek reported the committee recommends Board approval of the following individuals to be placed on the Board Approved List:

- Marc D. Browning, M.D.
- Gloria B. Callais
- Joseph C. “Joe” Canizaro
- Kurt J. Crosby
- Eric J. Eckholdt
- S. Derby Gisclair
Deborah “Dusti” Cherrey Jones  
Joseph L. Jones, II  
Peter A. Kennedy  
Dennis P. Lauscha  
Stuart H. Smith

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

Audit

Mr. John Simmons, Jr., chair of the audit committee, reported that Mr. Tommy Screen gave a comprehensive report on potential governmental regulations and the effects to Loyola. Mr. Bret Jacobs gave a comprehensive report on Loyola’s data security. Mr. Simmons recommends that at some point this year the full Board hear a 10-15 minute presentation about data security and how the university is protecting itself. He said the Audit committee is available to assess enterprise risk. The General Counsel Office updated the committee on compliance. There are approximately 60-70 items Loyola has to report on annually to the government. Lastly, he said, Loyola's audit is in mid-progress and the external auditors complimented the Loyola team on its work.

6. Executive Session

The Trustees went into Executive Session at 11:45 a.m.

7. Adjournment

The meeting ended at 12:15 p.m.

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PRESIDENT       SECRETARY

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DATE