

**MINUTES – BOARD MEETING**  
**June 3, 2008**

**Submitted for:** Action.

**Summary:** Minutes of the June 3, 2008 meeting of the Illinois Board of Higher Education held at St. John's College, Springfield, Illinois.

**Action Requested:** That the Illinois Board of Higher Education approve the minutes of the June 3, 2008 meeting.



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION

**MINUTES - BOARD MEETING**  
**June 3, 2008**

A meeting of the Illinois Board of Higher Education was called to order at 9:05 a.m. in the Dove Auditorium at the St. John's College, Springfield, Illinois.

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

The following Board Members were present:

|                    |                          |
|--------------------|--------------------------|
| Guy Alongi         | Robert J. Ruiz           |
| Jay D. Bergman     | Gilbert L. Rutman        |
| Frances G. Carroll | Lucy A. Sloan            |
| Matt DeRosa        | Jerry Thor               |
| Donald McNeil      | Elmer L. Washington      |
| John P. Minogue    | Addison E. Woodward, Jr. |
| Proshanta Nandi    |                          |

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  
Joyce Karon, Board Member, Illinois State Board of Education  
Andy Davis, Executive Director, Illinois Student Assistance Commission

Presidents and Chancellors

|                |                   |
|----------------|-------------------|
| Al Bowman      | William Perry     |
| Alvin Goldfarb | John Peters       |
| Samuel Goldman | Richard Ringeisen |
| Sharon Hahs    |                   |

Advisory Committee Chairpersons

John Bennett, Faculty Advisory Council  
Terry Bruce, Illinois Community College Council of Presidents  
Jerry Dill, Proprietary Advisory Committee  
William Obuchowski, Student Advisory Committee  
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. Executive Session

Chairwoman Hightman said, "The Board will go into executive session. Under the Open Meetings Act, there must be a motion in open session to authorize this executive session. A quorum must be present and a motion must be approved by a majority of the quorum with a recorded vote.

Is there a motion and second to authorize executive session?"

Ms. Sloan said, "I move that the Illinois Board of Higher Education go into executive session at 8:00 a.m. on Tuesday, June 3, 2008 for the purpose of discussing employment issues, pursuant to Section 2(c)(1) of the Open Meetings Act."

Chairwoman Hightman said, "Is there a second?"

Mr. Ruiz said, "I second the motion."

Chairwoman Hightman said, "I will ask the Secretary for a roll call vote to go into executive session."

The roll call vote on the motion was as follows: Yes -- Alongi, Bergman, Carroll, DeRosa, Hightman, McNeil, Minogue, Nandi, Ruiz, Rutman, Sloan, Washington, and Woodward. No -- none.

Chairwoman Hightman said, "We will go into Executive Session and re-convene at 9:00 a.m."

The Board moved into executive session.

The Board re-convened in open session.

Chairwoman Hightman said, "Is there a motion and second to come out of executive session?"

Dr. Nandi said, "I move that the Illinois Board of Higher Education come out of executive session at 8:59 a.m. on Tuesday, June 3, 2008 and proceed with the regularly-scheduled meeting of the Illinois Board of Higher Education beginning at 9:00 a.m."

Chairwoman Hightman said, "Is there a second?"

Dr. Washington said, "I second the motion."

Chairwoman Hightman said, "I will ask the Secretary for a roll call vote to come out of executive session."

The roll call vote on the motion to return to open session was as follows: Yes -- Alongi, Bergman, Carroll, DeRosa, Hightman, McNeil, Minogue, Nandi, Ruiz, Rutman, Sloan, Washington, and Woodward. No -- none."

3. Welcome: St. John's College of Nursing, Chancellor Jane Schachtsiek, PhD, RN

Chancellor Schachtsiek made her welcoming remarks.

4. Announcements and Remarks, Carrie J. Hightman

Chairwoman Hightman said, "Thank you for your hospitality, for hosting this meeting, and for the reception last night. We really appreciate it, and it is great to be at some of the institutions that we do not all get to see.

"I would like to recognize some new attendees. Samuel Goldman, the Interim Chancellor at Southern Illinois University. I want to welcome you to the meeting and wish you well in your work at Southern Illinois University. William Obuchowski is taking over as the Chair of the Student Advisory Committee. We welcome you and congratulations. Dave Tretter needs no special welcome because he is diligent in coming to all of our Board meetings, but welcome to you, Dave, as the featured presenter this morning from our advisory committees. I would also like to welcome Jerry Thor, who will take over as student Board member.

"We also want to say good-bye to Matt DeRosa, who is here for his last meeting as the student member of the Board. You all know Matt because he has been very vocal, very active, and has made a great contribution to the Board. Matt, thank you for all the work you have done. We will have a more formal acknowledgement of your fine work on this Board later.

"Before moving on to the agenda, I want to talk about a couple of topics of importance to all of us. Mike Baumgartner is going to give you a very detailed update on the budget, but I just want to say a couple of things. The budget, as you know, has only been passed by the General Assembly and has not been signed into law yet, but there is still work to be done. We went through a significant step and made great strides over prior years, but we came up with a creative alternative to the usual way in which we make budget recommendations -- we offered five steps.

"The first two steps were not exactly necessarily what we were offering -- one was a base and then we did a 1% increase, but we ended up with the General Assembly accepting our Step 3 investment level, which is a 2.8% overall increase. I do not think anyone has seen that level of increase for higher education in many years, so we were very pleased with that. When you added in the legislative add-ons, it gets to about 4.1%, which is almost unheard of in these economic times. So, we are very pleased with what has happened.

"Aside from the fact that this is the most substantial budget that has been passed by the General Assembly for higher education in recent years, I think the more important point is that we decided that we were not content with doing it the old way -- we took a chance. We did the budget a different way by approving a budget that did not identify a single level of funding, but rather proposed a series of investment levels with specific dividends for higher levels of funding. We took a calculated risk that our budget would take our elected leaders outside their comfort zone. We risked that legislators, instead of seeing our new approach as innovative, would find it confusing; and we frequently heard from legislators and legislative staff asking how much we were really asking for. But the fact is that they got it. In fact, if you notice, even the House, when they came up with their budget proposals, used a similar approach not just for higher education, but for the entire budget. They had various levels of investments similar to what we recommended.

“Second, we were advocates this year. I think we can feel good that we were champions of higher education, and people took notice. We identified needs, established priorities, explained the return on investment, and gave our elected leaders a series of options. We have advocated for a budget that promotes affordability, student success, educational attainment, diversity, and efficiency. By doing this, we demonstrated that we heard the legislators’ concerns, and we responded to them. And then they heard us; that was the beauty of it all.

“The budget that was passed by the General Assembly reflects Step 3 in our investment proposal. They adopted not just the contours of our recommendations but the underlying concepts. They were talking with our vocabulary. In meetings with key lawmakers over the past several months, this budgetary approach was described by legislators as innovative, constructive, and courageous. In preparing for the second round of House appropriations hearings, Chairman David Miller specifically asked institutions to address their requests to the Step 3 investment level of the Board’s recommendations. As the budget process wound down in the final days of the session, budget negotiators reported that higher education was in the forefront of the agenda for each caucus in each chamber. This is a very significant advance for the Board, and I think it bodes well as we move into budget preparations for fiscal year 2010.

“So, I want to close this topic by expressing my gratitude to our legislative allies, and all of you who have worked together from both parties in both houses, stakeholders, the legislators who helped put higher education back on the state’s agenda, and I want to particularly thank the legislators who are our champions: Representative David Miller, Senator Ed Maloney, Senator Pam Althoff, and Representative Rich Myers. I want to thank our staff, Mike, Don, Judy, and others, and I know all of the senior staff worked long and hard. We know it is not over; they have a lot of hard work ahead of them, but Judy and the staff have done a phenomenal job. What we asked them to do was to, basically, prepare five budgets. That was the work that was required. They did it, they advocated, and they did a great job. So, I want to thank them. So, to all of our allies and stakeholders, we have a lot of work to do. I do not want to lose the progress that we have made. We know there are still issues, and I am hoping that we can band together for the good of higher education, get out of our silos, work together, and keep the 2.8% base operating increase and the 4.1% overall. If we all work together, maybe we can accomplish this. I am hoping that we can.”

##### 5. Remarks by Judy Erwin, Executive Director

Ms. Erwin said, “I want to thank St. John’s College and all of our nursing partners for being here today. When we look at the public agenda, the single biggest workforce need in the state of Illinois is nursing, and we all play a part of that: the K-12 system, the community colleges, the public and privates, the two-year and four-year institutions, and the proprietaries. I want to thank Karen Helland, from our fiscal staff, who has been absolutely devoted to the topic of nursing and who has helped us work on this.

“Today, the Board will vote on the recommendation from Dr. Elmer Washington’s Academic Affairs Committee that will propose that the Board consider the mechanisms to charge fees for academic program approvals from for-profit and out-of-state institutions. The Academic Affairs Committee issued a report to the Board with recommendations last October. The staff has worked on this between then and now to consider that. In that vein, I want to thank Dr. Rick Pearce and the academic affairs staff. Dr. Arthur Sutton worked very hard on this issue, and works directly with the for-profits. In addition to that, the Academic Affairs staff will be circulating proposed rules changes, and is working with the academic affairs officers in all the sectors. Be looking for that on our website -- we need your comments on those rules changes, which the Board may be voting on in August.

“There will be an approval for an innovation grant this morning, and although the dollars are not what we would like them to be, they are focused on baccalaureate completion, trying to couple the two-year to the four-year and improve baccalaureate completion, which also the Public Agenda is pointing out.

“In terms of thank you with the Public Agenda, I want to say thank you for the cooperation of nearly everyone in this room. You have helped not only with the scheduling, but with every aspect of this. Your comments, your data, your constructive criticism, and your financial support have been invaluable. Dr. Elaine Johnson, from the Community College Board, has been absolutely instrumental in setting up all of the regional meetings. The regional meetings all over the state are posted on our website. Please look at those that will be appropriate for your region. We look forward to seeing you there, and hearing from you.

“I would like to introduce you to Candace Mueller, who has joined the Illinois Board of Higher Education as assistant director of external relations. Candace is a native Illinoisan and has been involved in public policy for 30 years, having worked in Washington, D.C. and Trenton, New Jersey. She is a product of Illinois’ public education system, with a bachelor’s and master’s degree in social work/policy and administration from the University of Illinois’ School of Social Work at Urbana/Champaign. Her husband brought them back ‘home,’ having joined the University of Illinois at Springfield staff this past fall.

“The Illinois State Board of Education will be voting in a week or two for Illinois to become what is called an American Diploma Project (ADP) state. Mike Cohen, from Achieve, Inc., made a presentation last year about the need to align curriculum expectations in rigor. The Illinois State Board of Education is poised to vote on Illinois -- I think we would become the 33rd state -- to become an ADP state, which will require absolute cooperation from the higher education community. We have not figured out how this is all going to get implemented, but the first thing is to sign on the dotted line. Our Board will likely be presented with voting to join ADP at our August Board meeting.

“Chris Koch and I recently were in Washington, D.C. We were invited to meet with Senator Dick Durbin regarding the topic of P-20 education and what we can do to improve educational alignment. We also had the opportunity to meet with Congressman Rahm Emanuel’s staff and with Congresswoman Judy Biggert, who is on the Education Committee. So, between my colleagues -- Geoff Obrzut, Andy Davis, as well as Chris Koch -- I want you to know that all of your agencies are working together to try and mine opportunities in Washington that work together here at the home front.

“There was a very important leadership conference last week in Bloomington. This came as a result of this Board’s work on the need to better prepare principals and superintendents to be the instructional leaders in buildings and to move educational attainment and improvement. Again, the State Board and Illinois Board of Higher Education are working together. Debbie Meisner-Bertauski worked very hard with Dr. Koch’s staff. The public and private college education deans were there. This is the beginning of that process, and I want to publicly recognize everyone for their great work. Thank you.”

## 6. Update on Public Agenda Development

Chairwoman Hightman said, “This is one of the main priorities of the Illinois Board of Higher Education and has been for the past year, and will continue to be, not just until the completion of the actual formal development of the plan, but also through the implementation of the action items that will flow from the plan.

“Almost everybody in this room has been involved in one way or another with the activities that are taking place and the activities that are planned to take place through the remainder of the summer. Dennis Jones and Aims McGuinness of NCHEMS have spent an enormous amount of time in Illinois, which is necessary for them to do what they are doing. We appreciate their efforts, and I think they have reached out to every conceivable stakeholder. Just to give you a taste of some of the groups that they have met with since our last Board meeting: the Illinois Latino Council on Higher Education; the Executive Board of the Chicagoland Chamber; the *Chicago Sun Times*; Women Employed; Community College Presidents; Illinois Community College Board; Illinois Community College Trustees Association; students; recent graduates affiliated with the National Hispanic Institute, which Father Minogue arranged; administrators from two predominately Latino high schools, one private, the other a Chicago public school; the research director for Chicago Public Schools; trustees of public universities; representatives of the University of Chicago, the Argonne National Laboratory, and the Illinois Committee on Black Concerns in Higher Education. There have been individual meetings with Illinois Representatives Chapin Rose and Linda Chapa LaVia, and Senators Mattie Hunter, Ed Maloney, Kim Lightford, and Brad Burzynski. There have been briefings for the Legislative Education Caucus and the Senate Higher Education Committee. We are reaching out as far as we can possibly reach out. We want all stakeholders in higher education to have a voice in this. We are listening, and we want to know what you think.

“Beginning next week, the NCHEMS representatives, accompanied by IBHE staff, will conduct 17 regional forums at community colleges throughout Illinois. The purpose of these forums is to present an economic and educational portrait of each region and to ask local business and civic leaders, labor and elected officials, employers and educators what they regard as the central concerns and challenges in their neck of the woods and how the state helps or hinders their effort to find solutions. These are fact-finding missions, and we encourage all of you to attend these forums and to get the people out there who care and have information that would be helpful to us to attend those forums.

“The Public Agenda Task Force met on May 1 at Roosevelt University and its next meeting is scheduled for June 20 at Robert Morris College in Chicago. At the May 1 meeting, the Task Force members discussed the themes identified with the research of NCHEMS, and these policy goals, or the goal statements that NCHEMS is developing, center around six themes: improving educational attainment among underrepresented groups, address affordability, reduce geographic disparities, increase production of postsecondary credentials, integrate education and innovation assets, and increase educational attainment of adults. There was also discussion of benchmarks, which NCHEMS will develop, as standards of comparison and measures of progress in reaching the goals of the public agenda.

“Our goals for education attainment should be set at the highest level of success for students. We need to think of affordability as a shared responsibility between students and taxpayers. The state must capitalize on the research and innovation activities of higher education. The planning process should consider the broad spectrum of values regarding the cultural and quality of life contributions of higher education. The regional forums should consider quality of learning issues.

“NCHEMS has prepared goal statements that articulate the aspirations and intent of the master planning process, and these goals will be presented at the regional forums where the consultants will ask what barriers exist to achieving those goals. At the June 20 Task Force meeting, consultants will report on the regional forums, present refined goal statements to guide development of a preliminary public agenda, and explain their audit of state policies that hinder or advance vital state interests. Much has been accomplished, but there is a lot of work left to do. We look forward to your continued participation in all of the activities.”

7. Resolution Honoring Matthew DeRosa

Dr. Carroll read the following resolution:

*We, the members of the Illinois Board of Higher Education, extend our gratitude and deep respect to Matthew DeRosa for his commitment to student leadership and his service as the Board's student representative.*

*Matt has been an astute and devoted voice for students and a thoughtful advocate for their interests. He has an impressive record of leadership throughout his collegiate career, beginning at Parkland College in Champaign, where he served as president of the student government. He also was a member of Phi Theta Kappa, the community college National Honor Society. While serving on the IBHE Student Advisory Council, Matt was a champion of lowering costs for textbooks, and he testified at the Congressional Advisory Committee on Student Financial Assistance hearing on the issue. Matt served ably on the Board's Institutional and Program Approval Working Group along with the Committee to Review the Higher Education Cooperation Act Grant Program. His perspective added a valuable dimension to the deliberations on those important matters.*

*This record speaks to Matt's sense of public service as well as the esteem of his fellow students and the respect accorded him by fellow Board members, underscored by his continued service to the Board as the alternate student representative.*

*Matt's voice has been a forceful, but moderate one as he has advocated measures to ensure affordability of a college degree, including the costs of textbooks and the impact of student fees on his peers. He has shown the ability to master tough issues, the willingness to devote his time and energy, and the temperament to work well with fellow Board members.*

*The Board congratulates Matt on forging strong relationships with his colleagues on the Board and being a positive influence on this body's deliberations to support Illinois' college students.*

8. Board Meeting Minutes – April 1, 2008

*The Illinois Board of Higher Education, on motion made by Ms. Sloan and seconded by Mr. Ruiz, unanimously approved the minutes of the April 1, 2008 meeting.*

9. Financial Report

*The Illinois Board of Higher Education, on motion made by Mr. Alongi and seconded by Dr. Carroll, unanimously approved an update of expenditures and obligations from the fiscal year 2008 appropriations as of April 30, 2008.*

10. Nursing Panel

Chairwoman Hightman said, "We are fortunate to have with us this morning a distinguished panel of experts to share their ideas, experiences, and efforts to alleviate the acute shortage of nurses in Illinois, arguably the state's most severe workforce challenge. Today's nursing shortage has been a national issue since 2000 and is expected to continue growing.

"In 2005, there was, nationwide, a shortage of 149,000 nurses, or 7% fewer nurses available than were needed. By 2010, the shortage is expected to grow to 12%. But at that point, demand will begin to exceed supply at an accelerated rate, and by 2015, the shortage will have almost quadrupled to 20%.

“Today we are facing several obstacles to addressing the nursing shortage while ensuring quality health care: as the population ages, more health care services are demanded and required; Baby Boomer retirements will reduce the number of practicing nurses as well as the number of nurse educators; and nationally, there is a backlog of qualified applicants to nursing programs.

“Illinois is also experiencing more demand for nurses than the state can supply. Two months ago NCHEMS reported that nursing in Illinois shows the largest gap between projected annual openings and annual degrees produced. NCEHMS has projected that Illinois needs to produce an estimated 2,739 additional nurses per year to meet the demands of the state.

“Clearly, this is a challenge that must have a prominent place on the higher education agenda. This challenge bestows on us a responsibility, but also an opportunity. We look forward to the insights and perspectives of our panel to help us understand the issues and point us to solutions.

“Before introducing our panelists, I would like to recognize several individuals in the audience who have provided leadership in addressing the nursing shortage: Jane Schachtsiek, Chancellor of the St. John’s College of Nursing; Linda Roberts, Manager of the Illinois Center for Nursing; Kathy Lively and Cary Minnis from Connect SI, a nursing initiative in the southern region of the state; and Donna Mayer, Dean of Allied Health and Director of Nursing Education at Lewis and Clark Community College. Thank you all for attending.

“The panel: Dr. Bob Sheets is with the Illinois Department of Commerce and Economic Opportunity, and is a key leader of the Governor’s Economic Development Sub-Cabinet, which has been working on initiatives to address nursing shortages in the state’s southern and northeast regions.

“Dr. Ann Solari-Twadell is the Interim Associate Dean of the Undergraduate Program at Loyola University Chicago, and has been the co-investigator of both the 2007 and 2008 IBHE Expansion grants, one of two nursing grants administered by the Board.

“Jeri Lynn Else is manager of Strategic Healthcare Partnerships for the College of DuPage, where she coordinates and develops area healthcare partnerships to focus on educational program expansion initiatives and improved educational and clinical experiences. She represents metro region community colleges on the Governor’s Economic Development Sub-Cabinet Steering Committee. She holds a bachelor’s degree from Elmhurst College and is completing her MBA at Benedictine University.

“Mary Anne Kelly is Vice President and Chief Human Resource Officer for the Metropolitan Chicago Healthcare Council. She leads the Council’s Workforce Development Division, responsible for developing and creating innovative programs and collaborations throughout the metro Chicago area to ease healthcare workforce shortages. She holds a master’s degree in management from the Kellogg Graduate School of Management at Northwestern University.

“The Board of Higher Education has been engaged in programs to expand the supply of nurses and nurse educators through two important grant programs initiated by the Blagojevich Administration. As a preface to our panel, Karen Helland, Assistant Director for Budget and Planning, will outline the Board’s activities. Karen also is the Board’s liaison to the Governor’s Economic Development Sub-Cabinet, in which she has logged enough hours to earn her own nursing degree.”

Ms. Helland gave a PowerPoint presentation followed by presentations from panelists Dr. Sheets, Dr. Solari-Twadell, Ms. Else, and Ms. Kelly. Following their presentations, the Board had the following discussion:

Dr. Carroll said, “I am excited about the level of information we received, and I think you have an excellent strategy.”

Dr. Woodward said, “Is there a ratio of ADN to BSN to MSN that you can think of? Obviously, we do not need more MSNs, but you need a lot of ADNs. So, the pipeline gets a little tighter as you move up. I wonder if you have a ratio.”

Ms. Kelly said, “We need the Ph.D.s and the MSNs because those are the ones teaching the nurses at the bedside. Without them, that is one of the limitations for admitting more students, so we do not have enough doctoral and master-prepared students. So, I do not want to cut them out of the picture, please.”

Dr. Woodward said, “That is not my concern. I wondered what the ratio was. Obviously, you need more bedside people, and you also need more teachers, but I wondered whether you have a sense of what the ratio was.”

Ms. Kelly said, “On the MSN level right now -- and a survey is done every six months -- we are beginning to see some improvement in our bedside nursing vacancy rates, but our MSN-prepared positions -- our clinical nurse stats -- those are still double-digit vacancy rates, but it is a good question in terms of doing our homework, both on the faculty and clinical side for MSNs.”

Dr. Carroll said, “In a long-term experience in the hospital with a loved one, I noticed that the nurses worked 12 hours, three days, and then they were off, and I was wondering how that long time on task affects what they do.”

Ms. Kelly said, “Patient safety certainly is a piece of the equation, and I think it is incumbent upon us to look at being as flexible as we can be in terms of staffing for retention purposes. I am not a nurse myself, so I will defer to my nurse colleague if she has any thoughts on this subject, in terms of a 12-hour versus an 8-hour shift.”

Dr. Solari-Twadell said, “We are not just seeing the 12-hour nursing shift, like in patient care, but our accelerated nursing students are doing 12 hours of their clinicals in order to get in the amount of required time. The 12-hour shift actually has some benefits to it in that many women, who are stay-at-home moms, will go for that because that gives them a full-time status, and yet, they are able to be home with their families. So, that is one piece in terms of critical care, it provides continuity over shifts, and so, we have a nurse that is used to working that many hours. Some of them truly enjoy it so they can do other things on the days they have off.”

Dr. Carroll said, “That is a nice answer, but I am thinking of the human capacity -- the 12-hour day, and I am wondering if we would be able to have a different way.”

Dr. Sheets said, “It is very important to get the facts straight on how much we are losing nurses because of work conditions or a variety of factors. We need to get a very good handle on that from a scale standpoint because you know how expensive it is to produce a nurse. If we are losing them because of certain conditions or selective issues, we need to know that from an overall numbers standpoint.”

Ms. Else said, “The College of DuPage just received a grant from the Department of Labor to implement an LPN Program, and it is a bridge program, so they can go into the ADN right when they are finished. The acute care facilities in DuPage County are not in the position right now, nor do they need to

hire LPNs, even though that used to be part of their skill work back in the 1980s and up through the mid-1990s. I have been talking to some chief nurses at our local hospitals in an acute care setting, and they are starting to re-evaluate and possibly incorporate LPNs back into their skill mix because they know that the reality is that RNs are going to be retiring, and we are going to have this huge gap. So, it is one of those things that they are starting to put their toe in the water and say, 'I am not sure that this is the way to go, but it is a solution.' We need to look at the entire career pathway for nurses to go through, and reinforce the MSNs because more than half of the nurse faculty will be retiring by 2015, and we are going to be back to square one if we do not start addressing that as well."

Dr. Carroll said, "This has been a terrific presentation."

Chairwoman Hightman said, "I will second that and, on behalf of the entire Board, I want to thank all of you for coming, for taking your time to prepare the presentation, for informing us, and for underlining in our minds how important and critical this issue is. It reinforces why we spend so much time and devote the resources we do to the nursing shortage. Hopefully, we will get the budget proposed to get more money for some of these programs. So, do everything you can to tell the Governor to get the money into the budget."

11. Presentation by Dave Tretter, Federation of Independent Illinois Colleges and Universities: Role of the Independent Colleges and Universities

Dave Tretter gave a presentation entitled *Role of the Independent Colleges and Universities*. Following his presentation, the following discussion occurred:

Chairwoman Hightman said, "The issues and challenges that you described in Illinois, do you compare notes with your counterparts in other states, and do they face similar issues? Is Illinois better, worse, or the same?"

Mr. Tretter said, "Yes, we certainly compare notes, and to be truthful, Illinois is still a fairly generous state around the country when it comes to aid. We have slowed a little bit, and have some of the same problems we are addressing, obviously, with the economy slowing down, and there are many states going through that. One point that I think is important is looking at the number of students in Illinois and paying better attention to what is going on in the states around us. You may know this data already, they look quite different when you look at the number of high school grads coming out, and in fact, this is going to put additional pressure on other states that have systems built to look to Illinois to get the number of students we export. The pressure is going to grow, and that means to keep some of these people in Illinois, we are going to have to ramp up these aid programs. We need to pay attention to what is going on around us."

12. Advisory Committee Reports

John Bennett, representing the Faculty Advisory Council, presented his report to the Board. There was no discussion following his report.

William Obuchowski, representing the Student Advisory Committee, presented his report to the Board. There was no discussion following his report.

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

Terry Bruce, representing the Illinois Community College Council of Presidents, presented his

report to the Board. There was no discussion following his report.

13. Recommendations of the Academic Affairs Committee Concerning an Academic Application Fee Structure.

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

Dr. Washington said, “We appreciate the work that has been done on this very important issue. It is clear that we are consistent with most states in terms of having a fee structure for out-of-state institutions as well as for-profit institutions, and we are also working diligently to be sure that these funds are protected so that we do not have them used for other purposes. It is very important that that is the case. It is like getting money for a certain purpose, and your integrity is tested in terms of whether you will use it for the purpose for which you got it. So, we are very cognizant of that, and thanks to Jerry Dill for his comments in that regard.

“This is a very exciting time in that for the first time, we have taken this type of action. Also, to have funds set aside to meet some of the needs in this time of economic shortage and that we are able to identify a process, whereby through the fee structure, we are able to meet a very definite need that we all can identify. I thank the committee for its input, and also, I thank the staff for the superb job in keeping us on track on what we are recommending.

“I make the motion that we allow the staff to proceed to do the necessary work to ensure that we have authority from the Illinois General Assembly and the Office of the Governor to create and collect an academic application processing fee for the purpose we have outlined.”

Mr. Bergman said, “I think that at this point the Board does not have the authority to collect administrative fees.”

Dr. Washington said, “You are absolutely correct.”

Mr. Bergman said, “I hope when you go to the General Assembly, the wording, in whatever legislation they pass or rule is promulgated, is wide-ranging so that if something comes up in the future, we will have the opportunity to collect the needed fee.”

Chairwoman Hightman said, “We will see. That is not a bad idea, but I do not know if we can do it.”

Dr. Washington said, “It would be great if we could.”

Chairwoman Hightman said, “I know this committee has been in existence for a long time -- at least two years -- and you have had lots of meetings, and I want to thank Dr. Washington for leading this effort, and for not just this, but for the rule changes, too. There was a lot of work going into it, and it seems like so many of the issues that have come up in the Board meetings, that I have attended, involve matters that are being addressed by your rule changes and the work that you have been doing. So, I want to express the gratitude of the Board for all your hard work.”

*The Illinois Board of Higher Education, on motion made by Dr. Washington and seconded by Dr. Rutman, unanimously charges staff to pursue authority from the Illinois General Assembly and the Office of the Governor to create and collect an Academic Application Processing Fee for the purpose of funding additional professional staff and activities related to processing academic applications and providing*

*appropriate analysis and oversight and directs staff to initiate the necessary steps to incorporate this authority into administrative rules as set forth in the Illinois Administrative Code.*

14. New Units of Instruction at Public Community Colleges

Dr. Pearce said, “Since these figures were last reported to the Board in April, the IBHE staff has received 27 new inquiries and 22 new applications. There are 73 current applications on hand.”

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 Mr. Alongi and seconded by Ms. Sloan, unanimously granted authority to Black Hawk College to offer the Associate of Arts in Teaching in Special Education subject to the institution’s implementation and maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.*

*And granted authority to College of Lake County to offer the Associate of Arts in Teaching in Early Childhood Education subject to the institution’s implementation and maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.*

*And granted authority to Kaskaskia College to offer the Associate of Applied Science in Medical Laboratory Technology and the Associate of Applied Science in Occupational Therapy Assistant subject to the institution’s implementation and 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 Arts in Teaching in Special Education subject to the institution’s implementation and maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.*

*And granted authority to Triton College to offer the Associate of Applied Science in Emergency Management subject to the institution’s implementation and maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.*

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

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 Mr. Ruiz and seconded by Dr. Washington, unanimously granted to Ellis University Authorization to Grant the Bachelor of Science in Criminal Justice and Master of Arts in Teaching in the Chicago Region subject to the institution’s implementation and maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.*

*And granted to Embry-Riddle Aeronautical University – Worldwide Authorization to Operate and to Grant the Master of Aeronautical Science, Bachelor of Science in Professional Aeronautics, and Bachelor of Science in Technical Management in the Fox Valley Region subject to the institution’s implementation and maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.*

*And granted to Fox College Authorization to Grant the Associate of Applied Science in Graphic Design, the Associate of Applied Science in Retail and Merchandising Management, and the Associate of Applied Science in Travel and Hospitality in the South Metropolitan Region subject to the institution's implementation and 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 Illinois Institute of Art – Chicago Authorization to Grant the Bachelor of Science in Audio Production, Bachelor of Fine Arts in Digital Photography, and Bachelor of Science in Hospitality Management in the Chicago Region subject to the institution's implementation and 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 Associate of Applied Science in Massage Therapies in the Chicago Region subject to the institution's implementation and maintenance of the conditions that were presented in its application and that form the basis upon which these authorizations are granted.*

16. 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 Mr. Alongi and seconded by Ms. Sloan, unanimously granted to Governors State University Authorization to Grant the Master of Public Administration in the Fox Valley and Chicago Regions subject to the institution's implementation and maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.*

*And granted to University of Illinois at Chicago Authorization to Grant the Bachelor of Business Administration, Master of Science in Patient Safety Leadership in the Chicago Region subject to the institution's implementation and maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.*

*And granted to University of Illinois at Chicago Authorization to operate the Center for Cognitive Medicine in the Prairie Region subject to the institution'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 University of Illinois at Urbana-Champaign Authorization to Grant the Bachelor of Liberal Arts and Sciences in African American Studies in the Prairie Region subject to the institution's implementation and maintenance of the conditions that were presented in its application and that form the basis upon which this authorization is granted.*

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

17. Diversifying Higher Education Faculty in Illinois Program Fiscal Year 2009 Grant Allocation

Mr. Nunn 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. Woodward, unanimously authorized the Executive Director to allocate the fiscal year 2009 appropriation for DFI institutional grant awards (see Table 1) as specified by the statute and recommended by the DFI Program Board.*

17a. Diversifying Higher Education Faculty in Illinois Program Fiscal Year 2008 Supplemental Grant Allocation

Mr. Nunn briefly outlined the contents of this item. Following his presentation, the Board had the following discussion:

Dr. Carroll said, “It was a great idea and a step forward to create a deputy director position, and Terry has done a magnificent job in leading the Board. I also must commend Jerry Blakemore, who has turned this whole DFI Board around, and we are able to concentrate on some of the concerns that we have had in the past. He is a great leader, and we are establishing our funding priorities on the STEM program. The reason why we are doing that is that we believe the attention to placing fellows in the STEM program will greatly enhance the placement of our program graduates because it is critical that we are able to place these young people who are interested in becoming faculty in our Illinois universities. I also want to reiterate that due to the steps that the Board is taking to reduce program administrative costs and to direct more money to the student, we were able to give them an additional \$7,000.

“I want to also take this opportunity to request our universities in Illinois to work more closely as a partner with us so that we are able to place the fellows when they graduate, and they will be able to enhance the minority faculties in our institutions. And so, with you as partners, we can do that. We are looking now at the stats to see how many of our graduates are actually placed in our universities, and it is a relatively small number, and we want to increase that.”

Mr. Ruiz said, “One of the concerns in the past has always been the number of minority graduates that get placed in Illinois schools. We have been a great exporter of talent out of the state, and I am wondering whether we have made any progress towards changing that; and if not, what is it that we are going to do?”

Mr. Nunn said, “I do not have the numbers in front of me with respect to the most recent ones, but we were able to show that a number of those positions that were on the previous slide, in terms of the faculty and staff positions, are placements out of state. It is a reality. That is something that our Board is in need of discussing. Last June, we talked about this very issue, and one of the questions that I was asked to explore was, are there other programs across the state that our fellows can link up with to increase their opportunities before being placed? That is something our Board is seriously looking at. There are a number of programs like that, but I think the key thing for us is in getting them employed. We would love to have them employed in Illinois, but the reality is they leave; they get better offers, and so, that is exactly what is happening.”

Dr. Carroll said, “I think that we may be coming back to this Board with a suggestion of rewarding those institutions that hire our students because if they just take the money for the students who get educated there, we get no return. We are looking at that as not an option. We would like to have an incentive for those who hire our students.”

Chairwoman Hightman said, “Employers who provide funding for MBAs or for post-graduate studies usually have a condition that you have to stay with the employer for a certain number of years after you get that money and that degree. So, we should look at it both ways, not just the employers, but

we should have a requirement that we do not give this money to these students unless they are committed to staying in Illinois for a certain number of years.”

Mr. Ruiz said, “I do not think the problem is with the institutions.”

Chairwoman Hightman said, “Right, but it should go both ways. We should be doing our job right in that we pick fellows that are studying in the areas where these institutions need faculty. We have to do the whole thing together, but I think it should go both ways; it is the student that is getting the money.”

Mr. Ruiz said, “It is a much bigger problem than we have time to explore.”

Mr. Bergman said, “The goal is to get more people into faculty positions, but of those who have graduated, only about one-third are in faculty positions. Is there anything we can do to increase that percentage?”

Chairwoman Hightman said, “Most of the issues that are being raised were the impetus for us in making changes on the Board, and then the Board doing the things that Terry has described and other things that have not been described. Jerry Blakemore agreed to take over as chair of this Board to help address all of these issues. He has only been in his position since January; so, I think we can have the DFI program as a topic for a Board discussion at a future Board meeting. I think it would be a great topic, and I think we should give Terry and Jerry, who are doing a great job with Frances’s help, a little more time to make more progress, and maybe they can come back and talk about the issues they are looking at, but all of the issues that have been raised we know are issues that exist, and they are issues they are trying to tackle.”

Dr. Woodward said, “Is this needs-based criteria?”

Mr. Nunn said, “Yes, they all are.”

*The Illinois Board of Higher Education, on motion made by Dr. Carroll and seconded by Dr. Woodward, unanimously authorizes the Executive Director to allocate \$112,000 of fiscal year 2008 DFI funding to support supplemental DFI awards for grants authorized by the statute and recommended by the DFI Program Board.*

18. Higher Education Cooperation Act, Innovation Grants, Fiscal Year 2009 Grant Allocations

Dr. Baumgartner said, “I ask that the following correction be entered into the record for the first sentence, second line under the staff recommends on Page 105. It should read ‘The Illinois Board of Higher Education hereby approves the fiscal year 2009 allocation totaling \$3.8 million for Higher Education Cooperation Act grants, as well as \$220,000 for the Quad Cities Graduate Center, as shown in Table 2.’”

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

Mr. DeRosa said, “I want to express my gratitude for the transfer initiatives that are up for renewal again as well as the renewal of the veterans’ grants.”

*The Illinois Board of Higher Education, on motion made by Mr. DeRosa and seconded by Dr. Carroll, unanimously approved the fiscal year 2009 allocation totaling \$3.8 million for Higher Education*

*Cooperation Act grants, as well as \$220,000 for the Quad Cities Graduate Center, as shown in Table 2. Payment of grants is subject to the receipt of all required documentation. The Board authorizes the Executive Director to withhold payment or adjust a grant allocation, if necessary, to conform to existing statute, rule, or available funding, or to assure compliance with any previous grant agreements. Award amounts are dependent upon final budgetary action by the Governor and the General Assembly and any budget reserves imposed.*

19. Illinois Cooperative Work Study Program Fiscal Year 2008 Grant Allocation

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. Washington and seconded by Dr. Nandi, unanimously approved the allocation of \$2,058,000 for Illinois Cooperative Work Study grants for fiscal year 2008 as detailed in Table 1. The Board authorizes the Executive Director to withhold payment or adjust a grant allocation, if necessary, to conform to existing statute, rule, or available funding or to assure compliance with any previous grant agreements.*

20. Health Services Education Grants Act, Fiscal Year 2008 Grant allocation

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

Mr. Bergman said, "Referring to Page 124, Table 4, it says nursing priority area and then it indicates the grants that are funded 100%. At the bottom, it says minority Illinois residents. Does that mean in addition to the grants up above? In other words, if we have an Illinois baccalaureate grant of \$1,000, and we have an Illinois minority grant of \$1,000, would it be cumulative if it was a minority looking for a baccalaureate?"

Dr. Baumgartner said, "They get the money for the baccalaureate and the additional money for the minority."

*The Illinois Board of Higher Education, on motion made by Dr. Carroll and seconded by Dr. Washington, unanimously approved the allocation of \$16.7 million for Health Services Education Grants Act (HSEGA) resident grants and priority grants, and applicable grant rates, for fiscal year 2008 as detailed in this item. Payment of grants is subject to the receipt of all required documents, and the Board authorizes the Executive Director to withhold payment or adjust a grant allocation, if necessary, to conform to existing statute, rules, and available funding.*

21. General Grants, Fiscal Year 2008 Allocation

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 Mr. Ruiz and seconded by Dr. Washington, unanimously approves the fiscal year 2008 allocation of \$250,000 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.*

22a. Legislative Report

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

Mr. DeRosa said, "Has Harper said what programs will be up for consideration next year?"

Mr. Sevener said, "No."

22b. Fiscal Year 2009 Higher Education Operations and Grants Summary of General Assembly Action

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

23. Other Matters/Public Comment Period

There being no further business to come before the Board, Chairwoman Hightman adjourned the meeting at 12:30 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 June 3, 2008 meeting.

