

MINUTES – BOARD MEETING
February 5, 2008

Submitted for: Action.

Summary: Minutes of the February 5, 2008 meeting of the Illinois Board of Higher Education held in Salons A & B of the President Abraham Lincoln Hotel & Conference Center, Springfield, Illinois.

Action Requested: That the Illinois Board of Higher Education approve the minutes of the February 5, 2008 meeting.

STATE OF ILLINOIS
BOARD OF HIGHER EDUCATION

MINUTES - BOARD MEETING
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A meeting of the Illinois Board of Higher Education was called to order at 9:05 a.m. in Salons A & B of the President Abraham Lincoln Hotel & Conference Center, Springfield, Illinois.

Carrie J. Hightman, Chairwoman, presided.
Linda Oseland was Secretary for the meeting.

The following Board Members were present:

Jay D. Bergman	Robert J. Ruiz
Frances G. Carroll	Gilbert L. Rutman
Ashley Dearborn	Lucy A. Sloan
Matt DeRosa	Elmer L. Washington
John P. Minogue	Addison E. Woodward, Jr.

Also present by invitation of the Board were:

Judy Erwin, Executive Director, Illinois Board of Higher Education
Geoffrey Obrzut, President/Chief Executive Officer, Illinois Community College Board
Tom Morelock, Executive Director, State Universities Civil Service System
Andy Davis, Executive Director, Illinois Student Assistance Commission

Presidents and Chancellors

Al Bowman	John Peters
Eric Gislason	Richard Ringeisen
Sharon Hahs	Fernando Trevino
Elaine Maimon	

Advisory Committee Chairpersons

Jerry Dill, Proprietary Advisory Committee	Jason Wallace, Student Advisory Committee
Bob Mees, Illinois Community College Council of Presidents	Curtis White, Faculty Advisory Council
Dave Tretter, Private College and University Advisory Committee	

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

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

2. Announcements and Remarks, Chairwoman Carrie J. Hightman

Chairwoman Hightman said, "First, I want to welcome the Board members and the higher education community and express our appreciation to President Warren of Lincoln Land Community College for the exceptional hospitality last evening at the reception for Board members. Thank you very much.

"On behalf of the Board, let me extend a special welcome to Jay Bergman, who has been appointed as a public member of the Board by Governor Blagojevich. Jay has served on the Illinois State University Board of Trustees and the University's Foundation Board and has a business background that is quite interesting. His higher education background really gives him an intimate knowledge of many of the issues that we face today."

Jay Bergman said, "I am president of an energy company headquartered in Hinsdale, a suburb of Chicago. Basically, my company operates oil fields, gas fields, and several small electric generating facilities around the United States. I am also chairman of the board of a bank in the Chicago area. As far as my higher education experience, I have been involved in the system for about 20 years. Most recently, I have been on the Board of Trustees at Illinois State University. I realize that it is two different hats, the ISU hat and the Board of Higher Education hat. Just so that there are no problems, I have already asked our Board attorney to let me know if he sees any conflicts so that I can recuse myself.

"In trying to get up to speed a little bit, Tom Lamont gave me a lot of good information, and I will be meeting with a couple of senior staffers at IBHE in the next month or so for an orientation they have to put together for me, and will be up to speed as quickly as I can. So, I look forward to working with my new colleagues here on the Board, and I look forward to working with everyone else in the room. Thank you."

Chairwoman Hightman said, "Thank you, Jay. You know that we will all help you in any way to get you on board. The orientation is very helpful, and the staff is so knowledgeable, and I think you will find them a great resource.

"I would like to call everybody's attention to the Board agenda materials, and in particular, the policy statement on diversity that is included. I think it is a clear and forceful statement of the importance of diversity and higher education, and it is a reflection of our unflinching commitment to diversity throughout our system of higher education. We had an interesting discussion about this at our working session yesterday. We all believe it has to come from the top. We hope that you will take it to heart. I know most of you already do, but we need to do more in this regard, and, in fact, that is why we have made some of the changes we have made and are putting a greater emphasis on the DFI Board; it is just one piece of it. You all play a hugely important role. So, I ask you all to read through the diversity policy, and if you have any comments or suggestions, let us know.

"I also want to welcome Interim Chancellor at University of Illinois Chicago, Eric Gislason. We are happy to have you joining us today.

"I want to make a couple of brief comments on the two endeavors that have occupied much of our time and energy over the past several weeks and actually months -- the public agenda initiative and the

higher education budget. I will make more extensive comments at the appropriate points later in the agenda, but allow me to highlight a couple of thoughts early on.

“I had a couple of opportunities recently to represent the Board publicly. The first was a speech to the Executive Board of the Illinois State Chamber of Commerce shortly after our last Board meeting, and the second was an interview last week with *Illinois Issues* magazine.

“At the Chamber meeting, I essentially delivered the same message that I conveyed to the Association of Graduate Schools last fall at Loyola -- higher education needs to be recognized for the value it brings to the state, the state’s economy, and the quality of life in Illinois. We need to expand our thinking to raise the idea of a P-20 stream of education, not just in words, and we need to plan for the future. I do not know how many of you have attended chamber meetings or have been on a chamber board, but those folks are really a tough sell. They are skeptical; they are hard-nosed; they are tight-fisted. I know; I used to be on the Executive Board of the Chicagoland Chamber. But as business people, they are also pragmatists who recognize the value of having a plan, appreciate that you get what you pay for, and understand the connection between their self-interests and the viability of the state’s higher education system. They want to know where we need to go, how we are going to get there, and why it is important to reach that destination. So, I believe our message really resonated with them. They were receptive, and even to some degree, I would say, supportive. Indeed, I am confident the business community will be willing and eager partners in creating a public agenda for higher education.

“The interview with the *Illinois Issues* magazine was more recent, and it focused on the funding of higher education in general and the matter of affordability, more specifically. So, it was a very timely interview. In essence, the reporter asked if we are investing enough in our colleges and universities and in our students. The answer I gave, in essence, was that nobody has really asked that question before because no one has ever asked what we will get in return for a greater investment in higher education. That very question is at the heart of the budget proposal before us today. If we expect to make a compelling case to elected officials that higher education should receive more money, then we must be prepared to say how we intend to spend those dollars and what return on investment we can deliver.

“The common thread between these stories is that we, as a coordinating Board for higher education in Illinois, are attempting to give good answers. Through the creation of a public agenda and the development of an investment model spending plan, we can provide solid, thoughtful, analytical, data-supported information so our elected leaders, who make the decisions, can make smart decisions.”

3. Remarks by Judy Erwin, Executive Director

Ms. Erwin said, “One of the great advantages of having our meetings in Springfield is that other staff people, our partners in state government, and other education agencies can join us. Deputy Chief of Staff to the Governor, Kristin Richards, who oversees education for the Governor, is with us today. She is a great partner in the work that we do. I also want to recognize my colleagues in the education agencies, some of whom are with us today -- Geoff Obrzut, the President of the Illinois Community College Board, Dr. Elaine Johnson, and a number of Illinois Community College Board staff are here. They are great partners, and we cannot do our work in higher education without the Illinois Community College Board. We are sorry that Don McNeil from the Illinois Student Assistance Commission could not join us today because of the weather, but their Executive Director Andy Davis and Katharine Gricevich, who are also doing yeoman’s work, are here. Many of you have either met or know Dr. Christopher Koch, who is the new superintendent of the State Board of Education. He is not with us today, but he and his staff are doing a terrific job, particularly on the P-20 issues that we are all working on.

“From the Governor’s budget office, which is staffed by some terrific professionals -- Ginger Ostro, the state’s Budget Director, who came from Governors State University and her colleagues, Katie Moore and Darin Cleary, are the ones who do our budget with the Governor’s office, along with the legislative staff. All of these folks are behind the scenes working, in many cases, seven days a week to try and do the best we can with not a lot of money.

Director Erwin then introduced members of the Illinois Board of Higher Education staff in attendance at the meeting and thanked them for all their good work

She then thanked Gary Alexander for all his hard work and wished him well in his new job in Kansas.

4. Resolution Honoring Seymour Bryson

Ms. Sloan said, “I would like to ask Dr. Bryson to join me at the podium while I read this citation. I have had the privilege of working with Dr. Bryson on numerous HECA grants and programs, so it is an honor for me to read this resolution for him today.” Ms. Sloan read the following resolution:

We, the members of Illinois Board of Higher Education, express our appreciation to Seymour Bryson for his deep commitment to higher education and his leadership as the founding Chairman of the Diversifying Higher Education Faculty in Illinois Program (DFI) Board.

As the chairperson of the DFI Program Board from 2005 through 2007, Dr. Bryson had the challenging task of guiding the merger of two former governing boards over the program into one, which he accomplished with skill and sensitivity.

Under his leadership, the DFI Program Board has been able to redesign and refocus the program to place a priority focus in the Science, Technology, Engineering, and Mathematics (STEM) disciplines. He has been instrumental in the development of new program guidelines to advance the mission of the DFI Program. Dr. Bryson has led the Program Board to focus on placing program graduates in faculty positions. This leadership has led to the creation of a Placement Coordinator who assists in matching qualified DFI graduates with existing faculty and staff positions in Illinois. Further, Dr. Bryson has guided the program to increase program accountability and increased statewide visibility.

Seymour Bryson is a man of intelligence, integrity, and tenacity. His ability to analyze issues and develop action plans to implement important strategic decisions have been among his most valuable qualities as Chairman.

Students and faculty, college and universities, the Illinois Board of Higher Education, and the state owe a debt of gratitude to Seymour Bryson for his contribution to the DFI Program and to higher education in Illinois.

Dr. Bryson said, “I would like to thank the leadership of Carrie and Judy and the staff for the support that they provided during the last couple of years, and also to the members of the DFI Board for the work that they devoted. I would also like to take this opportunity to express my appreciation to Carrie for making the effort today to highlight and emphasize the need for diversity in the state of Illinois. When you look across the country, many states complain about not having enough ethnic minority faculty. One of the issues they will say is that we do not have enough. But Illinois, for the past 17 years, has taken that argument away through the DFI Board. We cannot say that we do not have enough. We are not in the pipeline. I think this Board has made the commitment to take it to another level, and that is to work with

colleges and universities to make certain that minorities have an opportunity, and I congratulate you for that.”

Chairwoman Hightman said, “Thank you, Dr. Bryson, for all of your work over the years.”

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Mr. Ruiz.said, “I would like to make a correction to the minutes; I was present at the meeting.”

Chairwoman Hightman said, “That is an important correction. It is so noted. Your motion will be modified to include that change.”

The Illinois Board of Higher Education, on motion made by Ms. Sloan and seconded by Dr. Woodward, unanimously approved the minutes of the February 5, 2008 meeting as amended.

6. Financial Report

The Illinois Board of Higher Education, on motion made by Dr. Carroll and seconded by Dr. Washington, unanimously approved the financial report dated December 31, 2007.

7. Advisory Committee Reports

Chairwoman Hightman said, “As we indicated at each of our meetings, we are going to focus on one of our advisory committees, and give them extended time to give a broader presentation rather than just a summary. To update everybody on the order of that, today is the Illinois Community College Council of Presidents, and we will get to their bigger presentation in a moment. The April meeting will allow the Faculty Advisory Council to give extended comments, the June meeting will be the Private College and University Advisory Committee, the August meeting will be the Student Advisory Committee, October meeting will be the Proprietary Advisory Committee, and December will be the Disabilities Advisory Committee.”

Curtis White, representing the Faculty Advisory Council, presented his report to the Board (see attached). There was no discussion following his report.

Jason Wallace, representing the Student Advisory Committee, presented his report to the Board (see attached). There was no discussion following his report.

Jerry Dill, representing the Proprietary Advisory Committee, presented his report to the Board (see attached). There was no discussion following his report.

Bob Mees, representing the Illinois Community College Council of Presidents, presented his report to the Board (see attached). There was no discussion following his report.

Dave Tretter, representing the Private College and University Advisory Committee, presented his report to the Board (see attached). Following his report, the following comment was made:

Chairwoman Hightman said, “I have one thing to say in response to one of your earlier comments. I will talk more about master planning in a few moments, even though it is not on the agenda, but in response to your concern about funding, we feel so strongly about the need to do it, that we are going to do it, and even if we cannot get the funding from the state, we think it is important enough that

we will do it anyway. We think that everybody here understands how important it is. In the best of all worlds, would I rather be spending my time not writing those letters? Yes, but I am a pragmatist, and I want to move forward in the best way possible. I think we need the best plan possible to move forward. So, whoever feels strongly about this, I would encourage you to talk to your legislators and to the people who you turn to on issues such as this, and hopefully, the issue will go away if enough people open their mouths.”

Father Minogue said, “I bumped into one of the private presidents last week a little after the letter arrived. I was truly embarrassed. It is ridiculous that a \$9 billion operation cannot come up with \$200,000 to do strategic planning. It just underwrites a kind of evisceration of ownership of the plan. Well, the good news is, and I have thought about it a lot, and I have listened to people, there is a vacuum then in leadership on that plan. I think everybody feels the need for it, and so maybe it falls back into our hands. If we pay for it, maybe we get to run it. How does that sound?”

8. Presentation by Dr. James Anderson, University at Albany, State University of New York: Diversity and Academic Excellence: A 21st Century Reality and Mandate

This presentation was cancelled due to inclement weather.

9. Presentation by Jerry Weber and Bob Mees, Council of Community College Presidents: “The State of Community Colleges Today”

Mr. Weber gave a presentation entitled, “The State of Community Colleges Today.” Following the presentation, the following discussion occurred:

Chairwoman Hightman said, “I think this was an absolutely great presentation. It was very helpful to me, and I think it is right on. We are going to put this on our website like we do all the reports that are presented at our meetings so that it will be available to the public. This is a good tool to use when we are going to have to answer questions before the legislative committees that address funding issues. So, I think this could be useful when we have to sell our budget proposal and be able to address the questions that will come to us. I think your message was very succinct, very clear, and with good data. I think it is applicable to everybody and to the whole higher education industry in Illinois that depends upon state funds.

Ms. Dearborn said, “One of the things that we have a great discussion about on the Student Advisory Committee is transferability, and you touched on transferring to four-year universities. A lot of the students that are in the Student Advisory Committee, who are community college students, and who have also gone to four-year colleges, talk about that being a problem -- about advisers at their two-year college not preparing them as adequately as they should have for them to go to their four-year college. Some schools do an excellent job, and they will praise their community college. Some of our students get to their four-year colleges, and they are so disappointed because there were things they were told to take at their two-year colleges that, when they get to their four-year colleges, they just did not need or it is not working out for them. That is a concern of students.”

Mr. Weber said, “We are aware of that, and I think you are right; it varies from each institution. Everyone tries to improve and work on that. We did have transfer centers at one time, and they probably were not as strong as they should have been. We could increase that. I know at our own college, we have institutional effectiveness measures, and we are looking at that and tracking all that. My own son went to Kankakee Community College and transferred, and all his courses made it, and everything went fine. But the trick for all those students really is -- although my son had some difficulties because he changed what

he wanted to do, and so that elongated the process -- but, there are some issues where students will change, and there are some problems with the information that does not get there entirely. We actually, at a lot of institutions now, have transfer guarantees, and you have to come in and work with an adviser to get those guarantees. We probably ought to do that more and more actually, but at our own institution, we have a transfer guarantee and a workforce guarantee.”

Mr. Mees said, “What the problem is a lot of times is that we get great support from the universities and the administration, but the problem lies sometimes with isolated departments. With certain departments the transferability is not all that good, but we are working on that very hard and making a lot of improvements. I know Southern Illinois University Carbondale has an outreach office on our campus now, and that is really helping the students because they can talk to those people prior to leaving Logan to be sure they are taking the classes at the community college that are going to help align them up to their baccalaureate degree.”

Mr. Weber said, “I worked on the Illinois Articulation Initiative and was the community college representative, and what Bob said is true. One of the issues is the whole higher education system is so diverse in a way and so different. Sometimes you have the university, but then departments will have issues, and everybody works in such a way. It is one of the strengths of this system, but can also be one of the issues. Some of it is that we need to do a better job all the time.”

Dr. Rutman said, “Is not there a formal articulation agreement?”

Mr. Weber said, “Yes. That is the Illinois Articulation Initiative. There are formal articulation agreements where some of them have difficulty -- and I am not really the expert in this, you would probably need somebody from the ICCB to speak to it -- but where they can break down, as I understand it, where you get into specific majors and some of those issues of moving across majors. I know when we worked on the science initiative to have a transfer program in chemistry, it really breaks down and gets difficult because of the sequencing of the courses.”

Ms. Erwin said, “I know that Dr. Elaine Johnson and Dr. Rick Pearce have worked on the articulation agreements, and as Jerry just said, I think for the general education requirements there are pretty solid agreements on that. The issue, too, is the student needs to complete that, and then, there is an agreement to transfer. Sometimes students go a year, they do not necessarily complete or for whatever reasons, sometimes poor advising, but other times they decide to take things that do not transfer. We all collectively have to do a much better job of helping students understand the repercussions of those course choices. We do not want to see anyone having to pay their own money or a MAP grant for courses that ultimately do not work towards either a certificate or degree. This is the main agenda, I think, for the Governor’s office and others on the P-20 council. It is the alignment and much too high percentage of remediation that is going on in community colleges, again, because the lack of academic preparation in high school, but the same would be true -- if you are ill-prepared in high school, then the community colleges are going to try to do their best and then when you move on to the four-year -- it is something endemic that we all have to work on.”

Dr. Washington said, “One of the things that struck me in your presentation, which surprised me greatly since we are very much concerned about the issue of affordability, is the issue of having community colleges students having so many loans, and the extent of the loans that they have as they leave a community college. I am wondering who is making the loans. Are those federal loans or are they credit card loans?”

Mr. Weber said, “I think they are referring to loans that are made through a system, although I

would have to have Dr. Chand tell me where that data is pulled together from.”

Dr. Washington said, “It is very damaging in terms of future possibilities for students.”

Ms. Erwin said, “It is something that ISAC is looking at, and it is always the cost of access, both in trying to keep up with needs-based financial aid and also access to low-interest loans.”

Ms. Dearborn said, “I can address it. Community college students are eligible to get guaranteed student loans just like four-year college students. So, some of them are getting those loans.”

Ms. Erwin said, “Although the money has been insufficient, the community colleges and the Community College Trustees Association were absolutely instrumental in helping. Illinois, I believe is the only state in the nation, where a less than a half-time student has access to that Monetary Award Program. So, the profile of the single mom who is working, who can only take one course, still has access to needs-based financial aid, and it is one of the things that other states have always looked at us as a leader on.”

Father Minogue said, “2008 -- big problem between high school completion and getting into anything that looks like a college -- community or otherwise. What in the 60’s inspired people to invent the community college system, and what would it take today to invent something that would repair the pipeline we have?”

Mr. Weber said, “Higher education always had local institutions that cropped up across the country for different means. If you look at Illinois Wesleyan or Oberlin or these other private institutions, often they started as local institutions, became regional, and expanded out. That created a void. So, then the community colleges have come into that void of local higher education service nationally.”

Father Minogue said, “So, it was local initiatives that started the community colleges.”

Mr. Weber said, “The Truman Commission that created the original concept of this said this could be a working thing, and there already were scatters of these around the country. Interestingly enough, around the world now, the highest interest in the higher education community is in community colleges. In China, they are growing rapidly; and in India, they are growing quite rapidly. The interest around the world to fill that skills training niche is coming, and there is a whole further education system in Europe, very much like the community college system.”

Ms. Erwin said, “While the baby boomers were the impetus, it is interesting to me that that was a fairly white, middle class student, even at a community college. Today, if we stretch that out and say every single resident in the state of Illinois must have access to a minimum of two years postsecondary, and now it is not just white, middle class Baby Boomers that force the creation, but it is stretching it out to everyone.”

Mr. Tom Layzell said, “Actually, this Board of Higher Education -- Master Plan One -- created the comprehensive community college system. That was a felt need at the time and was the major accomplishment of Master Plan One to get a statewide system of community colleges, and it has been a tremendous success.”

Mr. Mees said, “Addressing the career remedial classes and that type of thing, the P-20 initiative is very important in doing that. This has been bouncing around now for nine or ten years, but I think it is really getting focused now. This career readiness pilot project that we are doing at six community

colleges, and Logan is one of them, Dr. Elaine Johnson and Senator Maloney came down and talked about that. If that is successful, hopefully, we can really improve on that articulation between the high schools and the community colleges and all of higher education and minimize the number of remedial classes these students have to take. It has to start in K-12; and hopefully, if we really work on that, we can make a lot of progress. So, we are looking forward to the P-20 initiative.”

Dr. Carroll said, “I would like to thank the leadership of this Board for allowing this presentation. I think what you have done today is refresh us in what is actually going on, and given a pretty good in-depth report on where we need to go with the problems, and we can work together. The other part, and I have not been part of the junior college system, is that I feel a sense of connection with the community colleges and the universities that I have not felt before -- that there is no competition, and it is working together. I think this is really an excellent attempt to move forward and to resolve some of the problems. I was a little taken aback also about the expense of the community colleges because it was always felt in our community that you could always go to a community college, but it is almost as expensive as going to a four-year college. The other part of that is that they have more diverse students going to the independent colleges, and that is more costly. So, what is going on?”

Ms. Dearborn said, “You have mentioned how the community colleges are filling the need in the health care industry, and that certainly is true. But one of the concerns, particularly for nontraditional students who actually desire to go into these health care positions, and particularly as we are going into recession and they are losing jobs, and they are trying to find jobs that will replace the income that they lost, is that they tend to have harder problems or more problems when they are going into health care. Perhaps many of them have not taken the math and the sciences for so long, and also because a lot of them are still working while they are going to school, so they have to take these math and science classes one at a time. I did not know this until recently, many of the four-year universities want you to have taken your math and sciences within a certain time frame or they will not apply to their programs or will not be accepted. I hope that in the future this is something that the community colleges, as well as the universities, can address together to get these students the education that they do desire and to go into the health care fields that they want to go into.”

Mr. Weber said, “At our college, what we have done is partnered with the hospital. So, the hospitals give the students a scholarship. They can get their Pell grant; they can get their ISAC; they can get that scholarship. They can combine all those funds together, and they are able to handle those intensive programs because people do not realize that all of those health care programs tend to be very, very intensive, unlike going for a liberal arts degree or something where you can space it out and move courses around. It is really an intensive, prescribed program.”

Mr. DeRosa said, “The students are lucky if they can get to the point where they can have difficulty with the math and science because those are the programs that are so highly enrolled in that a lot of people get turned away just because the community colleges cannot support the numbers of people that want in there. So, those are the lucky one -- they get to have a hard time.”

Mr. Mees said, “We are trying to address that right now. The shortage in space and offering the classes is a key concern. I know at the federal level, they are trying to come up with ways to give grants out to expand nursing programs and other health care programs, and that is very, very critical. We are going to have a big problem if we do not address this soon. Senator Durbin and Senator Obama are working in trying to give us support on that, and we are going to be talking about that out in Washington from February 10 through February 13.”

Chairwoman Hightman said, “What I want to do next is bring everybody up to speed on the

master planning process. The Board spent time yesterday in its working session discussing the progress to date in the public agenda planning process, and I want to tell you what is going on and what events to look forward to related to this activity.

“I regard this initiative, which has been entitled, A Public Agenda for Illinois Higher Education: Planning for College and Career Success, as the most important undertaking facing this Board, and I would like to think that this is probably one of the most important things facing the state of Illinois as well.

“First, we will talk about the selection of the consultant. Many of you know by now that this process was, in a sense, launched late last year. We commissioned the National Center for Higher Education Management Systems, which is known as NCHEMS, to be the consultant for this project, and the selection of the consultant was a very collaborative and transparent process. The agency issued a request for proposals. Two consultants responded to the request. Both proposals were reviewed by the agency’s staff, by external experts in higher education and state planning, and by our sister agencies. The conclusion of all was that NCHEMS was far and away the most experienced and capable firm for the job, and, as it turned out as a plus, the most affordable, as well.

“NCHEMS is a nonprofit consultancy based in Boulder, Colorado. It has worked with many states on initiatives just like ours, including Kentucky, Texas, and Indiana, just to mention three that have developed successful agendas that have been implemented in those states.

“Under NCHEMS guidance and a great deal of staff time and energy, we are moving forward on several fronts. In mid-January, Dennis Jones, who is president of NCHEMS and his senior research associates visited Illinois to brief Board members, other state education agencies, and the Governor’s office, including key economic development staff, on the framework for developing a public agenda. As was explained at those meetings, it will be a very open, collaborative, and inclusive process, and I think I have said that all along as we have talked about it. If you want a voice in this process, simply show up, and you will be heard. It will involve strategic planning that will frame the agenda around the state rather than institutional or even higher education goals. This is about planning for how higher education can meet the education and economic needs of the state of Illinois. While the vision is for the state as a whole, the consultants will draw the picture of needs from data on various sub-groups -- racial and ethnic, economic sectors and regions, and so on. NCHEMS has been at work on this for two months now, gathering data on Illinois and examining existing policies. Early next month, they will produce a draft public needs report, which will be widely disseminated, and of course, this is only one step in the process.

“Meanwhile, we have been working with the Governor’s office and many, many stakeholder groups and the Board to prepare nominations to the Governor for appointment to the task force that will oversee this process. The process of getting those people on the task force is ongoing, but we have many of the slots filled with committed and distinguished individuals and expect completion of the formation of the task force and announcement of its formation shortly.

“At the same time, we have been consulting with a number of organizations, associations, councils, and others representing education, business, minority, civic, and other interests to invite their participation.

“As most of you know, we have been fundraising; and whether we like it or not, we need to. I am pleased to report that several higher education organizations and institutions have sent or pledged contributions to help finance this endeavor, and we expect more soon. That said, I want to encourage you to keep the money flowing. The state has committed about half of the amount of money that we need,

and it is vital that those who have a clear stake in the outcome demonstrate their commitment as well. And I actually do believe that, although I do not like fundraising. And of course, nothing shows the love better than some cold cash.

“We expect the appointment of the task force within a couple of weeks, and early next month NCHEMS will have ready the first report on public needs for education for distribution to the Board, the task force, and the higher education community among others. The first meeting of the task force has been scheduled for March 20 in Chicago. Over the next several weeks, the consultant and staff will be meeting with various constituent groups and with legislative committees and caucuses to discuss the planning process, the public needs report, and the next phases of the process.

“I want to emphasize that, ultimately, it is up to this Board to approve a master plan for higher education, but we cannot get to the point of approval of such a plan without the significant efforts of many stakeholders, and of course, of NCHEMS. The ultimate plan will be one that we, the Board of Higher Education, must approve.

“I want to thank everyone here -- Board members, our advisory committees, representatives of institutions, and the broader higher education community -- for your support of this most valuable enterprise. I look forward to your ongoing participation to make this public agenda one that will transform Illinois.”

10. Fiscal Year 2009 Higher Education Budget Recommendations: Operations, Grants, and Capital Improvements

Chairwoman Hightman said, “There has been a lot of discussion about this already, both directly and indirectly. What I want to do is to make a few comments before Mike Baumgartner presents the details of the proposed Fiscal Year 2009. We call it Budget Recommendations, but I would rather refer to it as Higher Education Investment Recommendations. As all of you know, this budget proposal represents a significant departure from how the IBHE has handled its budget responsibility in the past. Rather than adopting a particular dollar figure, we are, instead, proposing a range of investment options in the higher education system for the state of Illinois. There are three points I want to make regarding the decision to move forward in this manner.

“First, while we talk in terms of creating a budget for higher education, the reality is that the IBHE does not determine what level of revenues will be invested in higher education. That decision is made by the Governor and the General Assembly. So, while we have identified a particular funding level in the past, that level has not necessarily coincided with the amount included in the approved state budget, either in the Governor’s budget message, or the final budget that gets adopted. Indeed, the discussion surrounding the final determination has historically resulted in IBHE being asked about a variety of funding alternatives. The fact is we are the state’s expert on higher education and are in the best position to determine how dollars can best be spent on our higher education assets, but we are not the group that weighs the competing state goals. Neither are we the group that sets the overall state priorities. Indeed, if we were, I suspect that the results would be entirely different than we have seen in the past.

“So, after careful thought and much discussion, we determined to present to the Governor and the General Assembly an independent, thoughtful analysis of investment options that will assist elected leaders in their often difficult budget decisions as they weigh competing claims, all worthy for public resources. This approach best fulfills our role and our obligations as a coordinating board -- defining the needs, explaining the options, and demonstrating what each new dollar invested in higher education will buy. This is really an opportune time for us to move in this direction because, as I said with respect to the

public agenda, we have a heightened interest in and solid support from the Governor's office and the General Assembly for many of the P-20 initiatives that we have engaged in. The investment scenarios we are presenting today help us seize the moment in building on that support with a proposal that lays out a menu of options that shows what the return on each investment will be -- improved education attainment, more competitive in attracting faculty, and increased production of nurses and other high-need occupations.

"The second point I want to make about the budget proposal is that we believe this new approach is realistic and probably more realistic than the old approach in that it shows various levels of investment and a recognition that the state treasury is not bottomless, and the fact that we cannot make a recommendation on the budget in a vacuum. We understand that the economy, transnationally and in Illinois, is worrisome, and we understand the connection between those trends and state revenues. As the *Chronicle of Higher Education* reported in its January 25 edition in an article entitled "Colleges Brace for Cuts and State Economics Take a Turn for the Worse," around the country, educators were hoping that this year would be their year, are now facing cuts. The article notes that California, Florida, Kentucky, Maryland, and Nevada are considering mid-year budget cuts. The article succinctly points out that across the country, as of the end of third quarter of 2007, state tax revenues dropped from the previous year when adjusted for inflation for the first time in four years. The lackluster housing market has also added pressure to state budgets. Meanwhile, other costs are escalating, and I do not think the situation is any better in Illinois. Now, while we all hope that higher education will take more precedence than it has in the past in terms of these budget decisions, the reality is it is not the job of the Board of Higher Education to determine how much money is available to spend on higher education. That is the job of the Governor and the General Assembly. Our job is to give considered expert recommendations on how the dollars should be spent and the return that investment will yield at whatever level of funding is available.

"Finally, it is important to note that this investment funding proposal is really in its infancy, and it really is a transitional device as we begin to prepare the public agenda. We will forward our recommendations to the Governor and to the Legislature, and they will certainly have a say in how this idea grows, matures, and develops, and that is really good. It is part of the process. What we really have here is the opportunity for an informed and healthy dialogue, and that also is a good thing. We will learn as we go along, and in the end, we will all be wiser, and hopefully, better off. Whatever the case during this budget season, we have positioned the Board, through this investment proposal and the public agenda process, to be a willing partner with other policymakers and a strong advocate for students and our colleges and universities as we move forward to strengthen our higher education system. This new approach is proof positive that this Board is not going to do things the way they have been done in the past. Instead, we are going to think out of the box in order to ensure that we remain relevant well into the future."

Dr. Baumgartner outlined the contents of this item in his presentation. During his presentation, the following discussion occurred:

Chairwoman Hightman said, "Before you get to the capital improvements overview, I just want to say a couple of things. First, we could have chosen a variety of different levels, so you might wonder why did we pick the particular levels that we did and why not other ones. Basically, we looked at significant programs that would meet the goals that the Board members identified and prioritized, and that met the objectives of the institutions that would get this money. So, we took into account what everyone's priorities were and tried to put in programs that would address those priorities. So, they are not in even amounts; they are based on the cost of various programs and plans to get to somewhere, whether it is getting to the national average or getting to where we were in 2002, or whatever in whatever number of years. So, there is logic to every level. The first level was the base, we were asked to put in

the second one, and the rest were based on increasing levels of investment to meet these different goals.

“The other point I want to make is that if you look through the document that is bound -- the budget document -- it is pretty dry with number stuff that OMB people probably love to read. I personally have a hard time getting through it without falling asleep because it is just not in a form that a non-numbers person can really appreciate. So, we understand, and we had a lengthy discussion about this yesterday in our work session, and this presentation is a start of it, but I think there is more that we need to do. Our next step is to put the sales pitch together that is in words that real people understand and that sells this approach, or at least explains the levels more clearly in terms that people can really understand, of what you are really accomplishing. And for the legislators, to the extent the Governor’s office wants more information from us, we will give them what we put together, but our next job will be then to go and answer questions about this in hearings in Springfield. So, we cannot talk the terms we talk about in our documents. We have to talk more like this, and I think at even a higher level than this, and in more simple terms, which we will be working on and using like the presentation that we saw today, which had some great information, and maybe try and make our presentation look more like that presentation, I think will be much more effective.”

Dr. Rutman said, “Does it read like that is a continuum or could the legislature cherry pick on the five steps because it shows that you must go to step one before you go to step two, step two before you go to step three, and so on?”

Chairwoman Hightman said, “I think the answer is that we cannot require the legislature or the Governor’s office to do what we say; they can pick and choose anything they want. I think the idea is that we have given them a variety of options and additional information within each option so that they could pick and choose if they want to, and they might end up with a two-and-a-half percent increase, which would not be great, but it is not one that we presented. What I am saying is that they could pick and choose and come up with a number that is different than what we recommended.”

Dr. Rutman said, “I like it. Do not get me wrong, but in pleading our case, should we not want to make the idea that this is a continuum?”

Chairwoman Hightman said, “I think that is a good approach. I think, messaging wise, I would be happy to do that.”

Ms. Erwin said, “At this meeting a year ago, a panel of legislators, a number of whom were appropriations chairs, said please lay out for us what you would do if you had more money. Now part of it was the very clear message that they were looking to this Board to create a public agenda and to launch that. That was one very clear direction from the legislature. The other one was to lay out these options, and so I think as the Chairwoman said, legislators can do whatever they want if they have the votes to do it. On the other hand, I think for the members of the Board and for the larger community, we feel very comfortable that at every single recommendation, we can all walk into the Tribune editorial board or anyplace else and absolutely defend, from a policy perspective, why that recommendation has been made. But the beauty of it is that you can see what you can get at various levels. We have already heard of some indications from the appropriations staffs that they very much appreciate this being laid out that way.”

Chairwoman Hightman said, “Gil, I like what you are saying. I think it is what we did. We did not call it that, but we could call it that if it helps us advocate on its behalf.”

Ms. Erwin said, “Obviously, as Mike pointed out, when you are at step five, that allows you, for instance in staff and faculty salary competitiveness, to get to the median of peer groups faster or so it

really is, one does build upon the other.”

Chairwoman Hightman said, “Great presentation. For those of you who understand the budgeting process and the amount of time that goes into preparing a normal budget, you know it is a big endeavor and asking Mike and his team to prepare five of them really put a lot of pressure on him and his staff. I want to thank Mike and all the folks that work with him for doing the yeoman’s job in getting this done. I know it was a lot of work, and there is more work that we have to do, and we recognize that. But your tenacity and willingness to fight the fight with us and to be creative, I think really paid off. We have a great product that I am proud of, and I am hoping the whole Board is proud of. So, I want to thank you for that.”

Father Minogue said, “The irrationality of this is extraordinary. It has been my experience that often people fund things on the basis of emotions, and so the typical trick in a budget is you put all your new computers, your car, and everything else in the base budget, then you put the infant formula as the thing you need to complete the budget. So, I would recommend that we have a couple of things that nobody can deny that we dig out to augment whatever people decide just in case the level does not sound right. I do not think we will get level five. We may, but I do not think so. But we might have a few others that tug on the heartstrings.”

Mr. Bergman said, “I would like to point out one other thing that may help us get closer. Looking at page 17, that is the NIU budget that we looked at yesterday. Let us say that I am in the legislature, and I am thinking about who is going to get, not which universities, but who is going to get what money. I am thinking that there is \$1.4 billion in unpaid state bills and supposedly getting worse. I am thinking that the state is behind in making pension fund contributions. I am thinking that from what has, at least I have heard recently, the revenue expected for this current year is not going to equal what was planned maybe because of the recession that we may not be in, I do not know. But we are going to go even further in the hole in the current fiscal year. So, I am a legislator looking at that, and then I look at page 17 and what I am looking at has a combination of general fund support, university income funds, and other revenue for the university, and it totals up and shows the increases and a percentage. And I look at step one, which is zero additional funding from the state, I look over on the right hand side at the bottom, and the total revenue that is going to increase for this university is 5.8 percent. I look at step two, which is a one percent increase in state funding, and I look at the total revenue increase, and it is 6.1 percent or twice the rate of inflation. I look at step three, which is a 2.8 percent increase in state funding, and the total revenue increases to 6.5 percent. So, I am in the legislature, and I am looking at this, and with one percent increase in funding from the state, Northern is going to have a 6.1 percent increase in total revenue, twice the rate of inflation. If I increase the state funding from one percent to 2.8 percent, the total revenue is going to go up from a 6.1 percent increase to a 6.5 percent increase. This format, I believe, will do more harm than good. So, I believe in the five steps, I understand what you are trying to accomplish, and I agree with that. I think that the format needs to be changed so that it enhances what we are trying to accomplish here, and I question whether this will.”

Chairwoman Hightman said, “It is too bad we did not have you on the Board earlier so that you could have been more involved in the process in the beginning, but you just got on board, so you are getting an issue as you find it as it is. We understand that. What I would say is this is a work-in-progress. This is our best effort given the time constraints within which we are all operating to do five budgets at one time. What I said, and I think everyone understands this who has been doing this for longer than you have, is that we have a lot of work ahead of us. And so I think the comments that you are giving us will help us for the next steps because the next steps, I think, are the critical steps in really advocating on behalf of this proposal and doing what we are required to do as the Board of Higher Education. So, I think we look forward to getting your comments, your input, and suggestions on some other format for

doing this. I personally think that Mike and his team did a wonderful job, and I think that for the first time out of the box after doing it the same way for years, I think this is a good proposal. I think it can definitely be improved, and we will work with everyone on the Board and anyone else who has a stake in this to make it a better advocacy piece. But I do not think we view this so much as an advocacy piece because that is really not the purpose of it, and in the next steps we will have to sharpen the pencil, really be creative, and get the message right. So, I think your comments are well taken.”

Mr. Bergman said, “That is fine. Whether you call it an advocacy piece or not, I would not give this to the legislature. I would not give the summary, whatever it is, Table A-2, to them either, because it essentially summarizes the same thing.”

Ms. Erwin said, “There is no question that the budget documents are not intended for general consumption. The CFO’s, the budget directors at each of the universities, the appropriations staffs, and legislators do not analyze the budgets of the universities, or BHE, or anybody else.”

Chairwoman Hightman said, “Would they get this?”

Ms. Erwin said, “No. Their staffs do an analysis, and the reason why the format is this way is because there are protocols that are somewhat negotiated between the Office of Management and Budget, between the university budget directors so that they know that from year to year, so despite the fact that this is a major departure, and as the Chairwoman said, it required the fiscal staff to not only do one but to do five, in addition to that it was the negotiations with the Governor’s office. But this is for, I can assure you, if I had the appropriations staff directors here, they know exactly what this is and Mike and his staff work very, very closely. So, I was a chairman of that committee and trust me, I never looked at these books because that is why you have professional staff to do it. So, the comments I think are so relevant that we do make sure we do a better job in communicating these various investment levels and what they really mean and what is behind the numbers.”

Chairwoman Hightman said, “I think the narrative at the front -- the introduction is a couple of pages -- I worked hard on that, and I actually take pride in it, and I think it actually sets forth what we want to say, to understand not every detail in this, but just the format of it, which is what it is intended to do.”

Mr. Bergman said, “I was not going to bring up the narrative.”

Chairwoman Hightman said, “I thought you did. I thought you said you did not think we should give that narrative.”

Mr. Bergman said, “No. I was talking about these tables. But in terms of the narrative, and this gets to what Jack said a little bit ago, step two. Step two includes a one percent salary increase for public university faculty, which may vary campus by campus individually based on available campus resources and salaries, which really does not say anything. Good write up.”

Chairwoman Hightman said, “I take issue with your criticism because the idea is not to explain every detail of what is in the budget. The idea is to give an overview of what is there. The people who are going to read this, as Judy said, needed to have an understanding of why it was different and what we were doing. The details that you are looking for, which I totally agree, and the advocacy on the details that you are looking for, are something that will be necessary for the next steps, and we will do that.”

Mr. Bergman said, “That is what I am saying. I just think that we need to be able to say that if we

get a 2.7 percent increase, Northern will be able to add 30 students to their nursing school.”

Chairwoman Hightman said, “Agreed.”

Mr. Bergman said, “Southern should be able to do this. Specifics that can be done.”

Chairwoman Hightman said, “Agreed. Totally agreed.”

Dr. Carroll said, “I think that to present this budget, there has been lots of conversation, so it is not being presented in isolation, it is being presented after initial conversation. I think that you make a great point, and maybe this Board can do a one-on-one with some legislators to see how they accept the idea since it is implied here that they do not usually read all of this. Maybe this would be a good way for us, as members, to explain what it is that we are trying to do here because we have traditionally done the old-fashioned budget, and we have still gotten the one percent. Now, where the legislators have indicated that we should tell them what we need, and this particular budget was laid out so that they would know exactly what the monies that they allocated would go. So, if they pick step one, it would be the same old thing. If they pick step four, the universities will be able to get additional funds. I think you make a good point, though, and probably part of our posture should be to start talking to individual legislators about the idea of this plan. I do disagree that if we present this plan, as is, that it will fall on deaf ears because we are trying to respond to what they have asked us to do, plus to the many negotiations that have occurred in the Governor’s office. So, it is in response to, and not just the design, that has gone without any prior information.”

Dr. Woodward said, “We talk about investment levels and then we refer to steps. I like the notion of investment levels. I think we ought to be consistent, and call level one investment level one, and call level two investment level two.”

Ms. Dearborn said, “I want to concur with Carrie and thank Mike and his team for all the hard work they have done on this budget. One of my concerns is on page 37 with the ISAC funding in that none of our investment levels have included additional funding for the Silas Purnell Grant, which is the grant that goes to first-year students with an EFC of zero. And as we have talked so many times at this Board meeting, and these are the extremely low-income students obviously, about the hard time it is getting these students to college and then getting them to completion of college. We really have got to invest more in them because they really do need more investment. I realize that all income levels are hurting when it comes to college. I realize college costs are going up for all income levels. But these are the least-resource students, and generally, they have no place to go except for these types of grants.”

Ms. Erwin said, “That is a good point. I would like to remind everyone that we have budget meetings with all the campuses individually, all the sectors, all the agencies. One of the constructive criticisms, not that they all are, but one in particular that we have been sensitive to, is that we still are not getting the cycles of how institutions do their budgets and priorities and how we merge it with what we do. Al Goldfarb, the convener of the public presidents, has recommended that we begin that process in the spring. My suspicion is that one of the reasons that we have not been is because the legislature is usually still meeting and we are fighting other battles; however, we are planning on trying to start that process earlier. Even though you do not know what the dollars are, institutions and sectors do know what their priorities are, and Ashley, to your comment, we do start with the Board in September to try and pin down the Board’s priorities, the sector priorities. Truthfully, there are months and months of meetings all over the state. So, I would encourage everybody to try and get those thoughts on the front end so that we can do the number crunching behind it. This really began in August. It is, as the Chairwoman said, it is a process that will be refined. Your comments are always welcome, but they would be most particularly

helpful earlier in this cycle.”

Chairwoman Hightman said, “I think your point is well taken. Obviously, we cannot fund everything that we think is a worthy project or program, but we have to keep on hoping that everything or at least the ones that are the top priority.”

Father Minogue said, “As the game plan comes down to what it is we are trying to do, the more we can tie the investment into the numbers moving on the game plan, I think then you get a unified argument for things -- the investment return on x amount of bucks.”

Chairwoman Hightman said, “I think the whole point is to do what you just said, which is why we call this a transition step in a way because we have not finished the plan, so we cannot identify how we are moving towards it.”

Ms. Sloan said, “After serving on the Board for 14 years, I think it is time that we tried a new approach, and I do endorse this plan. I think we need the stakeholders to help us, how can we better sell it, what improvements do we need to make in it, but I think it is a good way to go forward.”

Chairwoman Hightman said, “I appreciate that because you have seen a lot of budgets.”

Dr. Rutman said, “We have to plead our case. While we cannot tell the legislature what to do, there is a role for us to be critical of higher education. But we also, for our own analysis, have to be a strong advocate to make the best case possible. So, we have to believe that we do know, and if we do not know, we have to believe that we are the experts.”

Chairwoman Hightman said, “We believe we are the experts. I do not know why you would suggest that we do not. I think that what we are doing is like turning the corner because we have not been an advocate for higher education, and this gives us the tool to advocate. I like that. I think that is what we should be doing. We are not on any side of the higher education debate, but we are advocating for higher education generally. We do not favor one sector over the other. We are here to do what is good for the state of Illinois as a whole when it comes to higher education.”

Dr. Rutman said, “This is a good first step.”

Mr. Ruiz said, “Are we prepared to, either at this level or even down to the campus level, answer questions about reallocation? I think we ought to be prepared to have looked at that and have the campuses look at that and see where, if anywhere, those reallocations could take place, and if they can, fine. We have identified those, and if we cannot, be prepared to explain why we cannot because not everybody is happy with the way we spend our money now. So, there are going to be questions about how we are spending it now and while we may agree, in terms of the legislature, some additional spending, what about what you are doing now -- are you spending what you are spending the best way possible.”

Chairwoman Hightman said, “I think that is a good point.”

Dr. Woodward said, “I think that the way this budget is framed, as investment in education, is brilliant.”

The Illinois Board of Higher Education, on motion made by Dr. Carroll and seconded by Ms. Sloan, unanimously approved the fiscal year 2009 recommendations for operations, grants, and capital improvements presented in Items 10a and 10b.

Chairwoman Hightman said, “This is our budget recommendation for fiscal year 2009. Thank you, again, Mike and your team, for all the hard work you did. I think it is great to have the kind of conversation that we had about this item. I think that only makes the process better when we have this kind of debate, and if one does not just say yes, this is fine. So, just so everyone understands, I think, moving forward, this will help us do a better job and get better results. So, I appreciate that.”

11. New Units of Instruction at Public Community Colleges

Dr. Pearce said, “Since these figures were last reported to the Board in December, the Illinois Board of Higher Education staff has received 25 new inquires and 44 new applications. There are 142 current applications on hand.”

Dr. Pearce briefly outlined the contents of Item 11. After his presentation, the Board had the following discussion:

Dr. Woodward said, “I will make my usual plea for enrollment data where there is none. I do not know how we can determine if anything is effective.”

Dr. Pearce said, “With each item, the revision should include enrollments at this point. In the original material that was sent to the Board members, some of them had been omitted; we have corrected that.”

Ms. Erwin said, “We need to try to figure out how to get it up front and very visible. Maybe we can make it a bullet point.”

Father Minogue said, “Maybe make it a table.”

Chairwoman Hightman said, “Did you hear what Jack said to maybe do a table?”

Ms. Erwin said, “Enrollment projections.”

Dr. Pearce said, “One table for all of the programs -- do it that way?”

Father Minogue said, “By sector.”

The Illinois Board of Higher Education, on motion made by Dr. Washington and seconded by Ms. Sloan, unanimously granted authority to Frontier Community College to offer the Associate of Applied Science in Automotive Technology degree subject to the College’s maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted authority to Joliet Junior College to offer the Associate of Applied Science in Architectural Technology, Associate of Applied Science Construction Trade Operator, and Associate of Applied Science Construction Trade Operator Mechanic degrees subject to the College’s maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted authority to Kennedy-King College to offer the Associate of Applied Science in Construction Management and Associate of Applied Science in Criminal Justice/Public Police Services degrees subject to the College's maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted authority to Lewis & Clark Community College to offer the Associate of Applied Science Construction Laborer and Associate of Applied Science in Therapeutic Massage degrees subject to the College's maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted authority to Lincoln Trail College to offer the Associate of Applied Science in Health Information Management degree subject to the College's maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted authority to Moraine Valley Community College to offer the Associate of Applied Science IT Security Specialist degree subject to the College's maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted authority to Waubensee Community College to offer the Associate of Arts in Teaching Special Education degree subject to the College's maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

12. New Operating and/or Degree-Granting Authority for Independent Institutions

Dr. Pearce briefly outlined the contents of this item and said, "There is an error in the resolutions for this item concerning Fairleigh Dickinson University. The institution is seeking operating authority only. The resolution should read: *The Illinois Board of Higher Education hereby grants to Fairleigh Dickinson University Authorization to Operate in the Chicago Region subject to the University's maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.* After his presentation, the Board had the following discussion:

Chairwoman Hightman said, "On page 60, in the Accreditation/Licensure paragraph, I was not sure what this means. Is it OK? I guess it is OK because you are recommending it, but they are not going to be able to seek an Illinois Type Certificate or they will be able to seek it once the accreditation is secured. Is that risky? Is that a big deal or is that standard?"

Dr. Pearce said, "That is fairly standard. The accreditation has to come after the program is operating, and then they apply for the accreditation. And without the accreditation, the state Board, which does the certification, will not recognize the program until it receives that. So, it is a process."

Chairwoman Hightman said, "So, is there sort of a risk here for students?"

Dr. Pearce said, "Not risk that is unusual risk. It is the same risk that any new program in education would incur."

Chairwoman Hightman said, "And they all understand."

Ms. Erwin said, "I think it would be helpful to do a flow chart for the laymen on program approvals and accreditation as the university-based folks all understand this very well. For the rest of the world, particularly when you get with teacher training or school leadership training, there are approvals

that have to come from the State Board of Education, and us, and then go to the Higher Learning Commission, but we will work on a flow chart so that people can better understand the dynamics.”

Chairwoman Hightman said, “I have never heard of ACAOM, which is the next item on page 61. It is for Pacific College of Oriental Medicine. That entity is accredited by the Accreditation Commission for Acupuncture and Oriental Medicine, and it just struck me as interesting because we always talk about North Central or whatever the accrediting body is. I understand that this is a different kind of entity teaching a different kind of course, but I have never seen that before.”

Dr. Pearce said, “There are several types of accrediting bodies, regional bodies like the Higher Learning Commission that we are all familiar with. There are also professional accrediting bodies, and there are programmatic and national types of delivery, like distance learning accreditors. So, this is one of hundreds of accrediting bodies that this particular institution feels is the best fit for its college.”

Chairwoman Hightman said, “Have we ever given a program approval for an entity or an institution that has been in existence?”

Dr. Pearce said, “This institution has been approved prior to this application for other programs.”

Chairwoman Hightman said, “Based on its ACAOM accreditation.”

Dr. Pearce said, “Not based on its accreditation, based on its application material.”

Chairwoman Hightman said, “In light of it.”

Dr. Carroll said, “I think we raised this issue some years ago about protecting the public then. They have no idea when they register for a program that has been approved by the Board, but is not accredited. They feel that we are taking care of them and their interests, and we have not really gotten around that yet where if there is a risk to the students when they apply to the program and if they do not get accreditation, there is a possible risk of their classes not being accepted in another institution.”

Chairwoman Hightman said, “So what do we do about that? Students have to know what the facts are, right?”

Father Minogue said, “There are two keys here -- our approval and the regional higher ed. When you do not get both of them, you have a problem on your hands. We had a regional higher ed approve something that we had not approved yet. So, you really do need both, but there is a time lag, and I do not think we can get rid of it in some way or another. So, I think perhaps we have been talking about that there would be kind of a post-approval review of programs to see if anybody has enrolled, but two, to make sure all the t’s are crossed and the i’s are dotted, so I think that means that we do have to watch that.”

Chairwoman Hightman said, “I would like to do that. I think that would be helpful.”

Father Minogue said, “I think that is important.”

Chairwoman Hightman said, “Yes, for consumer services, for the consumer protection function as Frances was saying.”

Dr. Pearce said, “That was among the recommendations from the working group that we are

looking at implementing through the new academic affairs committee that is meeting later today. So, we are hoping to be able to do that.”

Ms. Erwin said, “The professional associations, be it social workers, lawyers, doctors, or in this case, acupuncturists, do guard their professional status so that is why they will herald the accreditation that they have received on the professional level. I will try to do it annually. I go to the Higher Learning Commission, and I will ask the head of it point blank, tell me unvarnished how does Illinois do compared to the 50 states. We have among the highest regard nationally in terms of that very consumer protection. So, at the end of the day, we take very seriously, if you are going to offer a degree of college credit, that it is our responsibility. So, it is becoming more challenging which is why Dr. Washington’s committee has been and will be working harder to keep up with the new forms that universities are taking.”

Ms. Dearborn said, “Does the staff evaluate these accrediting bodies? The reason I ask is because I noticed on page 63 that Pacific College is also applying for accreditation through the Accrediting Commission of Career Schools and Colleges of Technology. Do we know anything about these accrediting bodies?”

Dr. Pearce said, “We do not require, as part of our criteria, that they are even accredited. We have begun to place that information early in our write-up because we feel it is important to make that as visible as possible, but to answer your question, there is the Council on Higher Education Accrediting, which is at the federal level, and we work with them. They do an evaluation, whether or not an accrediting body is part of them, but we do not, as staff, go out and evaluate the accreditors.”

The Illinois Board of Higher Education, on motion made by Ms. Dearborn and seconded by Father Minogue, hereby grants to Christian Brothers University Authorization to Operate in the South Metropolitan Region. This recommendation is made subject to the University’s maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.

And granted to Fairleigh Dickinson University Authorization to Operate in the Chicago Region subject to the University’s maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted

And granted to Greenville College Authorization to Grant the Bachelor of Science in Early Childhood Education, Bachelor of Science in Elementary Education, Bachelor of Science in Special Education, Master of Arts in Teaching, and Master of Arts in Education in the Central Region, subject to the College’s maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted to Lewis University Authorization to Grant the Master of Science in Nursing in the Fox Valley Region, and the Master of Science in Information Security in the West Suburban Region, subject to the University’s maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted to McKendree University Authorization to Grant the Bachelor of Business Administration in Business Administration - AiM, Master of Business Administration, Master of Arts in Education – Teacher Leadership, and Master of Arts in Education – Administration and Leadership in the South Metropolitan Region, subject to the University’s maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted to Pacific College of Oriental Medicine Authorization to Grant the Bachelor of Science in Asian Holistic Health and Massage in the Chicago Region and the North Suburban Region subject to the College's maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted to Saint Xavier University Authorization to Grant the Bachelor of Arts in Professional Studies in the South Metropolitan Region, the Master of Arts in Education in Reading in the North Suburban Region, the Fox Valley Region, and the West Suburban Region, and the Master of Arts in Education in Multicategorical Special Education in the North Suburban Region, the Fox Valley Region, the West Suburban Region, and the South Metropolitan Region, subject to the University's maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

And granted to The Institute of Catholic Thought School of Theology Authorization to Operate and to Grant the Master of Theological Studies, Master of Arts in Theology, and Graduate Certificate in Catholic Theology in the Prairie Region, subject to the Institute's maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.

13. New Units of Instruction, Public Service, and Research at Public Universities

Dr. Pearce briefly outlined the contents of this item. There was no discussion following his report.

The Illinois Board of Higher Education, on motion made by Dr. Carroll and seconded by Dr. Rutman hereby grants to the Governors State University, Authorization to Grant the Doctor of Occupational Therapy, subject to the University's maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted

And granted to the Illinois State University, Authorization to Grant the Doctor of Philosophy in Nursing, subject to the University's maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.

And granted to the University of Illinois at Chicago, Authorization to Grant the Master of Science in Clinical and Translational Science, subject to the University's maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.

And granted to the Western Illinois University, Authorization to Grant the Bachelor of Arts in Religious Studies, subject to the University's maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.

Mr. Bergman voted present on this item.

14. Public University Noninstructional Capital Project Approval

Dr. Baumgartner briefly outlined the contents of this item. There was no discussion following his report.

The Illinois Board of Higher Education, on motion made by Dr. Rutman and seconded by Ms. Sloan, unanimously approved the noninstructional capital projects described in this item.

15. No Child Left Behind Act (NCLB): Improving Teacher Quality State Grant Program Fiscal Year 2008 Grant Allocation

Ms. Debbie Meisner-Bertauski briefly outlined the contents of this item. There was no discussion following her report.

The Illinois Board of Higher Education, on motion made by Dr. Rutman and seconded by Dr. Carroll, hereby allocates Fiscal Year 2008 grants totaling \$2,900,000 for the No Child Left Behind - Improving Teacher Quality State Grant Program to the institutions specified and in the amounts shown in Table 1.

16. Nursing School Grant Program Fiscal Year 2008 Award Allocation

Dr. Baumgartner briefly outlined the contents of this item. Following his report, the Board had the following discussion:

Ms. Erwin said, "About two years ago, the Legislature passed two new nursing grant programs that we administered. One is to provide funding for those nursing schools that have the highest NCLEX scores for nurses. Those are the expansion grants. So, the idea is that we get them more money, hire more faculty, expand your clinical space. And then the improvement grants are those with lower NCLEX scores that we want to help bring up so that they, too, can produce more nurses, which is a critical area. So, just as a reminder, that is what the dollars go for."

Mr. DeRosa said, "Looking at the application/eligibility process and seeing what three parts are needed -- being approved, being accredited, and having an agreement with at least one higher education institution that offers a baccalaureate degree in nursing -- I am very appreciative that all of the bases have been rounded there."

Father Minogue said, "Is there also this year a grant for helping nurses who are pursuing advanced degrees?"

Ms. Erwin said, "We do a nurse educator fellowship, and those are nominations made by the dean or the chairs of the nursing departments. So, community colleges do qualify, and it is to retain critical faculty. It is a \$10,000 grant. At our higher levels, we are hoping to expand that, but that is exactly right. With our partners in education, we are looking at a number of other models where, in fact, we might be able to incent someone to come back, finish a Ph.D., or -- say if you are at a hospital, figure out payment for a sabbatical from the hospital or the insurance company or whatever -- to come back and teach. So, we are looking at some other innovative ideas."

Father Minogue said, "But that program is continuing. So there is funding for that program."

Ms. Erwin said, "Yes, and you did approve those already."

The Illinois Board of Higher Education, on motion made by Ms. Sloan and seconded by Dr. Woodward, hereby approves the allocation of \$1.0 million for Fiscal Year 2008 Nursing School Grants as shown in Table 1.

17. General Grants, Fiscal Year 2008 Allocation

Dr. Baumgartner 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. Carroll and seconded by Mr. Ruiz, hereby approves the fiscal year 2008 allocation of \$300,000 in General Grants as described above. The Board authorizes the Executive Director to make adjustments to the general grant allocations in the event that appropriated funds are unavailable.

18. Legislative Update

Mr. Sevens gave a brief legislative update. Following his presentation, the following comment was made:

Ms. Erwin said, "You each have a copy of the annual report. I want to note that all of our reports, once the public agenda is further along and completed, we will align the performance report, annual report, and everything else focused on those outcomes, and lastly, I want to congratulate our Chairwoman on surviving us for one year. So, congratulations"

Chairwoman Hightman said, "Yes. Thank you."

19. Other Matters/Public Comment Period

There being no further business to come before the Board, Chairwoman Hightman adjourned the meeting at 12:00 p.m.

Respectfully submitted by Linda Oseland, 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 February 5, 2008 meeting.

**Submitted Remarks of Curtis White, President
Faculty Advisory Council
Illinois Board of Higher Education Meeting - February 5, 2008**

Board Comments, February 5, 2008
Faculty Advisory Council

The Faculty Advisory Council met on January the 18th, 2008, at Harold Washington College in Chicago. We had two very productive conversations with, first, Senator Dan Kotowski and, second, with Dr. Cecelia Lopez of Harold Washington. As I'm sure you know, Senator Kotowski is already well disposed towards higher education and we attempted to give him yet more reasons for being so. Dr. Lopez made a dramatic presentation on the efforts of the Department of Education to create national assessment measurements. The Faculty Advisory Council will be looking into the issue of assessment in the course of the next year.

With regard to the budget, FAC is happy to support any approach to budgeting that produces appropriate and responsible levels of funding for higher education and reduces pressure on tuition to fill out operating budgets at our universities and colleges. The new approach to the Board's budget request is very interesting in so far as it allows the Board to be more articulate in its reasoning for fuller levels of state support. It is good to see that the budget proposal can now be so much more specific about the needs for competitive faculty salaries, the need for scholarship support through ISAC, the need to address the growth of energy expenses on campus, the need to address the veterans tuition benefit shortfall (especially for community colleges), and the need to support critical professional shortages in areas like nursing.

We think that this approach may very well produce a psychological climate in which the governor's office and the assembly will be less likely to "choose cheap." We hope so. We do note, however, that even this plan places a great burden on income funds. Although that growth has been limited to something in the 6% range (and that is lower than the 10% we have been seeing for years), it is still a substantial level of annual growth and will not fully answer concerns about the rising expense of a college education. This concern will be mitigated if the Board succeeds in achieving its request for increases in MAP grants, which we applaud.

Whether the Board's annual budget proposal is called a request for "appropriations" or the offering of "investment opportunities" is a matter of small importance to us. What we would not like to see is that the new rubric becomes another shell in a game that has no pea. As we will suggest in our presentation to you in April, several other states already have well-developed plans for supporting higher education outside of regular appropriations.

We will meet next in Macomb later this month.

**Submitted Remarks of Jason Wallace, Chair
Student Advisory Committee
Illinois Board of Higher Education Meeting - February 5, 2008**

**Illinois Board of Higher Education
February 5, 2008**

Chairwoman Hightman, members of the Board, Director Erwin, and Board staff:

First, I would like to thank Dr. Gary Alexander for his service to the Board and to the Student Advisory Committee. He was a former advisor and great to work with, we will miss him and congratulate him on his new position.

The Student Advisory Committee met this past weekend at Southern Illinois University Carbondale. I would like to thank SIUC for being very accommodating and thank all of the universities and colleges that sent so many students this weekend.

Over the weekend, we discussed the recently published issues in the New York Times surrounding the University of Phoenix where pressure to make profit caused recruiters to boost enrollment through illegal methods; this led to a further discussion as to whether education should be run as a business or as an institution to educate the public. We support the idea of education and not profit be the primary motivation for institutions in education.

We also would like to thank the Illinois Senate for confirming Kelvin Wing to be the next Student Commissioner on ISAC. He is the third consecutive student member that the SAC has nominated and then placed on ISAC.

Our budget sub-committee was pleased to have a budget to look over since last year's legislative issues delayed any discussion. The SAC also liked the idea of proposing different levels of funding for the General Assembly and Governor's office to review so that they can decide what level of funding and support they will provide to Illinois higher education. Because we received the budget shortly before the meeting, our organization did not have much time to look over the proposed budget levels. However, we do support maximum funding for education.

We also passed a statement in support of Lt. Governor Quinn's Illinois Sustainable University Compact. So far, 32 institutions of higher education have signed onto the compact. The statement is:

The Illinois Board of Higher Education Student Advisory Committee supports the Illinois Sustainable University Compact that is in cooperation with the Illinois Green Government Coordinating Council, universities, and community colleges across Illinois. The student advisory committee encourages all universities and colleges in Illinois higher education to adopt all 12 goals identified within the *Illinois Sustainable University Compact* to be accomplished by December 31, 2010.

Our next meeting is March 29th and 30th at University of Illinois Urbana/Champaign. We look forward to our continued service and advocacy for students and as always, invite you to attend our meetings.

Respectfully submitted,
Jason Wallace
Chair, IBHE-SAC

**Submitted Remarks of Jerry Dill
Proprietary Advisory Committee
Illinois Board of Higher Education Meeting - February 5, 2008**

IBHE PAC Meeting Report
February 5, 2008

Good morning, Chairwoman Hightman, Executive Director Erwin, members of the board.

On behalf of the schools in our sector, I would also like to extend our thanks and appreciation to Gary Alexander for the efforts he has put forth in improving the program approval process, and to congratulate him on his new position.

The members of the Proprietary Advisory Committee met this past month in Chicago and were pleased to have Director Erwin and Dr. Arthur Sutton of the board staff join us.

We had a good discussion on the impact of our schools on under-represented students in higher education.

At the Dec. Board meeting Dr. Alexander noted that there is a higher percentage of under represented student groups at community colleges and degree granting proprietary schools than at public and private four-year institutions.

While there can be many factors for this pattern of enrollment, the members at our meeting commented on the kinds of things they hear from their students that indicates why and how those students have selected their schools. For example, the program offerings, the convenience of a school location, and the career orientation of many of the programs that schools in our sector offer were viewed as important reasons that students have selected these schools to pursue their academic career. Also, smaller campuses and class room environment can be important factors in helping students feel comfortable in their educational choice. While this is more of an anecdotal review of some of the reasons why students from under-represented groups are likely to select schools and programs in our sector, clearly students do find value in the opportunity for choice in academic programs that meet their educational goals.

Also at the meeting, Dr. Sutton gave us an update on the outcomes of the working group process and the next steps in developing an on-line application and the possibilities of an expedited program application process for established institutions.

We also appreciated the update that Director Erwin gave us on the Master Planning/ Public Agenda process that the board is undertaking. We agree that this is an important process for the board to update and create a master plan to guide the future of higher education development in Illinois. Ron Kimberling from Argosy University will be representing our sector on this project.

Thank you.

**Submitted Remarks of Bob Mees, Vice-President
Illinois Community College Council of Presidents
Illinois Board of Higher Education Meeting - February 5, 2008**

Report to Illinois Board of Higher Education
from the Illinois Community College Council of Presidents

by

Robert L. Mees

Vice-President of the Illinois Community College Council of Presidents

and

President of John A. Logan College

Tuesday, February 5, 2008

My name is Bob Mees, vice-president for the Illinois Community College Council of Presidents and president of John A. Logan College. Mr. Terry Bruce, president of the Illinois Community College Council of Presidents, was unable to be here today due to his institution undergoing Higher Learning Commission accreditation.

The Community College Presidents, the Illinois Community College Chief Academic Officers, and the Illinois Chief Student Officers met in Springfield on January 18, 2008. This is an annual joint meeting held by these organizations. Over 70 people attended. Key items addressed were:

1. Overview of P-20 transitions and current alignment
2. The ACT Illinois College Career Readiness Act Pilot Project, which is the result of Senate Bill 858
3. Perkins Programs of Study

The Illinois Community College Presidents Council met on January 19, 2008 in Springfield, Illinois at the Hilton Hotel. Key items addressed were:

1. Funding for FY 09
2. Capital funding
3. Public relations campaign focusing on serving our veterans in community colleges. Over 3,000 National Guard are being deployed in Illinois during the next year. The community colleges will be working with the National Guard Family Assistance Centers around the state so we can better serve the servicemen and their families.

The Illinois Community College President's and Illinois Community College Trustees and the ICCB staff will be attending the ACCT/ICCTA annual Legislative Summit in Washington D.C. February 10-14, 2008. Main issues being focused upon in our lobbying efforts are as follows:

1. Pell Grants
2. Nursing Program Expansion
3. Perkins/Tech Prep Grants
4. Workforce Development Grants
5. Adult Education Grants
6. Title III Grants
7. Captioning Program Grants

Later in the program the Presidents Council will be doing a special presentation on community colleges. My long time friend and colleague Jerry Weber, who is the secretary of President's Council, will be doing this presentation for you. We would like to thank you for the opportunity to make this presentation. We appreciate the great support we are getting from Chairwoman Carrie J. Hightman, Executive Director Judy Erwin, and the entire IBHE Board. We are very supportive of the master planning process, the new approach to the FY 09 budget process, and the diversity and globalization initiative. If everyone works together we can overcome the current problems and get the state's financial problems turned around.

**Submitted Remarks of Dave Tretter, President
Private College and University Advisory Committee
Illinois Board of Higher Education Meeting - February 5, 2008**

**The Private College and University Advisory Committee Remarks to the Illinois
Board of Higher Education, February 5, 2008**

**Presented by:
David W. Tretter
President
The Federation of Independent Illinois Colleges and Universities**

Chairwoman Hightman, Executive Director Erwin, distinguished board members and staff:

Let me start off by stating that the Federation of Independent Illinois Colleges and Universities is supportive of the IBHE's efforts to evaluate the state's higher education system and the needs of the state's workforce, as requested by HJR 69. Many of us in higher education, and in the legislature, have expressed concern about the need for a clear and concise plan for high education that will maximize the return on state investment, and improve opportunities for Illinois citizens.

I must admit that I was somewhat surprised when I learned that a letter soliciting contributions for the planning exercise had been sent by the board to all of my members. The letter has created some confusion about our sector's role as both participants and supporters of the process. However, you need to know that every President I have spoken to about the request has expressed support for the Board and the Task Force's activities. For reasons of both policy integrity and long term utility in planning, I think we would all agree that this should be a financial obligation of the state, but that unfortunately is not the fiscal environment we find ourselves in today.

In recent years the Federation has supported important activities of the Board and the state's higher education community by paying a portion of our state's MHEC dues, and by supporting the Collegiate Artists Competition. We do value the important potential of the Task Force's recommendations, and the Federation plans to contribute its fair share in both dollars and staff input.

Budget

The IBHE's FY 2009 budget recommendations are of great interest not only to the public universities and community colleges, but also to the institutions the Federation represents.

Your press release dated January 28, 2008 describes this proposed budget as one that meets the needs of the "public higher education system," but our state's higher education system is much larger than just the public institutions. This kind of description draws into question whether the Board has a full understanding of the important role that independent colleges and universities play in terms of providing quality higher education to Illinois residents. It's no secret that our biggest strength is in the competitive system of public and private institutions in the state, which

provide access and diversity not found in many states across the country. Our sector in many ways is an equal partner and should be recognized as such.

Part of the responsibility of educating the board lies with the Federation, and if we have failed to adequately make that case, let me offer a few thoughts.

Annually, about 8 percent of state higher education appropriations end up at private institutions, and I would argue that the return on state investment is unmatched.

- Independent institutions now enroll more students than the public universities. (Capacity)
- Thanks to \$850 million in institutional aid given from internal resources annually, the average loan debt for private college graduates is only \$2,581 more than the average loan debt of Illinois public university graduates. (Private Student Aid)
- More minority students are being served by private colleges. More than 55% of all minorities at 4 year colleges in Illinois are at private institutions. (Minority Education)
- 1-in-3 MAP grant recipients use those dollars at an independent institution.(Leveraging State Investment)

Health Services Education Grants Act

Lastly, the budget recommendation proposes to reallocate \$1.15 million in funding from the Health Services Education Grants Act (HSEGA) program to the Nursing School Grant Program. No one would argue against making nursing education a priority, and independent colleges and universities lead the way in providing health related education in our state. However, against the backdrop of a \$2.5 billion overall budget recommendation for all of higher education, it's difficult to rationalize how moving funds from a \$17 million dollar program that already makes nursing education a priority is the best place to find new dollars, nor does it seem practical in maximizing administrative efficiencies.

In fact, based on legislation that was negotiated with the Federation two years ago, the Board was granted additional authority to develop "priority grants" within HSEGA, which the Board staff has competently used to currently fund nursing grants at 100%, while every other health discipline in the program is prorated. At the baccalaureate level and higher, independent colleges and universities that participate in this program annually produce almost 6 out of every 10 health related degrees. If anything, we should be recommending an increase to this program that leverages state investment to meet critical (and growing) healthcare needs.

I plan to share a letter detailing the benefits of the independent colleges and universities with the board in the next few days. I have great hope for the policies and proposals that emerge from the master planning process, and I hope that you'll recognize the value in stressing that participants, and Illinois citizens, have something to gain from this process, not just something to lose.

Thank You.