

**MINUTES – BOARD MEETING**  
**June 5, 2012**

**Submitted for:** Action.

**Summary:** Minutes of the June 5, 2012, meeting of the Illinois Board of Higher Education held at the Illinois Mathematics and Science Academy, Aurora, Illinois.

**Action Requested:** That the Illinois Board of Higher Education approve the Minutes of the June 5, 2012, meeting.



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION

**MINUTES – BOARD MEETING**  
**June 5, 2012**

A meeting of the Illinois Board of Higher Education was called to order at 1:05 p.m. in the Commons at the Illinois Mathematics and Science Academy in Aurora, Illinois.

Carrie J. Hightman, Chairwoman, presided.  
Cindy Deitsch was Secretary for the meeting.

The following Board members were present:

Jay Bergman	Suzanne Morris
Frances G. Carroll	Proshanta K. Nandi
Heba Hamouda	Robert Ruiz
Kym Hubbard	Ari Shroyer
Allan Karnes	Elmer L. Washington
John P. Minogue	Addison E. Woodward, Jr.

Also present by invitation of the Board were:

G. W. Reid, Executive Director, Illinois Board of Higher Education  
Katharine Gricevich, Government Relations Director, Illinois Student Assistance  
Commission  
Vinni Hall, Board Member, Illinois State Board of Education

Presidents and Chancellors

Al Bowman	William Perry
Rita Cheng	John Peters
Robert Easter	Jack Thomas
Max McGee	Wayne Watson

Advisory Committee Chairpersons

Abbas Aminmansour, Faculty Advisory Council  
Susan Friedberg, Propriety University Presidents  
John Peters, Public University Presidents  
Dave Tretter, Private University Presidents

## **I. Call to Order**

### **1. Call Meeting to Order, Chairwoman Carrie J. Hightman**

Chairwoman Carrie Hightman called the meeting to order. A quorum was present.

Chairwoman Carrie J. Hightman said, “Good afternoon. I want to welcome everyone to the June meeting of the Illinois Board of Higher Education (IBHE). Board member Heba Hamouda is unable to attend today’s Board meeting in person due to employment obligations but will be joining us by telephone. Therefore I would like to have a motion from the Board allowing her to attend this meeting via conference call.”

*The Illinois Board of Higher Education, on motion made by Dr. Frances Carroll and seconded by Ms. Kym Hubbard, unanimously approved Board Member Heba Hamouda to participate via conference call.*

Chairwoman Hightman said, “Thank you. I would like to thank President McGee and his staff for hosting this meeting of the Board here at the Illinois Mathematics and Science Academy (IMSA). Your hospitality is greatly appreciated. President McGee will offer the Board a Showcase about IMSA a bit later but let us welcome President McGee for a few welcoming words.”

### **2. Welcome by President Max McGee, Illinois Mathematics and Science Academy**

Dr. Max McGee welcomed everyone to the Illinois Mathematics and Science Academy

### **3. Welcome and remarks by Chairwoman Carrie J. Hightman**

Chairwoman Hightman said, “Great, thanks so much. One other people item: I want to thank the Federation of Illinois Independent Colleges and Universities (FIICU) and their presidents for being here today and for joining us at lunch. We had an interesting discussion about lots of things, some well beyond our control, but it was still an interesting discussion of relevance to all of us. We always – I know I do personally and I speak on behalf of the Board – enjoy the opportunity to chat informally with our various advisory groups. So, I want to say thank you. Also, I would like to recognize Ms. Suzanne Morris who will be sitting in for Alexi Giannoulas.

“Turning to the Fiscal Year 2013 budget, again, everybody knows what I am going to say. On May 31, last week, the last day of the legislative session, the General Assembly approved a Fiscal Year 2013 budget that made significant cuts to higher education. There was an overall reduction of 6.09 percent from Fiscal Year 2012 levels. As you all know, public universities received \$1.2 billion, which is a 6.08 percent reduction, \$6.15 million of which was allocated based on performance using funding model we created here at IBHE with everyone’s help. The budget that was passed last week includes \$287.4 million for community colleges, which is a cut of \$20.7 million or 6.74 percent, \$360,000 of that money that was allocated is based on performance funding. The Monetary Award Program (MAP) was reduced by \$15.4 million, which is a reduction of four percent from Fiscal Year 2012 levels, so they received \$371.3 million.

“I feel like a broken record talking about disappointing results in Springfield, although we actually probably did better in the prior couple years, even in a bad economic environment.

The only thing good that I can report is that IBHE, the Illinois Student Assistance Commission (ISAC), the Illinois Community College Board (ICCB), and our community college and university staffs were diligent in providing answers and providing the support that we thought would help us to get us to a better answer. It did not work but I know that collectively we are all going to move forward in the midst of these reductions, and continue to deliver on behalf of our students and the citizens of Illinois. Maybe next year, I hope. We will work together to figure out if there are any solutions that we can work towards for the rest of the year. We will see how that plays out.

“Let me talk a bit about a topic that will be discussed in more detail later, which is the impact of performance-based funding and what happened in the 2012 legislative session on the Illinois *Public Agenda* and actually on achieving the goals of the Illinois *Public Agenda*. You know that we believe, and I believe all of you agree, that performance funding is a very significant undertaking and probably one of the most important things we have done at the IBHE. The model for public colleges and universities identifies performance measures or metrics that support the achievement of the goals of the *Public Agenda*. So it all makes sense. The model is designed to adapt to changing financial situations. What is important is that the General Assembly adopted performance-based funding into the budget, the concept is there, we are working on phasing it in, so to speak, because we know you cannot just go all the way to full performance-based funding.

“I believe performance funding will positively impact the allocation of the State’s resources since it does really enable the legislature to fund the particular results it wants to see happen in the higher education sector. We believe, the Board, and I think you all believe – I hope you do – that performance funding will lead to an expansion of access and academic success for low-income, first generation, and minority college students through the completion of degrees and college credentials. We also think this will help with a resurgence of the Illinois economy through a trained and educated workforce, so we think that there are benefits for all here. We hope and expect performance funding will be a key contributor to closing the state’s achievement gap and helping the state reach the goal of 60 percent of Illinoisans with college degrees or marketable postsecondary certificates by 2025 (60/25). We have talked about that goal before. It has been embraced by the Illinois General Assembly, and that is a very good development. Let us see how we play this out over the next few years.

“I will now turn to Dr. Reid for the Executive Director’s report.”

#### **4. Remarks by Executive Director G.W. Reid**

Dr. George Reid said, “Thank you very much, Madam Chairwoman and members of the Board. My report today is going to be shorter than usual. I want to extend the Chairperson’s comments a little bit and talk about some of the activities coming up in which we will participate because, as it turns out, we are having some regional and national impact on the performance funding movement and I want to talk about that so we can put what we did in Illinois in some perspective.

“So, why is what we have done here in Illinois on performance funding looked upon as being important to the region and to the nation? One, as opposed to some other states, we were guided by a strategic plan that you developed, the *Public Agenda*, so it was not haphazard. It was guided and planned.

“The second thing that happened that makes our initiative more important than others is that a group of Illinoisans met for six months, eight months, and determined that the way we were funding higher education in Illinois would not help us to achieve the states goals in performance. The way we were funding higher education would not help us, so we needed a change in funding higher education. That committee, the Finance Study Commission, recommended performance funding.

“The third thing that happened is that the Governor, with our backing and our buy-ins, as a Board, came to the point where he agreed to a goal for Illinois: 60/25. So not only do we have a *Public Agenda* plan, not only did we have a group to say, ‘This is the way we should go,’ but the Governor was also now involved by saying that by the year 2025, as the Chairwoman said, we should have sixty percent of all Illinois possessing some form of postsecondary education, a two-year or four-year degree or a certificate of marketable value.

“One of the most important things is that the *Public Agenda*, our strategic plan, identified two problems that they wanted to solve in our fourth reason. The first problem was we needed to try to increase the number of college attendees but also, more importantly, the number of college graduates with some form of credentials. The second thing that the *Public Agenda* does that is not being done in any other state that I know about is that that *Public Agenda* focuses on closing the achievement gap. In every state where you have a sizeable demographic of African-American students and Latino students you have an achievement gap. And all those states have tried to close it. None have been successful. I am going to show you why we are probably going to be a little more successful with ours.

“The fifth reason why this has to be an important issue across the region and the nation is because we ended up in some collegial state of being. In most of the states where performance funding was introduced, people ended up not being friends with each other anymore. Some people ended up leaving the state, being fired, and all kinds of problems. In Illinois we ended up with collegiality; we ended up with everybody on the same page; we ended up with that sweet accord that said, ‘Yes, we are on the right road.’

“Finally, we said that our performance funding was a work in progress, which means – and this is instructive for most other states – that it is going to be always continually improved. If the other states had done this, we think they would have enjoyed more success with their performance funding as well. These are the methods that we are going to carry regionally and nationally.

“Let us look at some of those places where we are going to go. We have already done the webinar and I put the webinar up on the board. I had never done a webinar before; I do not know if you had done a webinar. A webinar is where you broadcast your presentation across the web to a number of people. Al Phillips and I had 40 people in our webinar from across the country talking about performance funding. That was a new and enjoyable experience for us.

“In the next couple days, Senator Ed Maloney, who, as you know, is leaving the Senate and is a great advocate for higher education, and I will address the Midwest Higher Education Compact (MHEC) in Rapid City, South Dakota. A member of our board, Addison Woodward, is also on that committee and will be in attendance when we will make this presentation. This presentation will be about why it is important for a Board like IBHE to have colleagues in the legislature and the Office of the Governor, why it is important if you want to be successful in the things this Board wants to be successful in, why it is important to have a member of the General Assembly help you carry the water.

“Then, there is the Illinois Education Research Council (IERC) on June 12. I will not personally be there. I will be involved in a Complete College America (CCA) institute but I have already taped my presentation. Al Phillips and Karen Helland, right behind me, will do the presentation along with me on tape.

“I want to mention a little bit about Karen before I go forward. All of these presentations you see being shown to you were put together by Karen. You remember, I think it was in February I proposed Karen be made Acting Director of Research, Analysis, Policy Development and Publications. Since that time, all of these presentations that we are giving across the country, she has put together, with a little bit of guidance from me, but it is primarily her work. We are very proud of that.

“One of the reasons Bob Blankenberger is not here with us today – he is still with us, although he will step down on June 15 – is that he is down in New Orleans presenting a paper at the Association for Institutional Research (AIR) Annual Forum.

“I also want to mention the American Association of State Colleges and Universities (AASCU) meeting. This will take place on June 10. Remember I just said on June 7, I would be in Rapid City? Well, on June 10 I will be making a presentation at AASCU. By the way, AASCU is the professional organization for many of our middle-growth universities like, perhaps, Western Illinois University (WIU), Eastern Illinois University (EIU), Governors State University (GSU), and all of those would be member of AASCU. I would mention to you that our president of GSU, Elaine Maimon, serves on the Board of Directors for AASCU. Anyway, once a year they have this Millennium Leadership Institute (MLI), where AASCU identifies twenty-five to thirty people who are aspiring to be college or university presidents – many of you know about this because you have participated – and then bring them into this institute. This weekend I am serving as one of the members of the faculty. Later in the AASCU meeting, on June 10, I will join four other state university heads and we will do a panel.

“In April, you remember, I brought in Paige Kowalski to talk to the Board about Longitudinal Data System (LDS) governance. Paige was so interested in what we are doing in Illinois that she set up a panel that is going to take place in Baltimore on June 28-29 and asked that I join her on this panel.

“I want to mention two others before I close out. These are the State Higher Education Executive Officers (SHEEO) meetings. I am a SHEEO: I am a state higher education executive officer. Our association meets twice during the summer, once in July and once in August. I want to focus on the July meeting first. At the July meeting I am going to present a paper on performance funding. I am going to talk about performance funding as it exists in Illinois. The other thing I want to mention is the August meeting, which is a meeting that will have maybe 2,000 people involved from all over the country and maybe even the world. Illinois is the host for that meeting. We are the host, so we are pulling in people from the Lieutenant Governor’s office. The Lieutenant Governor herself will make a presentation and I will as well.

“Just before I end I want to say thank you to Dr. Karnes. If we get approval from the College Board, Dr. Karnes is going to join us in making a presentation from the Board’s point of view of what does performance funding mean. There are a couple other presentations that are tentative as well.

“So, that is what we will be doing for the next few months. It is helping to, I think, spread the word about the excellent work that IBHE staff is involved with and the attention that it has garnered around the region and the country.

“Finally, I wanted to extend the Chairwoman’s comments about why all of this is important, why performance funding is important. It shows that the state is willing, with competing interests, to buy into a larger concept. Everybody who sat at the table at the Performance Funding Steering Committee did not agree; in fact, we had vehement disagreement and discussion. We had probably over a dozen position papers with all different points of view about performance funding but in the final analysis we all came together and agreed and presented to you a unanimous point of view about performance funding. Not only that but the P-20 Council agreed, the Finance Study Commission agreed, the Governor’s office agreed, so the state got behind performance funding. That is revolutionary, as far as I am concerned, in terms of performance funding. All the different aspects – presidents, and so on – were behind us in their support of this.

“The other most important thing is it does something that I hope we can be successful at. We will see. It is going to help us close the achievement gap. It is one of the most daunting problems that we have in higher education. We essentially have two sets of citizens in higher education: we have those who ‘have’ and those who ‘have not.’ Those who ‘have not’ have a different project to achieve than those who ‘have.’ Those who ‘have’ finish in three years or four years; those who ‘have not’ finish in six, seven, eight years or maybe never. What we are saying is that without a college education, going forward, you cannot change your ‘have’ life status, in Illinois or anyplace else. Performance funding is geared to those colleges and universities that will help us to close the gap. They, more than others, will get a larger share of the state’s new money. So, with money being the incentive we think we have a much better chance of closing this achievement gap than hardly any other state that has tried before.

“Madam Chairwoman and Members of the Board, that is my short report. I look forward to whatever questions or comments you might have.”

Chairwoman Hightman said, “Does anyone have any questions? If not, Frances, will you read this resolution first?”

## **6. Resolution Honoring David Anderson**

Dr. Frances Carroll read the following resolution:

*We, the Members of the Illinois Board of Higher Education (IBHE), extend our deep appreciation and esteem to David L. Anderson, Jr., for his dedicated service to postsecondary students in Illinois and his contributions to the Board as its nontraditional student representative.*

*Having served as an active and essential member of the IBHE Student Advisory Committee (SAC), representing Chicago State University, David led by example as a student who is passionate about providing support to access and affordability for Illinois’ students. David worked well with his fellow IBHE-SAC leaders, always serving as a strong and cogent voice for the nontraditional student whose circumstances as a parent, full time worker, first generation, or low income student require strong institutional supports and individual perseverance. He worked so well with his peers that they chose him to represent them on this Board. He also graciously agreed and superbly served on the Performance Funding Steering Committee, where his role representing students was received positively and was much appreciated by the other members.*



*David's knowledge, life experiences, and example have brought an important perspective in helping to deepen understanding of the pressures faced by college students, and the barriers to college completion students experience, enlightening Board members to the special challenges that confront students who are paying their way through college.*

*We applaud David's impressive roster of accomplishments, both educationally and in the professional world of finance, politics, and social justice. David attended the University of Illinois at Chicago and Chicago State University, where he graduated with honors. He also attended the Diversity and Explorations Program for Ethics and Social Justice at Harvard University. He has served as an analyst at Goldman Sachs & Company in New York City, and at J.P. Morgan and Northern Trust in Chicago. During his pursuit of a college degree, he also helped re-launch the Law Offices of Ernest B. Fenton focusing on real estate law, helping homeowners save their homes through loan modifications during the financial crisis.*

*David culminated his collegiate career impressively. He was invited to serve as a White House Intern during his last semester of school, from January to May of 2012. He served the President working in the Front Office of Management and Administration in the Executive Office of the President.*

*As a new college graduate, David has accepted employment with J.P. Morgan, working in the Asset Management Division. David wants to build bridges between the private and public sectors, along with the faith-based community for the public good.*

*We will miss David's mature, experienced, and well reasoned voice, his valuable insights, and spirit of public service in representing Illinois students who persevere to college completion, despite humbling and difficult circumstances. We wish him well in his future endeavors.*

Chairwoman Hightman said, "We have a recorded response from David."

Mr. David Anderson said via YouTube, "Hi, this is David Anderson, the non-traditional student member of the IBHE. I just wanted to take this opportunity to say thank you to everyone. As you know, I have been in Washington, D.C., serving the President as a White House intern. I have not been able to be in person at recent meetings but I wanted to take this time to say thank you to the Board, thank you for all of your examples over the past year. I have learned so much from the debates and watching performance funding evolve.

"Thank you to my alma mater, Chicago State University, and Dr. Watson for providing me with the education needed to have these opportunities. I wanted to say a special thanks to Candace Mueller, Dr. George Reid, and Carrie Hightman for taking all those phone calls when I was adjusting to D.C. culture. Again, Illinois education is very important, especially in higher education, for people like myself who might not have had access but were provided access through our educational system and we are able to do amazing things. Continue the good work. Let us continue to fight for education and fight for those who cannot speak for themselves. Thank you again. I wish you God speed and may God bless the IBHE."

*The Illinois Board of Higher Education, on motion made by Mr. Jay Bergman and seconded by Dr. Addison Woodward, unanimously approved the resolution honoring David L. Anderson, Jr.*

## **II. The Illinois Public Agenda for College and Career Success**

Chairwoman Hightman said, "Thank you. Two things, first of all Robert Ruiz is now here. I want to make sure the record reflects that. One other thing before I turn it back over to George and that is that we should congratulate Cindy because she got married last week! I realized, because I am not slow, that her email address had a different name. It took me a while to figure out who is that emailing. Congratulations."

Ms. Cindy Deitsch said, "Thank you."

Chairwoman Hightman said, "Okay, George?"

Dr. Reid said, "I am going to ask Alan Phillips if he would come up. We just received the audit report from the Office of the Auditor General and we wanted to go through the major issues with you. I would say, as Al prepares, that all the issues were immaterial."

Chairwoman Hightman said, "There were two immaterial findings about failure to have proper controls in place but they were not significant. What I want to do is just to make sure to apprise the Board of this audit. I guess we get it every two years. A little background on that, Al?"

Dr. Reid said, "It was Al and his team that put together the original draft of our response that we sent to the auditors in early- to mid-April. We knew what their responses were going to be. We responded around the end of April to the first part of May and then we received the official report just a few days ago. The Chairwoman rightfully felt that this was a good time to bring you up to date."

Dr. Alan Phillips said, "Alright, as we have already stated, a compliance examination, otherwise known as an audit, was conducted by the Office of the Auditor General. The audit covered the last two years up to June 30, a twenty-month period. The audit report was released on May 24. The audit found that:

"The IBHE has obligated, expended, received, and used public funds of the state in accordance with the purpose for which any such funds have been appropriated or otherwise authorized by law.

"The IBHE has obligated, expended, received, and used public funds of the state in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligations, expenditure, receipt or use.

"The IBHE has complied, in all material respects, with the applicable laws and regulations, including the state uniform accounting system, in its financial and fiscal operations.

"State revenues and receipts collected by the IBHE are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.

"Money or negotiable securities or similar assets handled by the IBHE on behalf of the state or held in trust by the HIBE have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with the law.

“Therefore, it is the Auditor’s opinion that IBHE complied in all material respects with the appropriated financial compliance requirements.’

“What this means is that the IBHE is doing a good job carrying out its fiduciary responsibility to ensure that state funds are prudently managed and accounted for. I do want to comment and give accolades to Peggy Podlasek, our accountant. She is not here but she is the one whose job is to keep all the books straight. The audit found that there were no irregularities, no improprieties, that everything is as it should be financially, and that is what we struggle to do.

“However, there were two findings of non-compliance. The first one was that closed meeting minutes were not reviewed. We briefed the auditors and we have taken steps to fix that problem. As a result, a review of executive session minutes will be on the agenda every April and October Board meeting. Since the examination period, the Board has reviewed the confidentiality of the executive session minutes on October 4, 2011, and April 10, 2012, Board meetings, so we have already fixed that problem.

“The second issue dealt with inadequate control over personnel services, specifically that evaluations of IBHE personnel were not performed. Those evaluations for employees under the State University Civil Service System those were, in fact, performed. The deputy directors have all talked with Dr. Reid, both in February and in June, and have talked about the performance plans and procedures that we are in the process of putting in place to ensure that evaluations are conducted regularly.

“Those are the findings of the Auditor’s report.”

Chairwoman Hightman said, “So, let me sum up, just so we are all on the same page, and let me make a request. So, the results of the audit were good but there were two immaterial findings, both of which are items that can be remediated and will not reoccur, both of which we have already set in motion, you said.”

Dr. Phillips said, “Yes, we have already fixed the first one and are in the process of taking care of the second.”

Chairwoman Hightman said, “So, what I would like to ask Dr. Reid is that you come back to us maybe at the December meeting, so at the end of the year, and provide a report to the Board of where you stand on compliance with this item. It is absolutely critical that we meet all the statutory requirements and I want to make sure that these findings do not reoccur. The way to do that is to make sure there is compliance.”

Dr. Reid said, “Will do, Madam Chairwoman.”

Chairwoman Hightman said, “Okay? Thank you. We are going to go ahead and step to the ‘way ahead,’ as you call it.”

## **6. Public Agenda Update**

Dr. Reid said, “One of the things that we wanted to do, as Dr. Phillips comes back up again and Jonathan Lackland also comes up, is just to reflect on the just-closed General Assembly session, how it helped IBHE with the *Public Agenda* or how it did not. Jonathan will do some analysis of that and then Alan will break down the budget for you, to let you know what the budget is all about in reference to higher education.”

Mr. Jonathan Lackland said, “Good afternoon. I am going to go through various pieces of legislation that were either introduced this session or passed, but before I do that I want to give you a tone or a sense of how the session went. In a nutshell, it was rough. Obviously the budget took most of the session that was done in conversation. When it came to specific pieces of legislation that were discussed you had a fair amount that basically died during the session or they turned it literally into a study bill and created a task force. I am going to go through various pieces that aligned the session with the *Public Agenda*.

“The other thing I would like to tell you very quickly is that I had a conversation the last day of session with a former legislator who is now a lobbyist. This person indicated that this was the most grueling session they had ever undergone. I think that gives you a bit of a sense of what happened.

“First under *Public Agenda* Goal 1: Increasing College Attainability, is Senate Bill 3244. The Senate sponsor was Senator Michael Frerichs; the House sponsor was Representative Linda Chapa LaVia. It passed both houses. This piece of legislation requires ISBE to coordinate the acquisition, adaptation, and development of middle and high school mathematics curriculum models to aid school districts and teachers in implementing standards for all students by March 1, 2013. The interesting history behind this bill is that this bill actually started off as a four-year math requirement. Senator Frerichs introduced this to change the time frame when students take math from three years to four years. Interestingly, the other thing it would do is it is looking to develop a process to also be able to include representatives of state-wide education organizations and stakeholders.

“The second bill was Senate Bill 3259, Senate Floor Amendment 2. The Senate sponsor was Senator Kimberly Lightford; the House sponsor was Representative Chapa LaVia. This created the Commission for High School Graduation Achievement and Success to study the issue of high school graduation in Illinois. This bill also had a history. It started off as, again, a piece of legislation originally designed to change the compulsory age of high school students from 17 to 18, but as this bill moved through the session it turned into a study bill. What it does is it creates this Commission, which will be tasked with examining and evaluating several issues. Some issues will be student graduation rates, will be the state’s mandatory attendance age, current alternative education programs being utilized in Illinois, funding structures and options for these alternative programs, and alternative programs being utilized outside Illinois that could potentially be replicated in the state. When you look at these alternative education programs, this legislation also indicates they would like to study alternative schools, such as the Regional Safe Schools Program (RSSP); children’s alternative programs; Illinois Pathway initiatives; and science, technology, engineering, and mathematics (STEM) programs.

“Under the *Public Agenda* Goal 2: Ensuring College Affordability, we have Senate Joint Resolution 69. The history behind this bill is that it started out as House Bill 5671, sponsored by Representative Robert W. Pritchard. This measure required ISAC to establish a pilot program in 2013, set aside \$50 million in the second round of MAP funds. As the session moved on it turned into a discussion between Representative Daniel Biss, Representative Pritchard, and Senator Maloney. It was Senate Joint Resolution 69 that establishes an ISAC-led task force to evaluate different criteria for student and institutional eligibility for MAP. Interestingly, one of the key components of this would be that they would deliberate on the institutional eligibility for MAP grants, which may in the future be based in part on an institution’s ability to prove its MAP grant students’ progress toward a degree and MAP grant grade completion rate. This was a really big topic, a really big issue during the session, in terms of those students receiving MAP and the

graduation rate, the success completion rate, etc. Also, it is going to take a look at a student's eligibility for a MAP grant, which may, again, in the future, become based in part on that student's ability to demonstrate that they are achieving academic success and making progress. Lastly, it would also review an institution's eligibility for MAP grants, which, again, in the future may become based in part on its ability to demonstrate that it is a partner with the state and that the institution is providing financial aid to students from its own resources.

"The next measure under *Public Agenda* Goal 2 is House Bill 3810. As we know, this absolutely dominated the media. There were several reports on this. Senate Amendments #1 and #2, first of all, eliminated the General Assembly Scholarship Program and, secondly, created the Tuition and Fee Waiver Task Force. What that is designed to do is conduct a thorough review and evaluation of the tuition and fee waiver programs amongst our public institutions. Also the task force would consider the institution's justification of the need for tuition and fee waivers as well as the programs' intended purposes and costs but also program benefits and whether the program serves the public interest or advances a private interest.

"House Bill 5248, Senate Amendment #2, under *Public Agenda* Goal 3: Increase College Completions, was sponsored in the House by Representative William Cunningham and in the Senate by Senator Lightford. What this measure does is it requires ICCB and IBHE, as well as an organization representing public policy interests of the state's private, non-profit colleges and universities, and the Illinois Higher Education Consortium to form a committee to develop the Illinois College Choice Reports. Basically, there are several measures this will look at and report on: costs, such as tuition and fees, net price data; student demographic information such as age, ethnicity, full- or part-time status; student success and progress; job placement rates; student learning measures; etc. This measure did not go anywhere this session. The Lieutenant Governor has been a tremendous advocate of this. As a matter of fact, I have given to the Board the actual written testimony the Lieutenant Governor provided to Senator Maloney and the Senate Higher Education Committee.

"Lastly, another bill that was discussed was Senate Bill 3804, sponsored by Senator Dan Kotowski. This was the articulation bill, requiring IBHE in conjunction with ICCB to establish a Statewide Articulation and Transfer Committee. This bill did not advance this session; we are uncertain whether or not it will advance. We have had several entities ask the sponsor what his intent will be. We do not know if this will move forward during the veto session or possibly during the next session but this is one that we are looking at collaborating on.

"This was my first session with IBHE and I want to thank Chairwoman Hightman. I want to thank the Board. I want to thank our university presidents and universities, FIICU, ISAC, ICCB, ISBE, and also my staff, Candace Mueller and Terry Shelton. This was, again, a very interesting session. I think that we have made it through at this point. We know that they will come back for a special session, we just do not know when. We know that the Governor and the leaders are going to talk tomorrow to further discuss such issues as pensions.

"With that, I am open for your questions."

Chairwoman Hightman said, "Do any Board members have any questions? Thank you for that report. Every session they say, 'Oh, this is the most grueling session ever!' That is my recollection, anyway. Al?"

Dr. Phillips said, "I will talk to you briefly about the results of the budget appropriations. It was a rather contentious session. One of the things I will say to the Board is that we spent the

past few weeks providing data to both the House and the Senate as well as the Governor's office. I think we are viewed very well as a good source of quality data and are viewed as the experts on data being used to make higher education decisions, so that speaks very well to the Board and the staff.

"Our recommendation for Fiscal Year 2013 was for level funding with .5 percent set aside for performance funding, which would have meant \$6.5 million for the four-year universities and \$720,000 set aside for the community colleges. However, total instances of higher education operations grants were reduced from \$2.11 billion in Fiscal Year 2012 to \$1.98 billion in Fiscal Year 2013, which is a reduction of \$125.8 million from the Fiscal Year 2012 appropriations level. This is a reduction of 6.9 percent from the Fiscal Year 2012 appropriation levels. As for the public universities, the General Assembly provided \$1.23 billion to fund the four-year universities, which was a decrease of \$79.6 billion or 6.08 percent reduction from Fiscal Year 2012. Of this total, \$6.15 million was reallocated based on performance, which was still .5 percent but of a smaller network.

"Other cuts included institutional grants and special initiatives. As the General Assembly was looking for funding as the state of Illinois has suffered from financial challenges, one of the places they looked were at grants and special initiatives for IBHE. Those were cut 28.3 percent. The Competitive Nursing School grants were decreased by \$455,000 or 52 percent. The Grow Your Own Teacher grant was decreased from \$2.5 million to \$1 million, which is a 60 percent reduction. On the positive side, the IMSA Excellence 2000 Program was increased by \$50,000, which is an 85 percent increase. Diversifying Higher Education Faculty in Illinois (DFI) increased by \$100,000, which is a six percent increase. Chicago Area Health and Medical Careers Program increased by \$200,000 or 38 percent. The Quad Cities Graduate Center was increased by \$19,000 or 29 percent and the University Center of Lake County (UCLC) was increased \$200,000 or 28 percent. As you might recall, the Quad Cities Graduate Center funding last year was cut by 50 percent and the UCLC was cut from \$1.7 million to \$1 million, substantial cuts, and some of that money was restored this year.

"Community colleges were reduced by 6.74 percent or roughly \$20.7 million. Their budget was \$287.4 million and instead of \$720,000 being allocated for performance, the General Assembly decided to allocate half that amount, for \$360,000.

"Unfortunately, Workforce Development Grants, which is \$3.3 million; retirees' health insurance grants, \$627,000; and College and Career Readiness Grants, \$750,000 were decreased to zero. The Veterans Grant Shortfall was also reduced from \$7.2 million to \$750,000, which is a decrease of 90 percent. Adult education, postsecondary, technical, and career education, however, was only reduced by one percent, a very small reduction.

"MAP this year was reduced by four percent or by \$15.4 million from the Fiscal Year 2012 appropriation level. As you recall it was reduced \$17.2 million last year but they found \$33.5 million that they put back into MAP for Fiscal Year 2012. That was a one-time increase in funding, so for Fiscal Year 2013 we start at the lower total appropriation level. Currently, MAP funding is \$15.4 million less than where we started last year. The Illinois Scholars Program was reduced from \$3.16 million to \$40,000, which is a reduction of 99 percent. The Illinois Veterans Grants and the National Guard Grants were reduced from \$6 million and \$4.4 million, respectively, to zero. The College Savings Bond Incentives Grants, \$325,000, and the Teachers Corp Scholarships, \$2 million, were reduced to zero as well. As you can see, they went after a large portion of the grant programs this year.

“Regarding other organizations, IMSA was reduced by \$519,000, which is a reduction of 2.85 percent. The State University Civil Service System (SUCSS) was kept at level funding. ICCB was reduced by \$130,000 or 6.14 percent. IBHE was reduced by \$75,300 or 2.7 percent. As you recall, last year IBHE was reduced by 6.7 percent and they took that funding out of the grants. This year we fared a little better. Under IBHE, personal services were reduced by \$50,000 and contractual services were reduced by \$25,000.

“Regarding capital, there are no new appropriations for higher education capital projects in 2013. They approved a bill which includes continuing appropriations, or re-appropriations, for capital projects that have already been authorized. This includes *Illinois Jobs Now!* and projects that were appropriated in 2010, 2011, and 2012. At this time, there is little information regarding the availability of bond funds. All we have heard is that there may be some bond sales and some of that money will go towards capital projects, but as of yet we do not have a specific sum of money for that. That is the status of the budget for Fiscal Year 2013.”

Chairwoman Hightman said, “Thank you for the comprehensive report. Do any of the Board members have any comments or questions? No? Well, I would like to thank the staff for all their work during the legislative session. I know that you are happy it is over, right, all of you who have to work 24/7, especially during the last week. But, it is on to the next one, the special session.”

## **7. Public Agenda Showcase**

Chairwoman Hightman said, “Okay, if there are no further questions, we are going to turn it over to Max, but let me say a few words of introduction, if I may. I think Max has spent more time at the podium than anyone, so he does not need an introduction, but let me do the niceties here.

“For those of you who are not familiar with him, Max has served as IMSA’s president since July 1, 2007. Before that, he served as the superintendent of Wilmette School District 39 and as the Illinois State Superintendent of Education. He also serves as a member of the Governor’s P-20 Council, the DFI Board, and the Museum of Science and Industry’s Advisory Council. Max has also published research on high-achieving, high-poverty schools that have closed the achievement gap; that has earned him state and national attention. Clearly, he is an expert on a lot of topics near and dear to our hearts. With that we now turn to Dr. McGee.”

Dr. Max McGee said, “Thank you, very much, Madam Chairwoman. Can we lower the lights – I know that after lunch this is a dangerous thing to do – but we have so many photographs and a video – and these are not stock photos, these are our students and our programs. I wanted you to see them because pictures do say a thousand words, so I will shorten my presentation today.

“I hope, in the next fifteen minutes, to share a little about IMSA, but most importantly, how we are advancing the *Public Agenda*, because the *Public Agenda* matters to us deeply. Second, in the spirit of imagination and inquiry, I hope this sparks your imagination about how we can collaborate, how we can partner together.

“I have already shared a few thoughts about the background of IMSA. We are a state agency and we are celebrating our 25<sup>th</sup> year. This building is actually an old high school building. This was not built for IMSA but was purchased at a very low sum for IMSA from the Aurora school district. The building itself is about 40 years old.

“You do not need more background on the *Public Agenda* but I do have a few handouts over here for members of the audience or Board members who did not get one. We just wanted to put this in context of the *Public Agenda*. We came to the meetings, we came to several of them, and we are true believers. You know the four goals of the *Public Agenda*, so I would like to go through, goal by goal, and spotlight a few of the programs and services we have that support each of these goals.

“While we contribute to all the goals, we are specifically named in one of these. That is, as you will hear more about it, ‘expand IMSA’s reach throughout the state in both teacher professional development and STEM education programs for students.’ These young women pictured are all participants in last year’s summer camp. This is what we think science should look like. There was an article published recently, I guess it was last week, about the difference between actual science and school science. This is real science.

“*Goal 1: Increase educational attainment to match the best-performing states.* I am going to highlight just two or three programs we have here: Student Inquiry Research (SIR), IMSA Fusion, and we also have an extensive problem-based learning network. As I mentioned at the outset, in addition to this campus we have three offices throughout the state that provide programs and services for students and teachers after school, during the summers, and on the weekends.

“The SIR program represents a real touch point between our partners here at the table and in the audience. Our students do not have class on Wednesday. One of the enormous benefits of working with IBHE is not having to abide by some of the rules and regulations that I actually helped enforce as state superintendent of K-12 education. We find that by giving our juniors and seniors opportunities to do real research with mentors at Illinois university campuses and members of the scientific laboratories or at facilities at the top of their field, they are going to learn a lot more than they would have in class that day.

“These students spend a year off-campus every Wednesday. This is a pass/fail grade and they learn how to do real research. They conduct real research. They do proposals, they keep lab logs, they have to go through an institutional review board (IRB) approval, and they have to write a final paper, proposal, or presentation. They may work with mentors as close as Fermi National Accelerator Laboratory (Fermilab) or our terrific partners at the University of Illinois at Chicago (UIC), or as far away as Beijing. Here are some of our IMSA students who did a research project this year on water purification at a laboratory at a university in Beijing, where they visited in January. We are always looking for more mentors, more university and college mentors, and we are also looking for laboratory access, so we can have some of our water samples, for example, analyzed here rather than 6,000 miles away.

“Let me turn to IMSA Fusion. IMSA Fusion is our award-winning program for both teachers and students. This year alone we have 102 programs in over 90 schools. We have been able to show that there is an impact on learning in terms of what they continue to do in high school. This program is for students in fourth through eighth grade and we track their transcripts to high school. They take more challenging classes. They report an increase in open-ended, student-driven, high-level questioning. We have contracted with the Center for Education and Economic Policy at the University of Indiana to do an evaluation this year on the student learning needs.



“As an example of collaboration, I would like to show this video that was made by Northern Illinois University (NIU) students. It gives a closer look at IMSA fusion.”

Dr. McGee played a short video about IMSA Fusion.

Dr. McGee said, “Thank you, to John Finke, for the expertise of your students and class. That is just another example of what collaboration can do and as you heard in Al’s report, this program received a \$50,000 increase in a time of budget cuts. I think, again, when we can connect a partner to increase educational achievement to match best performing states, this is a terrific example.

“Let me move quickly to *Goal 2: Ensure college affordability for students, families, and tax payers*. We cannot do much about college affordability but what we can do is educate families. We have individual meetings – in fact, they are holding them as we speak – with every one of our juniors and seniors. They are required to come, with their parents, to a meeting on comprehensive college planning and affordability. ISAC has been a terrific partner and our students receive lots of communication on their money options. When Ms. Hightman came in I introduced her to Mitchell, one of my SIR students, who has already obtained an undergraduate research position at the University of Michigan, even though he has not started there yet. We are very eager to have more of these types of undergraduate internships available in Illinois as well.

“*Goal 3: Increase the number of high-quality postsecondary credentials to meet the demands of the economy and an increasingly global society*. We partner with universities and teacher preparation organizations throughout Illinois, both in the public and private sector. We have three examples here, which I will run through rather quickly. The first we call our Teacher Candidate Institutes. We have worked with Blackhawk Community College and National Louis University to provide teachers with the training and support they need to teach inquiry-based methods. As you know, the new science frameworks that are coming out and will shortly be adopted, I hope, by the state of Illinois, talk about the importance of inquiry-based, hands-on science. We are trying to jump-start these candidates to do so.

“Our Golden Apple Scholars Program received a federal grant to work with Golden Apple Scholars. These young men and young women all attend Illinois schools, 54 different teacher preparation institutions throughout the state. They receive scholarships through the Golden Apple Foundation and then they come here over the summer if they want to become math and science teachers. They work with students at a summer camp, students from the East Aurora School District. These teachers, excuse me, teachers-to-be or pre-teachers, have the opportunity to learn how to teach math and science, inquiry-based and problem-centered methods.

“The Math Learning Collaboration Network is something brand new we are starting this summer with the American Competitiveness Initiative (ACI). We received a grant from the state board to pull together six of the private schools and private institutions of teacher education and we are providing support in teaching and assessing the Common Core Mathematics practices and standards for both pre-certificate and practicing teachers.

“Let me turn to *Goal 4: Better integrate Illinois’ educational, research, and innovation assets to meet economic needs of the state and its regions*. We have several different programs here. I will not have time to feature all of them. We have our student outreach programs because we know that science in Illinois, as you may have read, is behind when it comes to science education. We need to give these students year-round experience with scientific education, with real science and actual science, not just book learning science. This summer alone, at IMSA and

twelve other locations throughout Illinois, we will have 25 student programs for almost 1,500 students, 32 educator programs for 719 teachers, and we are also piloting new learning modules for high school biology students and middle school math students, which we hope to bring to the whole state at this time next year.

“Our Common Core Math assessment work, and we had Dr. Reid attending this workshop, as you know with the Common Core Mathematics standards and the Illinois Student Learning Standards, there are goals to be achieved before they are implemented. Well, we are not ready for those in Illinois and we are not ready to teach the Common Core Mathematics practices yet. The standards are more rigorous but, frankly, just having the standards without the practices, without better assessment, will not benefit mathematics education. So, we convened a group of teachers from across the state to take the first crack at our new mathematics assessment through the Common Core. These are now being used with ISBE for dissemination throughout the state. We sent them to a five state consortium, of which we are a member, and also to the Partnership for Assessment of Readiness for College and Careers (PARCC), the national consortium working on the task of the Common Core Mathematics standards and practices. We had 100 teachers come from across the state for two days to write these high-quality assessment items.

“Again, we also have several summer camps and web-based resources. Our Illinois Innovation Talent Program (ILIT) is a program with the Department of Commerce and Economic Opportunity (DCEO), the Department of Transportation (IDOT), and businesses throughout Illinois to do solve real-world problems through hands-on science. These young men and women are working and are building a wind turbine. We also have a program for future entrepreneurs and innovators. It is a talent program and the students actually compete. IMSA and area students compete in designing and building a business, presenting it to some of the top entrepreneurs and innovators in Illinois and for the opportunity to win a \$3,000 first prize, to get their business going.

“CoolHub at IMSA you heard a little about. This is our collaboration program and it is one way we know we can really extend our reach across the state, as mentioned in this goal. We can do this with face-to-face projects but we can also do it through CoolHub’s shared electronic learning. We have several student projects, for example, in robotics. This is the platform the mathematics learning collaborative. Why are these people smiling? It is because CoolHub allows us not just to extend across the state to benchmark ourselves with the top institutions in the state but also literally across the world. Last spring, with Representative Chapa LaVia in attendance, we launched the United Nations of Youth and, in real-time video conferences, connected students from Finland, China, Singapore, Korea, Israel, and Texas. This year’s project was to write an educational policy paper, which was just finished on May 31. This is a screenshot of the initial pieces, with Senator Richard Durbin there to welcome students from across the world. This is what education should be, needs to be, and this will, I hope, spark your imagination about ways we can collaborate in addition to the ways that we do now. As you see, we have a whole list of current collaborations.

“To close, our goal is to continue to support the *Public Agenda* for higher education. Our goal is your goal. We believe in the 60/25 but we know we cannot get there alone and you cannot get there alone. We hope that, to ensure a bright future for our students and our state, we can continue to build and strengthen this great network we already have. Thank you very much for your time and attention.”

Chairwoman Hightman said, “Thank you for that insightful presentation. Do any of the Board members have any questions or comments?”

Dr. Proshanta Nandi said, “President McGee, I am very impressed with your presentation. This is my second visit and I always feel a sense of what the Chinese call feng shui, good vibrations, and you are doing a good job.”

Chairwoman Hightman said, “Other questions? Comments?”

Dr. Reid said, “I did want to mention Purva, Dr. Purva Rushi. Is she still here? She played an instrumental role in making sure that this Board meeting would be here at IMSA. Thank you so much. She is Coordinator of Strategic Operations and Legislative Relations and a senior assistant working with Max.”

Chairwoman Hightman said, “Any other questions, comments? If not, thank you, so much, for your hospitality, your good comments, and all that you do for the state of Illinois.”

Dr. McGee said, “Thank you, very much.”

### **III. Action Items**

Chairwoman Hightman said, “Great. Now we are going to move into the Action Items of the agenda, of which there are three, and then we will move into the Consent Agenda.”

Dr. Reid said, “Madam Chairwoman, I would like to introduce the new Interim Deputy Director for Academic Affairs, Dr. Dan Cullen. Dan is also an Associate Director at IBHE. He completed his bachelor’s degree in Ecology, Ethology, and Evolution at the University of Illinois at Urbana-Champaign (UIUC), his master’s degree in Communication with a minor in Education at Cornell University in Ithaca, NY. Dan has a doctoral degree in Educational Organization and Leadership from UIUC. We welcome you, Dan, as Interim Deputy Director for Academic Affairs, to present the program approvals.”

#### **8. New Units of Instruction at Public Community Colleges**

Dr. Dan Cullen briefly outlined the contents of this item. There was no discussion following his presentation.

*The Illinois Board of Higher Education, on motion made by Dr. Proshanta Nandi and seconded by Dr. Addison Woodward, hereby unanimously grants to Black Hawk College Authorization to Grant the Associate in Fine Arts in Arts subject to the institution’s implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to College of DuPage Authorization to Grant the Associate in Applied Science in Game Design and Development subject to the institution’s implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to John Wood Community College Authorization to Grant the Associate in Applied Science in Surgical Technology subject to the institution’s implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Kaskaskia College Authorization to Grant the Associate in Fine Arts in Music subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Morton College Authorization to Grant the Associate in Applied Science in Health Information Technology subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Sauk Valley Community College Authorization to Grant the Associate in Applied Science in Fire Science subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to South Suburban College Authorization to Grant the Associate in Applied Science in Navistar Diesel Technology subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Southeastern Illinois College Authorization to Grant the Associate in Applied Science in Outdoor Recreation subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Southwestern Illinois College Authorization to Grant the Associate in Applied Science in Electrical Design and Management subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

## **9. New Operating and/or Degree-Granting Authority for Independent Institutions**

Dr. Cullen briefly outlined the contents of this item. The Board then had the following discussion:

Chairwoman Hightman said, "Are we going to address the change?"

Dr. Cullen said, "I was not planning to."

Chairwoman Hightman said, "There was one item that was pulled from the materials that were sent to the Board, just so we are clear."

Dr. Reid said, "Let me address that. A recent federal probe regarded ITT Technical Institute (ITT). We looked at the probe as it was widening and decided to recommend that the Board remove that item until the investigation has concluded. The ITT item is no longer on the agenda. The leadership of ITT has been notified that when that investigation has concluded, we will look at the evidence and make a judgment as to whether or not to bring it back to the Board."

Dr. Cullen said, "I now offer this item for consideration."

Chairwoman Hightman said, "Any discussion or questions?"

Dr. Addison Woodward said, “I have expressed this before but I have a general concern when institutions come before us with program approvals for 17 programs. I have suggested that we cap it at five or six. Seventeen gets a little excessive. In this case we are talking about Rasmussen College and when you look at the fact that since 2005 we have approved 22 degrees, both at South Metro and Fox Valley, and now we are about to approve 17 more, and then there are five more in the hopper. This is just a comment, I am not proposing that we do anything more than accept my comment.

Chairwoman Hightman said, “Are there any more comments on any other items under Item #III-9 on the agenda?”

*The Illinois Board of Higher Education, on motion made by Dr. Elmer Washington and seconded by Ms. Kym Hubbard, hereby unanimously grants to Cornell College the Certificate of Approval and Authorization to Operate in the Chicago Region subject to the institution’s implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Argosy University – Chicago Campus Authorization to Grant the Master of Science in HR Management, the Master of Science in Non-Profit Management, the Master of Science in Organizational Leadership, and the Master of Science in Service Sector Management in the Chicago Region subject to the institution’s implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Argosy University – Schaumburg Campus Authorization to Grant the Master of Science in HR Management, the Master of Science in Non-Profit Management, the Master of Science in Organizational Leadership, and the Master of Science in Service Sector Management in the North Suburban Region subject to the institution’s implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Rasmussen College the Authorization to Grant the Associate of Applied Science in Business Systems Analysis, the Associate of Applied Science in Business Technology Management, the Associate of Applied Science in Finance, the Associate of Applied Science in Fire Science, the Associate of Applied Science in Human Resources and Organizational Leadership, the Associate of Applied Science in International Business, the Associate of Applied Science in Marketing, the Associate of Applied Science in Software Application Development, the Bachelor of Science in Business Systems Analysis, the Bachelor of Science in Business Technology Management, the Bachelor of Science in Computer Science, the Bachelor of Science in Cyber Security, the Bachelor of Science in Finance, the Bachelor of Science in Human Resources and Organizational Leadership, the Bachelor of Science in Information Technology Management, the Bachelor of Science in International Business, and the Bachelor of Science in Marketing in the Fox Valley and South Metro Regions subject to the institution’s implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to SOLEX College Authorization to Grant the Associate in Applied Science in eBusiness Management in the North Suburban Region subject to the institution’s implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Vatterott College the Certificate of Approval and Authorization to Operate in the Southwestern Region subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

#### **10. New Units of Instruction, Public Service, and Research at Public Universities**

Dr. Cullen briefly outlined the contents of this item. There was no discussion following his presentation.

*The Illinois Board of Higher Education, on motion made by Dr. Frances Carroll and seconded by Dr. Elmer Washington, hereby unanimously grants to Eastern Illinois University authorization to establish the Geographic Information Science Center in the Prairie Region subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Governors State University authorization to establish the Bachelor of Arts in Anthropology and Sociology in the South Metro Region subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Governors State University authorization to establish the Master of Science in Mathematics in the South Metro Region subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to University of Illinois at Urbana-Champaign authorization to establish the Department of Asian American Studies in the Prairie Region subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

#### **IV. Consent Agenda**

Chairwoman Hightman said, "We have the consent agenda but I want to move Item #IV-17 out of the Consent Agenda. Is there a motion to approve all the items in the Consent Agenda except Item #IV-17?"

*The Illinois Board of Higher Education, on motion made by Dr. Proshanta Nandi and seconded by Mr. Ari Shroyer, unanimously approved Item Nos. 11, 12, 13, 14, 15, and 16.*

#### **11. Board Meeting Minutes – April 10, 2012**

*The Illinois Board of Higher Education unanimously approved the minutes of the April 10, 2012, meeting.*

#### **12. Fiscal Year 2012 Financial Report as of April 30, 2012**

*The Illinois Board of Higher Education unanimously approved the Fiscal Year 2012 Financial Report as of April 30, 2012.*

#### **13. Diversifying Higher Education Faculty in Illinois Program**

## **Fiscal Year 2013 Grant Allocation**

*The Illinois Board of Higher Education unanimously approved authorizing the Executive Director to allocate the fiscal year 2013 appropriation for the DFI institutional grant awards (see Table 1) as specified by the statute and recommended by the DFI Program Board.*

### **14. Adopted Rules: Private Business and Vocational Schools (23 Ill. Admin Code 1095)**

*The Illinois Board of Higher Education unanimously approved adopting the rules for the Private Business and Vocational Schools (23 Ill. Adm. Code 1095) as detailed in the provided document. The Board authorizes the Executive Director to make technical amendments consistent with suggestions by the Joint Committee on Administrative Rules.*

### **15. Proposed Rules: Grow Your Own Teacher Grant (23Ill. Admin. Code 1085)**

*The Illinois Board of Higher Education unanimously approved the proposed rules for the Grow Your Own Teacher Grants (23 Ill. Adm. Code 1085) as detailed in the attached document for publication in the Illinois Register.*

### **16. Proposed Private Business and Vocational Schools Council**

*The Illinois Board of Higher Education unanimously approved the establishment of an advisory council to advise the Executive Director and the IBHE staff regarding the administration of the Private Business and Vocational Schools Act of 2012 [Public Act 97-320].*

### **17. Appropriation Transfers for Fiscal Year 2012**

Chairwoman Hightman said, “I would like to turn to Item #IV-17 separately, for a couple of reasons. First, George, who is the best staff person to talk about the transfer? Is it you?”

Dr. Reid said, “It is Al.”

Chairwoman Hightman said, “Al? Would you mind coming up? I am looking at this item because, as I was preparing for this meeting, we had a pre-meeting conference call with the staff, as we always do, and I asked these questions. I can look at the numbers, but having numbers for one year, in a vacuum, does not really tell me anything about how we are doing.

“There is an earlier item in the agenda that shows the whole budget and where we stand. I asked the staff to provide, in the future, year over year information with the budget. You all know what I am talking about, with the fiscal year financial reports in Item #IV-12. I look at this and, to me, it is somewhat meaningless, especially as we are doing transfers. To have good information and for us, as a Board, to fully appreciate what is going on, we need to have some comparisons. I have thought about this even further. As I understand it, and I am asking this question, not telling you – as I read your explanation for Item #IV-17, is it true that the staff is saying that all of these expenses that require the transfers have already been incurred, so it is not like you can decide not to do it?”

Dr. Phillips said, “No. In other words, we are planning for the remainder of the year. What we do is we track expenditures, every month, to make sure we are where we should be. In some cases, such as equipment, we wait until the end of the year to see how much money we

have available before we purchase, say, computers. For those we may do like we are doing here, where we reprogram some money from other areas that we are not going to use into lines such as equipment so we can purchase computers. Or it could be travel, when we have expenditures where we think need to put some money in there to cover the costs.

“To date, we are not overspent. In other words, we are moving this money in anticipation of needing it but we have not over obligated our budget at this time.”

Chairwoman Hightman said, “So, let me understand, looking back to page 106, which shows the travel budget. It shows outstanding obligations, what was spent to date, and extended obligations. So, just for travel, is any of the \$3,000 that you are seeking approval to transfer to travel – is that an already outstanding obligation or a committed obligation?”

Dr. Phillips said, “No, it is not. We try not to over obligate. We make sure that we are covering our expenses as we incur them and we have money set aside to cover them.”

Chairwoman Hightman said, “So, then, the question for me, with regard to the travel that would necessitate the \$3,000 transfer, is that I would like to understand, or maybe just have you state, so we are all clear here, the need for that particular travel.”

Dr. Phillips said, “As you know, there is a lot of travel taking place in June. In the event that we did not have money to cover all the program travel, we would eliminate those travel requirements. In other words, we would not exceed our travel budget. By reallocating the money, what we do is, during the end of the year we try to balance the accounts to make sure that there is funding and that if we are not going to use one account we can put that money in another account.”

Chairwoman Hightman said, “That is not what I am asking. I am just trying to understand the specific travel expense that you believe necessitates moving \$3,000 more to the travel line item.”

Dr. Phillips said, “I do not have a specific travel agenda or program at this time.”

Chairwoman Hightman said, “Well, what is on page 185?”

Dr. Phillips said, “That is in the event that we have unforeseen travel expenses for the remainder of the year. In other words, we are putting that there in case we need it.”

Chairwoman Hightman said, “Okay, we are talking about three weeks? This is a weird time for us. There is three weeks left in the fiscal year so you know what travel is, what you are expected to do. I guess my question is, if we do not need this travel, I would prefer not to be transferring it over to travel because I want to make sure that we, as a Board, fully understand what we are traveling for, why we are traveling, whether it is necessary, and then look at the dollars. I cannot tell from looking at all the information I have in front of me today, which is almost a whole year or through April 30 actually, then you have outstanding obligations, where I assume you already did the travel and have not received the bills yet.”

Dr. Phillips said, “Correct. It is obligated but we have not paid them yet.”

Chairwoman Hightman said, “So, it is 5/6 of the year, and then you have this additional, so we have not focused extensively on this in the past and now it is so close to the end of the year



that I think you could be more precise. I think your answers to my questions are, as far as travel goes, if you have it you will spend it and if you do not have it you are not going to spend it.”

Dr. Phillips said, “Correct.”

Chairwoman Hightman said, “And if you do not spend it, what will be the consequence in terms of carrying out your job responsibilities?”

Dr. Phillips said, “Well, for example, as a result of the Grow Your Own grant reductions, we are going to meet in a week or so with all the members of the consortium. That was not programmed or planned. There may be other unforeseen requirements for travel and all we are doing is trying to plan ahead and make sure we have the money moving forward. If we choose not to spend it, that just means we have to take a very close look toward the end of the year to see what travel we can or cannot afford and we may have to cut out some travel.”

Chairwoman Hightman said, “For three weeks?”

Dr. Phillips said, “For three weeks, yes.”

Chairwoman Hightman said, “So, I guess my question is, for these three weeks, besides Grow Your Own – all I want you to do is tell me and you have not yet, so it is making me think that maybe we do not need to approve this transfer. If you had just said to me, ‘I know in these three weeks, I know what the budget is and we need \$1500,’ then I would be supportive of that. I do not hear you saying that which is why I am a little perplexed.”

Dr. Phillips said, “I am not saying that. That is funds in another account that we did not think we were going to use for the remainder of the year. We did not have requirements for that money in a different account so we moved it to the travel account because we have had unforeseen travel expenses. Our budget was cut substantially this year and with the addition of the performance funding requirements and other requirements like Illinois Longitudinal Data Systems (ILDS) and Grow Your Own we are just trying to balance the money.”

Chairwoman Hightman said, “I get all that but I am asking about three weeks.”

Dr. Phillips said, “I do not have the specific trips.”

Dr. Allan Karnes said, “Madam Chairwoman, these kinds of budget transfers are done all the time. We do them twice a year. It is just hard, when you are talking about a budget of \$62,000 for travel. Everybody here today has travelled and we have to pay for it. But, for them to know exactly what it is going to be before they travel is impossible. So to keep within \$3,000 on a \$62,000 budget is, I think, pretty good! That is pretty good.”

Chairwoman Hightman said, “And all I want is to ensure that as a Board we are clear and understand what it is we are approving and why we are approving it. That is all I am trying to do. I am not against – \$3,000 is not the real issue to me, but because it is only \$3,000 and because it is the end of the year it seems like it is an easier question to be answering. There literally are three weeks left so it is not about travel that already took place. It is about travel that is expected until the end of the fiscal year.”

Dr. Karnes said, “Alan, how close do you know how much today is going to cost you?”

Dr. Phillips said, "We will not know until we get the bills."

Chairwoman Hightman said, "But did you not already have it budgeted? I mean, we have Board meetings all the time."

Dr. Phillips said, "We said we would have enough in the budget to cover this. We pretty much know what Board meetings cost."

Chairwoman Hightman said, "Yes, I do not think the Board meeting is the unknown. Jack?"

Mr. John Minogue said, "If I may speak as a priest, it is a mortal sin to return money to the general fund. And so I commend the virtue of saving us from being sinners!"

Chairwoman Hightman said, "How do you top that one, Addison? Really, do you want to try? The floor is yours."

Dr. Woodward said, "I do not need to. I am looking at the presentation made today and there are three trips."

Chairwoman Hightman said, "That is not on this three weeks, though, is it?"

Dr. Karnes said, "Some is."

Dr. Woodward said, "June 10, June 12, June 28-29."

Chairwoman Hightman said, "But did they pay for their tickets?"

Dr. Woodward said, "I have no idea. I am just looking at what they have not done yet."

Chairwoman Hightman said, "But all I was asking is for them to tell us. That is all I am asking."

Mr. Jay Bergman said, "I would like to make a comment. Could I put it a different way and Al, tell me if I am right or not. You have excess money somewhere else. You are not sure if you are going to need the whole \$3,000 or any of it, but in case you do, since it is available you want to move it to the travel budget. Is that pretty much it?"

Dr. Phillips said, "That is pretty much it. The chance of us using it for travel is greater than the chance of us using it where it was, where we would simply lapse the funds."

Mr. Bergman said, "You know, Carrie, I would agree with you if this was six months ahead and it was a bigger amount, but to me, it is not a big issue."

Chairwoman Hightman said, "Okay, can I just say, I am not trying to give you a hard time. We have not asked this question before and I get that some of these trips were not planned when the budget was set. I get that, so do not misunderstand me. I think, from a Board perspective, it is important that we do understand what we are approving and why we are approving it. That is part of the exercise here."

“Let me just ask you, finally, about telecommunications. You are doing transfers from contractual services and telecommunications. Is it the same “Fr. Minogue” approach on those as well?”

Dr. Phillips said, “We have all our telecommunications costs covered for the rest of the year.”

Chairwoman Hightman said, “So, why are you moving \$4,000, if I am reading – oh, no, you are taking it out of telecommunications. So, it is equipment. The equipment is what you talked about needing.”

Dr. Phillips said, “We are purchasing computers with the telecommunications money.”

Chairwoman Hightman said, “Okay.”

Dr. Elmer Washington said, “Perhaps I missed this somewhere along the way but I am curious. With the transfer of programs for the Private Business and Vocational Schools (PBVS), did any money come in at all?”

Dr. Phillips said, “The issue there is that, even though we have the responsibility for the PBVS programs, we do not currently have the funds to oversee and manage the program. What we are going to do is purchase computers to use for that program and when we get the money through fees and other expenses from the PBVS schools, which will begin soon, then we will purchase computers with PBVS money and reallocate those computers to replace older computers in the rest of the office.”

Dr. Washington said, “Okay.”

Chairwoman Hightman said, “Can I just ask the question, all the expenses that you incur in terms of travel are consistent with the Illinois Higher Education Travel Control Board (IHETCB) requirements, right?”

Dr. Phillips said, “Correct.”

Chairwoman Hightman said, “I want to make one request after we take action on this item, so let us take the action first, then I want to make a request going forward.”

*The Illinois Board of Higher Education, on motion made by Mr. John Minogue and seconded by Dr. Frances Carroll, unanimously approved the funding transfer detailed in accompanying documents.*

Chairwoman Hightman said, “Here is my request. I think it is really important that travel expenses for IBHE are properly budgeted and properly allocated, so what I would like to have done is for staff to prepare a three year comparison of total travel expenses incurred by IBHE on an annual basis. I would like a comparison of budgeted to actual expenses incurred. What I would like is, in addition to total travel, I would like to get detail as to the locations traveled and who incurred those expenses. I would like to get that before the next Board meeting, so that we all can look at it and we can say that we understand what it is. As we look to the fiscal year budget that we are going to be starting, we will have a good three years of travel information so, hopefully, we will not have to ask a lot of detailed questions again. I think it is a proper inquiry.”

Dr. Phillips said, “We certainly can do that.”

Chairwoman Hightman said, “Okay, so if you can send that to the Board as soon as you can prepare it but before the next Board meeting I would appreciate it.”

## **V. Information Items**

## **VI. Public Comment**

## **VII. Other Matters**

Chairwoman Hightman said, “Our next Board meeting will be on August 7, at Chicago State University. Our featured advisory group will be the Proprietary Advisory Committee.”

## **VIII. Executive Session**

Chairwoman Hightman said, “We are going to be going into Executive Session. I am asking that the Board go into executive session. Under the Open Meetings Act, there must be a motion in open session to authorize this executive session. A quorum must be present and a motion must be approved by a majority of the quorum with a recorded vote. The Chair observes that a quorum is present. Is there a motion and second to authorize executive session? Just to be clear, we are going into executive session under Section 2(c)(i).”

Dr. Carroll said, “I move that the Illinois Board of Higher Education go into executive session for the purpose of discussing employment issues, pursuant to Section 2(c)(i) of the Open Meetings Act.”

Chairwoman Hightman said, “Can you amend your motion to include Section 2(c)(ii), possible litigation, as well?”

Dr. Carroll said, “Yes, I can do that.”

Chairwoman Hightman said, “Thank you. Is there a second?”

Dr. Nandi said, “I second the motion.”

Chairwoman Hightman said, “And we need a roll call.”

Secretary Deitsch calls roll and a quorum is present.

The Board moved into executive session.

There being no further business to come before the Board, Chairwoman Hightman adjourned the meeting at 2:50 p.m.

Respectfully submitted by Cindy Deitsch, Secretary to the Board.

Note: Copies of all items referred to in the minutes (i.e., letters, statements, reports, etc.) are on file with the official minutes of the June 5, 2012, meeting.