

**MINUTES – BOARD MEETING  
December 7, 2010**

**Submitted for:** Action.

**Summary:** Minutes of the December 7, 2010, meeting of the Illinois Board of Higher Education held at Chicago-Kent College of Law, Chicago, Illinois.

**Action Requested:** That the Illinois Board of Higher Education approve the Minutes of the December 7, 2010, meeting.



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION

**MINUTES - BOARD MEETING**  
**December 7, 2010**

A meeting of the Illinois Board of Higher Education was called to order at 9:05 a.m. in the Ogilvie Auditorium at Chicago-Kent College of Law, Chicago, Illinois, on December 7, 2010.

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

The following Board members were present:

Guy Alongi	Donald McNeil
David Benjaih	John P. Minogue
Jay Bergman	Proshanta Nandi
Frances G. Carroll	Santos Rivera
Dimitra Georgouses	Robert Ruiz
Heba Hamouda	Elmer L. Washington
Alice B. Hayes	Addison E. Woodward, Jr.

Also present by invitation of the Board were:

Donald Sevener, Interim Executive Director, Illinois Board of Higher Education  
Geoffrey Obrzut, President/Chief Executive Officer, Illinois Community College Board  
Andy Davis, Executive Director, Illinois Student Assistance Commission

Presidents and Chancellors

Harry Berman	Michael Hogan
Rita Cheng	John Peters
Alvin Goldfarb	

Advisory Committee Chairpersons

Jerry Weber, Community College Presidents Council  
Abbas Aminmansour, Faculty Advisory Council  
Dave Tretter, Independent College and University Advisory Committee  
Susan Friedberg, Proprietary Advisory Committee  
John Peters, Public University Presidents  
Ari Shroyer, Student Advisory Committee

## **I. Call to Order**

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

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

Chairwoman Hightman said, "Board member Guy Alongi is unable to attend today's Board meeting due to business reasons. I need to have a motion from the Board allowing him to attend our Board meeting via conference call."

Mr. Robert Ruiz said, "I make a motion to allow Board member Guy Alongi to attend our Board meeting via conference call pursuant to Section 7 of the Open Meetings Act."

Chairwoman Hightman said, "Is there a second?"

Dr. Frances Carroll said, "I second the motion."

Chairwoman Hightman said, "All in favor? Opposed? The motion carries unanimously."

### **2. Executive Session**

Chairwoman Hightman said, "I am asking that the Board go into executive session. Under the Open Meetings Act, there must be a motion in open session to authorize this executive session. A quorum must be present and a motion must be approved by a majority of the quorum with a recorded vote. I observe that a quorum is present. Is there a motion and second to authorize executive session?"

Mr. Ruiz said, "I move that the Illinois Board of Higher Education go into executive session for the purpose of discussing employment issues, pursuant to Section 2(c)(1) of the Open Meetings Act."

Chairwoman Hightman said, "Is there a second?"

Ms. Heba Hamouda 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 -- Bergman, Carroll, Georgouses, Hamouda, Hayes, Hightman, Nandi, Rivera, Ruiz, Washington, and Woodward. No -- none.

Chairwoman Hightman said, "We will go into Executive Session and re-convene when we are done with the interview process and then the Board's discussion after the interview process, and I am assuming that will be somewhere around 1:00 p.m."

The Board moved into executive session.

### **3. Reconvene in Open Session**

The Board re-convened in open session.

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

Ms. Dimitra Georgouses said, “I move that the Illinois Board of Higher Education come out of executive session at 3:00 p.m. on Tuesday, December 7, 2010, and proceed with the regularly-scheduled meeting of the Illinois Board of Higher Education beginning at 3:00 p.m.”

Chairwoman Hightman said, “Is there a second?”

Ms. Hamouda 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 was as follows: Yes -- Alongi, Bergman, Carroll, Georgouses, Hamouda, Hayes, Hightman, McNeil, Minogue, Nandi, Rivera, Ruiz, Washington, and Woodward. No – none.

Chairwoman Hightman said, “Is there a motion to grant to me as Chair of the Illinois Board of Higher Education the authority to negotiate the offer to the candidate who we discussed in the closed session under the terms and conditions we discussed in closed session?”

*The Illinois Board of Higher Education, on motion made by Dr. Washington and seconded by Father Minogue, unanimously granted authority to Chairwoman Hightman to negotiate the offer to the candidate discussed in the closed session under the terms and conditions discussed in closed session.*

Chairwoman Hightman said, “I will report back to you.

“I am sorry to have kept everybody waiting so long, but we had important business to take care of in closed session. I am personally very excited to be back here at the Chicago-Kent College of Law. I was a first-year law student here, then moved to Florida, and missed being here for the last two years of my law school experience. So I am very happy to be here.”

### **4. Welcome by John Anderson, President, Chicago-Kent College of Law**

Dr. John Anderson welcomed everyone to Chicago-Kent College of Law.

### **5. Welcome and Remarks by Chairwoman Carrie J. Hightman**

Chairwoman Hightman said, “Thank you for hosting us and for helping make the plans. It is great to see Dean Krent again. It has been a long day already, and we have not even started. Before I get to my formal remarks, I want to welcome the members of the Disabilities Advisory Committee, who I know met with the senior staff today at lunchtime. Normally, the Board would meet with the advisory committee that is the special guest, but today is an unusual meeting day

for us. I apologize for us not being present, but we appreciate your being here and appreciate the work that you do for students throughout the higher education system.

“I want to also welcome Harry Berman, who is the interim chancellor at the University of Illinois Springfield. Congratulations for being in that role.

“What I would like to do is to start my comments about the most obvious change of the day, aside from the timing of this and that is the agenda for today. It has a new look and to some it might have been very subtle, but to others who are intimately involved with what we do, I am sure you recognize that there is nothing subtle about the work of the Board. What I want to do, and Don is going to explain in more detail exactly what we are doing in terms of the agenda, is talk to you a little bit today about the impetus for the change to the agenda.

“As you know, this is the second anniversary of our Board’s adoption of the *Illinois Public Agenda for College and Career Success*. When we endorsed the *Public Agenda*, we were advised by our consultants that whether the *Public Agenda* has any life is really up to us. The way to ensure that it does have life -- that it is not just a book on a shelf that gathers dust -- is whether the staff of the Illinois Board of Higher Education spends its time doing things to further the goals of the *Agenda*, and also whether the Board and its meetings and its work are doing things to further the *Public Agenda*.

“Now, taking that to heart, two years ago we made significant changes as to how we conduct our Board meetings. We made those changes because we believe that if we were not spending time on one of the four goals of the *Public Agenda*, then we were not using our time wisely. We did some different things. I felt good about it. We all felt good about it, but we know now that those changes were not enough. Today’s changes to the agenda are important, and they are a necessary reminder that we cannot stray from the *Public Agenda*, that it has to be the centerpiece of not only our meetings, but everything that we do.

“The *Public Agenda* is really much more important today than it was two years ago when the Board adopted it. The state’s fiscal condition certainly has worsened, and the Illinois economy is going to be on life support soon I suppose. Illinois is still a tale of two states, and if anything, the prosperity gap has widened, not shrunk, during those two years.

“I have to point out it is not to say that we have just been sitting on our hands doing nothing. We are not just waiting for the economy to pick up. We are not just waiting for new state revenues. We have actually done a lot and made significant strides over the past two years.

“We passed legislation to create a P-20 comprehensive longitudinal data system needed to track student progress. We have reformed how we train school principals. We have established a grant program to foster bachelor degree completion and expand dual college credit offerings.

“We joined national efforts to ensure that what students learn in K-12 makes them ready for college. We are involved in a national effort to increase the proportion of adults with college credentials to 60 percent by 2025, which will be a 70 percent increase in degrees and certificates in the next 15 years. That is what that would mean.

“We are beginning to see the *Public Agenda* take root in campuses and agencies across the state through baccalaureate completion partnerships between community colleges and four-

year institutions, through new initiatives to improve retention and graduation, and through public-private alliances to enhance STEM education.

“The purpose for the new meeting agenda that you see today is to renew our commitment to a refreshed *Illinois Public Agenda*. To that end, we are also kicking off a new communications plan for the *Public Agenda*. The communications plan is designed to build awareness of the problems facing Illinois -- problems such as an unacceptable achievement gap, an untenable affordability gap, a dangerous skills gap, and the state’s economic future being at risk here. The idea is that we want to make awareness to the problems and make the case for how the *Public Agenda* is the solution to those problems. Through a variety of communications mechanisms, focused principally on the modern media -- Internet, etc. -- that are ubiquitous in our culture, the *Public Agenda* will rise above and beyond the printed document to not just enter the public policy debate but to be a central driver of it.

“So, two years after we first approved the *Public Agenda*, these changes reflect our renewed commitment to a refreshed *Illinois Public Agenda 2.0*. And, again, Don is going to get into more detail on that in a few minutes.

“There are just a couple of other topics I want to touch on before we turn it over to the business at hand. First, I want to address the budget. At the request of the Governor’s Office of Management and Budget, we have submitted a preliminary request -- they are referring to it as a bid for services -- for fiscal year 2012 that underscores the confluence of the Administration’s budget priorities with the goals of the *Illinois Public Agenda*, and more specifically the positive economic return from investment of resources in our colleges and universities. Staff will be meeting with the Governor’s Office of Management and Budget in the coming weeks to discuss the preliminary request and its connections to the governor’s prioritized outcomes.

“The IBHE budget process is moving forward in tandem with the completion of budget review meetings, with state agencies and institutions, and now the synthesis of requests, *Public Agenda* goals, and fiscal realities into what we call a discussion budget. That is going to be available shortly after the first of the year. As in past years, we will use the investment budget approach, which we created a few years ago and which has proven effective in our negotiations with legislators and the budget office because it demonstrates what every additional dollar invested in higher education will return to the State of Illinois in terms of benefits.

“This year, there is a new dynamic injected into the budget process, and that is the recommendations of the Higher Education Finance Study Commission. We are going to have a presentation about this report later in the meeting, and you have been provided copies of it, but I want to comment briefly about its implications for our budgeting process and the *Illinois Public Agenda*.

“Last week we transmitted the Commission’s final report to the Governor and General Assembly, and already legislators who were members of the Commission have been in touch about sponsoring legislation to implement its recommendations. In particular, there is an interest in moving forward on performance-based funding, regulatory relief, and institutional efficiencies.

“I think there may be a fortunate convergence of circumstances that can help these ideas gain some traction. At a time when the state’s desperate fiscal condition forces government to look for value added in every tax dollar that is spent, we have a compelling case that investment in higher education pays tangible, economic dividends for the state and its citizens. At a time

when colleges and universities are forced to scrounge for cash to meet payrolls, legislators should be in a more pliable mood to grant exemption -- and we have a legislator here, so I am hoping that he is in agreement with me -- from unwarranted mandates that increase costs and diminish efficiency. At a time when everyone is reassessing core functions, seeking economies, and searching for efficiencies, we in higher education must demonstrate to elected leaders that we are willing to do our part to streamline and to right-size our operations to show that we are prudent stewards of scarce public resources.

“I am very encouraged by the comprehensive and thoughtful work of the SJR88 Commission because I see in it a great opportunity for our higher education system to emerge from this fiscal nightmare even stronger -- lemonade out of lemons, so to speak.

“There is one other topic I want to address, and then I am going to turn it over to Don. That is the task force on MAP CAP, which is a proposal for bonding to fund additional MAP grants, and it is on our agenda. What we are proposing is the creation of a Blue Ribbon Task Force to study the MAP CAP Human Capital Investment Bond proposal, which is a mouthful and maybe not the best name for this. Maybe we just want to call it ‘finding additional dollars where there are none to help more students go to college.’

“I recognize that this is a matter of great controversy. I know that both the Illinois Community College Board and the Illinois Community College Trustees Association have formally voted to oppose the proposal. I am aware that the MAP CAP plan was so contentious an idea within the Higher Education Finance Study Commission that there is barely any mention of it in the Commission’s final report.

“I also know that there are two sides to the issue, and it is because there appears to be no common ground that I believe a thorough, objective study of the proposal is needed. The intention is not to appoint a task force that will simply ratify a preconceived notion, but rather to appoint a panel of finance experts and important stakeholders -- including, as I said from the beginning, representatives of the community college system -- to sift through the facts, examine the pros and cons, and give the Board its best, unbiased judgment on the merits of the idea. I am going to say a couple of more things about this when we get to the item on the agenda because I think that in the higher education community, we do not have any room for naysayers. We want creative people who have ideas. We are in desperate times, and we need creative ideas. I do not want to pass up any idea that could work and that could cause more Illinois students to go to community colleges or to four-year colleges. We will talk about this more in a few minutes.”

## **6. Remarks by Interim Executive Director Don Sevener**

Mr. Sevener said, “Thank you Madam Chairwoman and members of the Board. My remarks will be brief and will focus as a follow-up to the Chairwoman’s comments on the new format of the Board’s meeting agenda, specifically the items related to the *Illinois Public Agenda*. Before I do that, however, I want to relate to the Board the pleasure some of us experienced yesterday in attending the swearing-in ceremony of former Board Chairman Jim Kaplan as a judge in the Cook County Circuit Court. Bob Ruiz attended the event, as well as Illinois State University President Al Bowman and several of our staff. So, congratulations to former Chairman Kaplan.

“I want to briefly walk through the new aspects of the agenda to explain the potential for this new format to strengthen the Board’s work on the *Public Agenda* and to engage the higher

education community in demonstrating ways in which the *Public Agenda* has become a vital part of activities on campuses and throughout the fabric of higher education.

“You will see in the agenda an item entitled *Public Agenda Update*. This portion of the agenda will be devoted at each Board meeting to giving you a status report on what is going on with the *Public Agenda* -- new data, progress on various initiatives that we are working on, changes in legislation we are promoting, and summaries of relevant new research or studies that will inform our work to implement the *Public Agenda*. Today, in the interest of time, the fact that we are committing much of the Board agenda to updating the *Public Agenda*, we will let that suffice for today’s update.

“The next portion of the agenda is a new feature -- the *Public Agenda Showcase*. Today, we will use this part of the agenda to unveil for you the *Public Agenda* communications plan, which the Chairwoman referred to earlier. In future meetings, I believe, this spot on the agenda will become among the highlights of our meetings. This will be an opportunity for institutions, our sister state agencies, and other entities to showcase their efforts to support the *Public Agenda*. For example, we already have one volunteer for February’s showcase. Governors State University will provide a brief presentation on its innovative partnerships with surrounding community colleges to increase degree production while saving students money. There are several examples of projects, programs, and activities worthy of showcasing before the Board to illustrate how the *Public Agenda* is being implemented on campuses and other venues across the state. We will be inviting institutions and others to showcase their efforts as we move along. We are looking for volunteers. We will welcome colleges and universities from all sectors along with state and local agencies, associations, and advocacy groups to showcase their activities that a) will help us see the *Public Agenda* in action, and b) offer examples of effective practices that others may wish to emulate.

“Finally, the *Public Agenda* focus will be the policy heart of each Board meeting. In the past, we have brought in a series of guest speakers -- experts in particular fields who have discussed with the Board many issues related to the *Public Agenda*. I suspect we will continue to do that from time to time. But ‘focus’ is the operative word here. What we envision is an in-depth focused exploration of issues that are a part of the *Public Agenda*. I think we, as an agency, would welcome guidance from the Board on significant matters for moving the needle on attainment, on affordability, on the achievement gap, and other of the *Public Agenda* goals. How can we ensure that financial aid dollars are used efficiently and effectively for educational opportunities for low-income students? What can this Board do to advance economic growth for the state? There are dozens of questions like these that can help the Board move the *Public Agenda* in ways it has not happened before. This will be a mechanism -- not the only one, but an important one -- for the Board to become more directly engaged in the implementation of the *Public Agenda*. That concludes my remarks, Madam Chairwoman.”

Chairwoman Hightman said, “Just one thing I want to mention, if anybody here has any suggestions for further improving what we do at these meetings, what the agenda looks like, or the topics that we address, please let us know. I am always looking for better ideas because I know that there are a lot more people smarter than me out there. So, think about it, look at what we are doing, think about what we are doing, and let us know if you come up with something that you think is another way to improve this. It is a process; it is not an event.”

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

## 7. Public Agenda Update

### Progress Report

## 8. Public Agenda Showcase

### Communications Plan

Mr. Sevener said, “Thank you Madam Chairwoman. It is my pleasure to introduce you to the *Public Agenda 2.0*. I would like to start with a quote. Abraham Lincoln said, ‘Public opinion in this country is everything.’ Those words are even more relevant and important today than they were when President Lincoln uttered them a century or more ago. We have an important message -- affordable education for more Illinoisans to prepare them for the jobs of today and tomorrow. This message is simple; it is direct; and it is urgent. We have facts and figures to back it up. Now we need to make sure people hear it, and they respond to it.

“Here is how we plan to get this message out about *Public Agenda 2.0*. We will rely on familiar communication devices and media sources. We are long accustomed to using new releases, op-ed articles, and that kind of thing because there remains some value in employing those traditional means and sources of communications. But there is a new term in the communications lexicon these days -- media convergence. In part, this refers to the blurring of the lines between traditional media and the digital media -- newspapers with websites, for example. But it is bigger than that. It refers to all facets of our cultural, social, political, and commercial discourse. Our government, health, and education are all being carried out through discourse in the digital media. So this communications plan will rely heavily and most directly upon the digital media by which most of us now communicate.

“First, the *Public Agenda* has a new address. It is [illinois.org](http://illinois.org). I want to emphasize before we visit this new home that it is a work in progress, which is to say that some of the rooms in this new home need a few finishing touches, and some of the updates have yet to be fully installed. As we continue to hammer and saw away at this new website, your feedback and suggestions are welcome. So, let me give you a tour.

“Welcome to the future of Illinois. First, this website will give visitors and viewers several opportunities, several different ways to access the *Public Agenda*. You can scroll to the bottom of the screen and click on the full report, the Executive Summary, or you can go goal by goal to access each of the four goals of the *Public Agenda* in that fashion.

“The *Public Agenda* Accountability Report is a suite of rooms that you would visit for an overview of where we started and where we are at with important measures of attainment, affordability, workforce development, and economic growth. Changes here will come not real often -- every few months or even annually as data becomes available. As you can see, even though we have one of these measures populated -- the goal to increase educational attainment -- most of the metrics are still waiting for us to build on this site.

“The goal by goal updates, which you can access from the home page, will give you a more dynamic look at where we are with different measurements of *Public Agenda* progress. For example, in this slide we have the high school graduation gap, and this is one of those measurements that we need to keep taking a look at because changes in this are really key to implementing Goal 1 of the *Public Agenda*. You will see that some states are actually doing a

pretty good job of moving along on this. Illinois, in the past few years, has maintained a gap of 15 points between minority graduation rates in high school and the majority.

“So we have the *Public Agenda* in Executive Summary, Accountability Reports, and Progress Updates. The website also has a whole suite of rooms that will offer a different way to find out information about the *Public Agenda*.

“Here is the News Room. Here you can find a wide variety of articles and editorials that relate to the *Public Agenda* issues of attainment, the achievement gap, performance funding, green jobs, baccalaureate completion, partnerships, broadband expansion, angel tax credits. Not only is this a handy source of information about the *Public Agenda* issues, but illustrates the relevance and significance of the *Public Agenda* in the day-to-day fabric of higher education events.

“This is the Capitol Connections for the *Public Agenda*. It is a listing and collection of legislation we have passed that is part of the infrastructure of the *Public Agenda* that Chairwoman Hightman spoke of earlier -- the Longitudinal Data System Act, dual credit, baccalaureate completion, and resolutions that created the Finance Study Commission and the *Public Agenda* Task Force itself. All are here for handy reference.

“Speaking of reference, here is the *Public Agenda* Library -- a collection of reports, studies, research, and other documents that have emerged from the *Public Agenda* or concern issues that relate to it.

“And finally, this room contains the archives of our public outreach with the *Public Agenda* -- speeches and presentations by many notable individuals, including Chairwoman Carrie J. Hightman and Board members Addison Woodward and Frances Carroll. The *Public Agenda* page also communicates in the way that most college students communicate these days -- through Facebook and Twitter.

“Here is the Illinois Facebook and Twitter page. We already have nine fans who have joined up here including Candace Mueller and Dimitra Georgouses. And a couple of our favorite state agencies have Facebook pages that are following ours and we, theirs. How can we use this Facebook page for ongoing communication? Well, here is what is on my mind. Let us say that we need support for MAP funding in this session of the General Assembly. We could simply type in here and share that. We can also share information, news, or videos or other expressions of communications from other agencies that are following our website or we are following their website. We want you to be a fan of this Illinois website. So, what you need to do is go back to our home website, click on Facebook, and if you are already a Facebook member, just click that you like our page, and you will be a fan of Illinois.org.

“This is not all. You can also read our Tweets. ‘Senator Maloney, we need your support for MAP funding.’ If Dimitra has her phone on, she may have gotten this Tweet on her phone. We also have six followers to our Tweet, including, again, Candace Mueller, who is a very avid *Public Agenda* advocate; Yock Hoon Tan, who is our webmaster back at the office; and this is a very important follower for the *Public Agenda*, Eric Robinson, who is the president of Frontline Public Strategies in Springfield. He is really the developer of this new home for the *Public Agenda* and most of the ideas that are part of this communications plan. Yock, our webmaster, is the architect for the website, and Candace Mueller has been the steadfast project manager to put all this together. Eric, would you please stand up. We would like to recognize your significant

contributions to this plan and for getting the word about the *Public Agenda* out to the public. Of course, Candace Mueller, who everyone here is aware of and knows from past meetings all the good work she does.

“We want you to be a follower of ours on Twitter. So, again, go back to the Illinois website, and if you have a Twitter account, it will allow you to simply click on the follower button. If you do not, please sign up for a Twitter account, and you can follow our tweets throughout the legislative session.

“Finally, I would like to bring to you, really, the heart of this communications plan and demonstrate how we will be using this as we move into a new General Assembly, a new legislative and budget cycle, and how a series of videos that we will be communicating with our constituencies, with legislators, and with others can help us get the message of the *Public Agenda* out.

“I will say a few words about these videos. I want to show you a sampling of the eight videos that we have produced to promote the *Public Agenda* and increase awareness of the *Public Agenda*. But before I talk about them in general, let me show you just a sampling of what they will look like.

Mr. Sevener previewed several videos for the audience.

“There are eight of the videos that we have produced with the assistance of the Illinois Information Service. All the goals are covered in describing what the challenges are that are facing us, and then also, the remaining four videos deal with some of the solutions that we are looking at through the *Public Agenda* to these problems. The Illinois website is now live as is the Facebook page, but this is really just the public unveiling of this plan. The real launch of communications effort will come in January with the seating of the 97<sup>th</sup> General Assembly. We will use the videos as a vivid, captivating tool to introduce the *Public Agenda*, and the challenges that it is designed to address to the new Legislature and to reintroduce the *Public Agenda* to hundreds and hundreds of *Public Agenda* fans throughout the state. All of those who served on the *Public Agenda* Task Force, served on the advisory committee, attended the variety of forums and public hearings that we had in support of the *Public Agenda*, we still have all those e-mail addresses and will be sending these videos via e-mail to lure people to look at what the *Public Agenda* is all about and visit the Illinois website.

“We can also follow up with legislators with briefing papers, reports, and other data and documentation that will show legislators what the problem is with the ongoing, widening prosperity gap and measures that we need to take in Illinois through the Legislature and other venues to address these problems. We have made, I believe, inroads with both legislators and campus leaders in making the *Public Agenda* a part of the higher education landscape. This communications plan can put the *Public Agenda* on every digital doorstep in the state. Madam Chairwoman, I will be happy to answer any questions that you or the Board may have.”

Chairwoman Hightman said, “Does anyone on the Board or in the audience have any questions? Don and Eric, thank you for the work that you have done, and what I look forward to is over the next meetings throughout the upcoming year is to hear about what we have done, the steps that you have taken that you described, and what the reaction has been. Again, like I said about the *Public Agenda* itself, we do not want to create these plans and then not have them happen. So, we want to see the results. We want to see the actions taken and see the results. As

I said before, if anyone has any suggestions for improvements or enhancements to what Don has described, please let us know. We are always interested in better ideas and ways to improve. Thank you again, Don.”

## 9. Public Agenda Focus

### Performance Report

Mr. Sevener said, “The first item on your *Public Agenda* Focus is the presentation of the Accountability Report which, in this inaugural addition, focuses on Goal 1 of the *Public Agenda* - - increase the number of Illinoisans with college credentials or degrees, eliminate the achievement gap, bring adults back to college and graduate them, and reduce geographic disparities in educational attainment.

“First, I want to recognize and thank Karen Helland, Assistant Director for Budget and Planning, for her exceptional work to produce this first *Public Agenda* Accountability Report. We really owe her a debt for all the significant and hard work that she did on this.

“Second, let me emphasize that this is a state report. We are not looking at institutional performance in this report. The numbers you see are generalized or aggregated at the state level, which raises an interesting question. How can the state, or say the Board of Higher Education, be held accountable for results that we have no direct control over? We do not enroll students; we do not grant degrees. So how can we be held responsible, or so can we be held responsible for moving the needle when it is not our needle? I believe the answer is yes we can. And, yes, we should accept responsibility and even welcome it. That, in my mind, is what the *Public Agenda* is all about.

“When you adopted the *Public Agenda* two years ago, you, the Board of Higher Education, were saying to our elected leaders and to yourselves, here is where the buck stops. The *Illinois Public Agenda* has identified serious challenges to the future economic well-being of the state and its citizens. It is our collective job -- administration, legislature, state education agencies, and the broader P-20 community -- to fix them. If together we are not all accountable, who is?

“So, what does this report tell us? Basically, it tells us what most reports of this nature tell us. We are doing well in some areas, not so hot in others, and need to improve everywhere. It tells us we have made modest gains in educational attainment and enrolling adults in college, but we are losing ground in eliminating the achievement gap between minority and white students. At this stage, the Accountability Report tells us no more than that.

“So, what do we do now? There are three things. First, we do what we have been doing. We continue to lay the groundwork and erect a superstructure that will support advances toward each goal of the *Public Agenda*. We will continue to build the longitudinal data system, improve degree-completion through Complete College America, increase college readiness through the common core standards, strengthen school leader preparation, pass legislation to reform higher education finance and relieve excessive regulatory burdens, and a host of other initiatives and efforts designed to achieve the goals of the *Public Agenda*.

“Second, we will continue to monitor the performance measures and the data to see where the numbers take us, much the way a doctor watches the vital signs of the patient. If the

achievement gap remains stubbornly resistant to improvement, that should guide us -- us, meaning this Board, the broader P-20 education community, the General Assembly, and Governor -- to take steps and direct resources needed to turn that trend around.

“And third, we will begin to measure progress at the campus level through the attainment metrics of Complete College America, through the rich and meaningful data stream that will flow from the longitudinal data system, and through performance-based funding.

“That is the background of this Accountability Report, and now I would like Mike to present some of the specifics of the report, and we will be pleased to answer any questions you may have.”

### **Higher Education Finance Study Commission (SJR88) Report**

The Honorable Edward Maloney, Chairman of the Higher Education Committee, said, “Thank you for allowing me to participate today. Being part of that whole *Public Agenda* process was, for me, one of the most meaningful things that I have ever been involved in since becoming a member of the General Assembly in January 2003. In the offshoot of that, the Higher Education Finance Study Commission, SJR88, which we have been involved in for the past several months, again, thank you for all who participated and thank you for all who attended.

“I want to encourage people to please look at the report to the Governor and to the members of the General Assembly. It is put together very well, and I will make sure it is communicated. I will communicate it directly. I have hand-delivered other information to members of my committee. Because of the progress that we have made on the *Public Agenda*, I have made a formal request already to continue my chairmanship as the higher education chair when we begin the 97<sup>th</sup> session of the General Assembly in January and will talk to President Cullerton and make sure that is OK with him, as well.

“The report includes, what we examined was an assessment of the current status of state fiscal policy in Illinois toward higher education. We looked at some trends nationally, and how these might impact the State of Illinois. We did look very closely and heard a number of proposals relative to performance-based funding and the philosophy surrounding that, which would be a positive rather than a negative philosophy. And we looked at the various concepts of financial aid policy and the MAP program. We have made some recommendations that I think are going to be very good. We heard loud and clear, and I have had personal conversations with the presidents of the universities not just about revenue, but on the predictability of revenue for universities and the community colleges: We can operate if we knew exactly how much money we are going to get and when we are going to get it. The focus is on the state’s responsibility to do that, and I will do everything that I can to see that we follow through on that.

“Again, we looked at the unfunded mandates and the burdens they create for higher education. We are going to look at this concept of performance-based funding. Just exactly what form this will take, we do not know yet, but I can promise you we will be very careful to take into consideration the uniqueness of every state university in the State of Illinois, and we will look at our financial aid policy, and perhaps as it relates, for example, to the concept of MAP, the fact that it is a need-based program, but to go on beyond that first year perhaps have some sort of academic progress component connected to that, because I think we are all hoping for some kind of accountability.

“So, this is a time when I think all ideas need to be considered not only the ideas that came out of this Commission, but ideas that may come out of this special Commission as well, and not only out of SJR88, but this Commission. It is a start. And I might remind you, as well, that despite all the work that we and this Commission have done, there is nothing that stops any member of the General Assembly on January 10 to introduce legislation. These people may not have been part of this, they may have read only a part of this report, they may have heard rumors about the report, but any member of the General Assembly can throw out a bill that we are going to have to discuss. So, clearly the discussion on many of these issues, while we have discussed them for quite awhile, it is just beginning. I might just add that this is not a time for the higher education community not to be unified. I think that we have to be together as it relates to the whole concept, and I think that the way we do that is simply keep the students in mind no matter whether that student is 18 or 35 years old. We have to, I think, keep that in mind as we move forward and accommodate the needs of the State of Illinois.

“So I look forward for a continued dialog on any of these issues. I would be happy to look at and sponsor legislation, and again, Don Sevener knows my strategy, and passing this bill is not to just throw it out there, and hope it flies under the radar because that never happens anyway. Eventually, somebody is going to take a look at it. So the idea is to get everybody at the table, discuss the issue, and to move forward. Chairwoman Hightman, thank you so much for the opportunity here today. Again, thank you for all your help. Thank you for all your participation. I look forward to continuing to work with you.”

Chairwoman Hightman said, “Thank you so much for your support of higher education in the State of Illinois.”

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

### **MAP CAP Blue Ribbon Task Force**

Chairwoman Hightman said, “In essence, what we are doing, consistent to what I said earlier in my opening comments, is recommending the establishment of a Blue Ribbon Task Force to review the proposal of the Illinois Student Assistance Commission to expand the Monetary Award Program, the MAP program, with supplemental funding provided by certain investment bonds that they proposed.

“I propose, and the Board hopefully will agree, to have this Task Force created to look at an option for more dollars because we all know there are not any new dollars now, and we are hoping to be able to at least keep what we have. It is our goal, as the Board of Higher Education, and the goal of probably everybody sitting in this room, to ensure that the maximum number of students get the MAP funds that they qualify for. What we know is that half of the students that applied for MAP funding did not get it because the money ran out. We all should be figuring out ways to get additional funds for students so that they can go to either community college or to four-year colleges. So that is the idea here. There are a couple of people that want to speak representing the community college sector.”

Mr. Geoff Obrzut, President and Chief Executive Officer of the Illinois Community College Board, said, “Thank you Madam Chairwoman. I appreciate it. I passed out the position paper that we have on this issue on the current proposal from the Illinois Student Assistance Commission. I wanted the Board to see it. Obviously, you got letters from our Board Chair, Guy

Alongi, e-mail correspondence the last couple of days stating that we are opposed to the current proposal, and our Board did, in fact, vote it down in our last Board meeting. The Illinois Community College Trustees Association -- either after our Board meeting or before it, I forgot which -- voted down this proposal. But we did want to give it to you so that you at least understand where we are coming from on this issue. We had our own task force that is still completing their work. They met for the last time last week. We are just completing our report, and we will have recommendations to this Board as well as to our Board."

Chairwoman Hightman said, "Recommendations of whether to do the funding?"

Mr. Obrzut said, "Alternative funding and other proposals. They did also shoot down this proposal though, as one of their suggestions, just so that you know that. But I just wanted to let you know that we are looking at other alternatives. We are interested in working together to keep the higher education system together and try to get this worked out. We are just happy to show you the input that we do have. If you do decide to do the task force, I know that Guy has asked that Sue Morris, our vice chair, serve on the task force. We do not see a need for the task force, but if you do go that route, that Sue Morris will be one of our representatives. She has been very vocal on the issue."

Chairwoman Hightman said, "Just so that I understand, it is the Illinois Community College Board's position that only the community colleges and the groups that represent community colleges should create any task forces to look at the issue of how to get more funding for students to go to both community colleges and four-year colleges?"

Mr. Obrzut said, "No. This proposal deals directly, we feel, to the community college system."

Chairwoman Hightman said, "But the MAP funding, as I understand it, is for ..."

Mr. Obrzut said, "That is not the way this agenda was written. The agenda was written, as it seems to me, like it was chartered to this proposal."

Mr. Guy Alongi said, "The intent of the bonding was directed at community college students."

Chairwoman Hightman said, "I am looking at the proposal, and it is not limited to two years. It just proposed to get additional funding for MAP grants. Let me ask you this just so that we are clear. If, in fact, what I am saying is true, and Don and Andy are here, and Andy, maybe you can come up and clarify this. The funding is for four-years (institutions) and two-years (community colleges), right?"

Mr. Andy Davis, Executive Director, Illinois Student Assistance Commission, said, "Hopefully, what is on the table now would bring more money for every sector for students who are currently eligible for the MAP."

Chairwoman Hightman said, "I know you probably could not hear, Guy, because Andy spoke up from the audience, but Andy confirmed what I just said that the funding that we are talking about would be for MAP grants that could be used by students of both two-year and four-year institutions."

Mr. Alongi said, "That was not the proposal that was presented to us. The proposal that was presented to us was that they were going to sell \$500 million worth of bonds, and that money would be directed to the community college students to be paid back by income taxes that the community college student would make after earning the degree. That is what we understood. The State of Illinois cannot pay its own debt now. If they sell bonds, then they are going to have to pay interest on those bonds."

Chairwoman Hightman said, "What I would like to do is to have Andy come up and address what you just said because my understanding is that your statement is based on some false assumptions or a misunderstanding of facts. Guy, can you repeat what you just said or maybe I can repeat it. Tell me if I paraphrase incorrectly."

"What Guy said was that the proposal that was brought before the Illinois Community College Board he believed was for MAP funding only for students of community colleges and that the bonds would be paid for out of income tax revenues from the state. Is that what you said?"

Mr. Alongi said, "I said income tax revenues that the students would make in addition to other income taxes."

Chairwoman Hightman said, "Maybe you want to correct what students, what university, what institutions, and where the dollars come from."

Mr. Davis said, "A number of proposals that we have had going back over a year now, when I first spoke with the Illinois Community College Board at their fall meeting in Galesburg was when we first broached the topic with them, and the present proposal that we have on the table that we have incorporated in the round of our budget for fiscal 2012 proposes a \$100 million addition to the MAP program. The MAP program would go from \$405 million that we spent in fiscal 2011 to \$505 million. In doing so, it would allow us to update tuition and fees by five years, I believe, from the current 2003-2004 tuition we are using to make it 2008-2009 that would allow us to increase the EFC (expected family contribution) cut-off from \$9,000 to \$10,000. It would allow us to increase the maximum award by a couple hundred dollars. It would allow us to fund an additional roughly 60,000 students."

Chairwoman Hightman said, "Students of what institutions?"

Mr. Davis said, "All public, private, four-year, and two-year. The preponderance of them would be community college students, but not all of them."

Chairwoman Hightman said, "Is that because that it is typically how the funds are used even without this?"

Mr. Davis said, "Incremental funds at this point, if they are added to the present situation, will disproportionately favorably impact community college students just as community college students are being disproportionately negatively impacted today by the shortage of funding. But the formula changes that we are proposing would bring additional funds to students at private institutions, proprietary institutions, public four-years, and public two-years. The funding mechanism that we are proposing is a legislative carve-out, a pledge by the State of Illinois, of tax revenues of certain MAP recipients. In this case, specifically, community college recipients, but it in no way involves any extra payment by them. It involves no extra obligation by them. It is

strictly a useful and convenient mechanism whereby the Department of Revenue would capture those monies, put them in a lockbox that would be subject only to the claims of the bond holders. Any monies in excess of the monies necessary to pay the principal and interest would go back to the general revenue fund of the state. So, in no way at all it creates any obstacle, obligation, new paperwork, application, or anything different for any of the MAP students. All it does is provide the opportunity for an extra 60,000 students to get grants in fiscal 2012.”

Mr. Mike Monaghan, Executive Director, Illinois Community College Trustees Association, said, “Thank you Madam Chair and members of the Board. I know there is some confusion about this issue in terms of why the Illinois community colleges would not support an initiative by the Illinois Student Assistance Commission to help the community college system.”

Chairwoman Hightman said, “No, to help all students in Illinois. That is the difference between what you are saying and what Andy just said.”

Mr. Monaghan said, “This is correct. I would clarify, Madam Chair, that the presentation that we had received and the proposed legislation that we had read, indicated much more support for community college students and a program that would be created to fund MAP grants for community college students, and that is what we are talking about.”

Chairwoman Hightman said, “I would think that you would be jumping up and down for joy about that.”

Mr. Monaghan said, “We would.”

Chairwoman Hightman said, “As opposed to challenging.”

Mr. Monaghan said, “We are here to express our appreciation for that kind of support, that kind of attention, and we wish to thank Chairman McNeil and Andy for helping bring attention to a very, very critical need within the community college system and with it, the student population of the community colleges. We, however, have some concerns that are very basic beyond the appreciation that we have for bringing this type of attention to the community college student, and that is the attention that we were informed of in presentations that were brought to the community colleges.

“Our concern is that the proposal would treat the community college student differently than the rest of the students within higher education. That being that the community college student MAP grant would basically be moving in a direction that would be based on a borrowing program for recurring expenses year after year for five years as it was presented to us, and that the preponderance of participants would be community college students, and that this program would be primarily created to help community college students. That puts the community college student on the basis of a borrowing program for MAP, and it moves all of the other students into a GRF-funded portion of the MAP grant.

“Currently, community college students receive just a little over \$50 million in MAP grant funds each year, and all of the other sectors receive the balance of that \$405 million. The proposal that was brought to the community college system suggested selling approximately \$100 million in MAP grant bonds per year, human capital investment bonds per year, for purposes of allocating all of those dollars for community college MAP grants and taking the existing \$50-plus- million that the community colleges receive and moving those into the public universities,

the private universities, and all other students who receive MAP grants. It was our understanding that there was an intention that the community college students would receive the entire \$100 million in MAP grant proceeds, \$100 million in proceeds from the sale of the bonds for purposes of community college student MAP grants.

“We are delighted to receive that kind of attention. However, we are very concerned about treating the community college student differently, basing them on a borrowing program and separating them from the way the other students in higher education are treated. That is the basis for our concern.”

Chairwoman Hightman said, “Because now that this is the first time that I have actually heard it stated what your concern was, maybe Andy could address whether there is some misunderstanding in the basis in your description of how the program would work.”

Mr. Davis said, “Sure. We have been engaged with the folks from the Community College Trustees Association -- Mike and I, Geoff, others, and Guy for that matter -- have had a number of discussions over the last year, and we at the Illinois Student Assistance Commission have learned a lot from these conversations and have adjusted our plans and suggestions along the way.”

Chairwoman Hightman said, “And, by the way, that is what the task force would do, which is why I would question why anyone would ever not want to look at options and figure out if there is some flaw. Like I keep on saying all day today, and I have been saying this: If there is some better way of doing it, let us work together and figure it out whatever it is.”

Mr. Davis said, “That is what I was about to say. That is why we support this formation of a task force that can perhaps lower the volume in the room a little bit -- I have been known to speak too loudly, and I apologize for that -- and have a group of experts from the fields of economics, finance, workforce development, and education, sit down and give this higher education board some sound guidance. All of us who participated in the Higher Education Finance Study Commission knew that we had some healthy dialogue and some back and forth, but it did not ultimately lead to any sort of unanimous conclusion that would allow us, as Senator Maloney has said from time and time again, to speak in harmony on behalf of higher education, which is why we thought this development of a task force would be a great solution.

“The questions that Mike raises are things that I think we have heard along the way, and in our most recent version, have tried to address. I would suggest that there is very little here, I think, that cannot ultimately be resolved for the benefit of the students who, what we, as the Student Assistance Commission, are interested in, in expanding their opportunities. That is why we support such a forum.”

Mr. Alongi said, “I would very much like to ask Andy a question. Andy, under the bond proposal, is there any other state that is doing that -- a buy-in of \$400 million versus fully bonding themselves?”

Mr. Davis said, “Yes.”

Mr. Alongi said, “One of the questions we had was when we start selling bonds and the state does not have a buy-in to it, or a stake, then they can take that \$400 million and they can

send it somewhere else, and all of a sudden we are sitting there holding the bag with all these student loans.”

Mr. Davis said, “Yes. That was one of the earliest and first and best points I thought that was brought to our attention. I think a couple of people came up with it once, both Illinois Community College Board staff along with some of their, I think, Guy, you, mentioned that to me. Senator Toi Hutchinson suggested what I thought was a very sensible solution for it and one that we heartily endorse, which is to write into the authority to issue the bonds that it is subject to a maintenance of effort of GRF funding for the MAP program. One of the things that we have asked for is that not a dollar of the bonding would be instead of GRF funding, but that any bonding authority would be contingent on a maintenance of effort of \$405 million level for the MAP program, which is the highest level the MAP program has ever been at, so that we could make sure that this was incremental. We thought that was a terrific idea and an example of one of the many ways in which we think that other people brought great ideas and improvements to the initial proposal we had made.”

Mr. Alongi said, “But you are still selling bonds, so the state still has to pay the interest on the bonds, and you are rolling the dice on whether the state has any money at the end to pay the interest, is that correct?”

Mr. Davis said, “No. I do not think that is accurate, Guy. I think that the Wall Street bankers will tell you and the folks at the State of Illinois who issue the debt, who we have been in very close contact with, the State of Illinois now has issued, I think, over \$8 billion of debt this year and what they have found in the market, because certainly there are plenty of newspaper headlines that would indicate that maybe someone should not buy the debt of the State of Illinois. But what the investors have made very clear to the State of Illinois is if there are specific sources of revenue to pay off debt, they are delighted to lend the State of Illinois money. And they just did that most recently on \$1.5 billion of tobacco settlement money where we have pledged a source of money in the future to pay down those bonds, and not only were they willing to sell the State of Illinois \$1.5 billion worth of bonds, but there were people who wanted to buy up to \$5 billion or more of those bonds. This particular bonding is not a general obligation of the state. We do not think that would sell. I certainly would not buy it myself. It is a specific pledge that would be carved out by legislation that pledges a certain, relatively small stream of income tax revenues to pay down the debt.”

Chairwoman Hightman said, “What I would like to do is this, in the interest of time. What this very brief discussion has told me is that there is clearly misunderstanding on both sides and the ability to modify the proposal to the extent that modification is warranted as we all talk. So, I think that this whole conversation has proven to me the necessity and value of convening a task force to talk about this with the community college representatives who have raised some issues. To the extent the issues are based on the facts, then we might need to make some modifications; to the extent they are based on a misunderstanding of the proposal, then perhaps you will not be objecting to it once there is a clearer understanding of it. I am not saying that there is not, but if it needs to be modified, then we want to know. But I want to have the right people in the room.

“What I find not very productive, and, in fact, what I find very troubling, given the economic environment in which we are all working right now, is this division and this ‘it is mine and not yours’ and ‘we are going to decide it, and we are not going to want you to do anything.’ I personally have not been very pleased by the fact that I have been inundated with e-mails that

have been playing to some audience, which is just a very small group of the stakeholders here, trying to be tough with me saying things like, 'we are disappointed that you have taken the stand that it is a bonding issue that only concerns community college students and we are the Board's state agency that deals with all community college issues.' Well, let me tell you, the Illinois Community College Board is not the Board that deals with funding for scholarships and grants. When I read the mission of the Illinois Student Assistance Commission, that is the Illinois Student Assistance Commission's mission, this proposal is not only about community colleges, and so I would hope that we all work together. We are brethren in higher education here. Instead of being possessive and obstructive and sending me e-mails like this, which really is a waste of my time, that you would say, 'let us talk about it; I want to be part of the discussion,' not, 'I am not going to participate.' That is not the way any of us should be working. And shame on anybody who is standing in the way of finding additional dollars for students.

"We are all trying to do the right thing here, and quite honestly, for the fee that we get for sitting on this Board and doing this stuff, it is not worth my time doing this. OK? Participate with us. Join in the effort; talk to us; give us real facts. Today was a good discussion. I understand better now than I did before -- at least what you are thinking the proposal is versus what I understand the proposal to be. We have to understand the facts first before we get into a debate here, and that is the purpose of a task force. So, I personally do not like wasting my time on BS, and that is what I feel like I have done for the past week. I like to move forward, be productive, have good ideas, and find ways for more students to get MAP funds. That is what this is about.

"So, I would ask for a motion from the Board to convene this task force to look at the issue and work with the Illinois Community College Board. And we have got some ideas about financial and economic experts that will advise us. Let us see what is out there. Let us figure out a way to help more students. It is not about your institutions. It is not about the Illinois Board of Higher Education. It is about the students of the State of Illinois. Is there a motion?"

Mr. Jay Bergman said, "The way I am seeing this, the Community College Trustees Association is adamantly against it, and the Illinois Community College Board is against it. When Geoff was talking a few minutes ago, he said that he would be willing to continue talking or discussing things. Obviously, the Illinois Student Assistance Commission is for it. I guess I am not really sure what the Illinois Board of Higher Education is doing with it, but that aside, it seems to me a better way to go is if our community college folks are willing to continue discussing it in good faith, and the Illinois Student Assistance Commission folks are willing to continue discussing it in good faith, maybe instead of creating this task force and doing this, maybe we give them two or four months. We table this thing. Let them talk and see if they can come to more of an understanding. If they can, fine. If they cannot, we are in the same position that we are right now, and it can be done now."

Chairwoman Hightman said, "I totally disagree with that proposal for a variety of reasons including that we need to know for the spring legislative session what we are doing. We do not have the time to waste. So that proposal will not work. And the reason we are doing this, at least in my view, we are the overseer -- the coordinator for all higher education in the State of Illinois. This issue does not belong to the Illinois Community College Board, and they cannot hold it hostage. If they are willing to talk, we want them involved in the process. If they do not want to talk, then we will look at it and have the right experts look at it. Our goal is to figure out ways to meet the four goals in the *Public Agenda*, one of which is affordability. We cannot get to affordability if we do not have more dollars. One way to get to affordability is to have more

dollars for students who want to go to our institutions of higher education in the State of Illinois, and so, I would really oppose what you just proposed because what it would do is make us lose this session. We would not have enough time.”

Mr. Bergman said, “I am just afraid that it is going to alienate a lot of our friends.”

Chairwoman Hightman said, “I think that our friends have alienated a lot of us.”

Dr. Frances Carroll said, “I call that we move forward to the vote.”

Dr. Addison Woodward said, “Will the Illinois Community College Board have anyone on this task force?”

Chairwoman Hightman said, “Yes. From the beginning, just to be clear, contrary to some of the e-mails that went to some of the group here, from the first time I talked to Guy about this, I said I want community college participation on the task force. It was always intended. You know how we do business since I have been chair where it is transparent and everybody is involved. And I asked Guy for a name, and he gave me the name Sue Morris. Are there any other comments?”

*The Illinois Board of Higher Education, on motion made by Ms. Georgouses and seconded by Dr. Carroll, hereby establishes a blue ribbon task force, to be appointed by the Chairwoman, to review the Monetary Award Program human capital investment bonds proposal and requests that the task force report its findings and recommendations to the Board by February 2011.*

Mr. Alongi and Mr. Bergman voted no with regard to the creation a Blue Ribbon Task Force to study the MAP CAP Human Capital Investment Bond.

Chairwoman Hightman said, “The motion carries and the task force will be created. I will provide information on who is going to chair the task force and the composition of the task force. Other than Sue Morris, who we already know, the objective here is to get some financial and economic experts to look at the mechanics of this to better advise us so we all know what it really means and how it will impact both the state and students, which is what I think underlies some of the issues raised by the community college representatives. So, it is not going to be your usual suspects here on this task force. It will be other professionals who can really help us address the issues that have been raised.”

Dr. Addison Woodward said, “I do not hear the community college folks questioning the finances.”

Chairwoman Hightman said, “I think they have raised questions about how it impacts both students and the state, the way the mechanism would work. That is what I meant, but they will look at all the issues among other things.”

Mr. Alongi said, “We are not opposed to the issue of funding.”

Dr. Woodward said, “I know that.”

Mr. Alongi said, “We are opposed to the selling of the bonds.”

Chairwoman Hightman said, “Guy, I do not want to debate the bonds now. We just created a task force. Sue Morris will be a part of it.”

Mr. Alongi said, “We are supposed to have open dialogue, and I am just telling you what I think.”

Chairwoman Hightman said, “We just voted. Anyway, the task force has been created. I will let everyone know who is going to be on the task force. Again, if you have any suggestions of people who could be useful here, I know we already have one and Sue will be on, but if there are any other suggestions of people or types of people that would be helpful to look at this issue, please let me know. The charge will be that the task force provide a report to the Illinois Board of Higher Education in February at our meeting, so that if there is going to be a proposal like this put forth, we will be able to know what it means. We want to make a decision about it before the legislative session gets into full speed.”

Dr. Frances Carroll said, “Chairwoman Hightman has to leave for a very important engagement, and I am going to try to sit in her place.”

### **III. ACTION ITEMS**

Dr. Bob Blankenberger said, “We have included in the memo, a listing of all pending academic programs and all authorization proposals submitted to the Board through November 17. Since then, 17 additional proposals have been received, all from independent institutions. As of Monday, December 6, there were five new requests for program modification in addition to those reported in the memo.

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

Dr. Blankenberger 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. Washington and seconded by Ms. Hamouda, hereby grants authority to College of Lake County to offer the Associate of Applied Science in Game Development 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 grants authority to Illinois Central College to offer the Associate of Applied Science in Personal/Fitness Trainer 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 grants authority to Lewis and Clark Community College to offer the Associate of Applied Science in Biological Laboratory Technician 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 grants authority to Morton College to offer the Associate of Applied Science in Fire Science Technology 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.*

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

Dr. Blankenberger briefly outlined the contents of this item. The Board had the following discussion following his presentation:

Dr. Woodward said, "At what point does an out-of-state institution, after they have offered a number of degrees here, need to think about becoming an in-state institution? Is that their choice or do we have some statute requiring them to do so?"

Dr. Blankenberger said, "When institutions apply for operating authority, they describe how they will deliver their programs. They can do so at a variety of facilities. The facilities have to be adequate. They do not transition necessarily to be an in-state institution until they become headquartered here."

Dr. Woodward said, "So it is just the nature of headquarters?"

Dr. Blankenberger said, "It is the base of operation."

Dr. Woodward said, "It kind of becomes a mute point, does it not? If they are moving a lot of degree programs here, maybe they have two headquarters."

Dr. Blankenberger said, "Well, in essence, once they have received operating authority, then the subsequent addition of new degrees are under consideration separately, but the operating authority will be separately considered for each region of approval. They have to demonstrate how they deliver in that particular region at that particular facility."

Dr. Woodward said, "Related, there is a footnote in the preliminary fall enrollment where five institutions which were once in-state, but now out-of-state, so did they just say we are no longer going to have our headquarters here?"

Dr. Blankenberger said, "No. That was actually a change in the choice for data reporting. There was some clarification that was required. The headquarters of some of the institutions and the ones that you have noted were, in fact, in another state. They had branch campuses in Illinois as opposed to the main campus in Illinois. So it was more of a data reporting issue."

*The Illinois Board of Higher Education, on motion made by Mr. Ruiz and seconded by Dr. Woodward, hereby grants to Cardinal Stritch University the Certificate of Approval and Authorization to Operate and to Grant the Doctorate in Leadership for the Advancement of Learning and Service (Doctor of Education/Doctor of Philosophy) 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 grants to Lewis University the Authorization to Grant the Bachelor of Science in Air Traffic Control Management, the Bachelor of Science in Aviation Administration, and the Bachelor of Science in Aviation Security in the Chicago Region subject to the institution's implementation and maintenance of the conditions that were presented in its applications and that form the basis upon which these authorizations are granted.*

*And grants to Missouri Baptist University the Certificate of Approval and Authorization to Operate and to Grant the Bachelor of Arts/Bachelor of Science in Behavioral Science, the Bachelor of Arts in Criminal Justice, the Bachelor of Professional Studies, the Master of Arts in Counseling, and the Master of Business Administration in the Southern 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 grants to Saint Anthony College of Nursing Authorization to Grant the Bachelor of Science in Nursing 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.*

*And grants to Zarem Golde ORT Technical Institute the Certificate of Approval and Authorization to Operate and to Grant the Associate of Applied Science in Accounting in the North Suburban 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 grants to Argosy University – Chicago Campus Authorization to Grant the Master of Arts in Education in Higher and Postsecondary Education and the Master of Public Administration 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 grants to Argosy University – Schaumburg Campus Authorization to Grant the Master of Arts in Education in Higher and Postsecondary Education and the Master of Public Administration in the North Suburban 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.*

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

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

*The Illinois Board of Higher Education, on motion made by Ms. Georgouses and seconded by Ms. Hamouda, hereby grants to University of Illinois at Chicago authority to establish the Master of Science in Forensic Toxicology 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 grants to University of Illinois at Urbana-Champaign authority to establish the Department of Gender and Women Studies 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 grants to University of Illinois at Urbana-Champaign authority to establish the Bachelor of Science in Agricultural Communications 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 grants to University of Illinois at Urbana-Champaign authority to establish the Master of Science in Health Communication 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 grants to University of Illinois at Urbana-Champaign authority to establish the Doctor of Philosophy in Informatics 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.*

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

Dr. Carroll said, "We will vote on the Consent Agenda Items 13, 14, 15, and 16. Item 17 is being removed. It will be discussed separately."

Mr. Bergman said, "Will Item 17 still be considered today but just removed from this particular vote?"

Dr. Carroll said, "We will consider Item 17 today, but it will be removed from the consent vote of Items 13, 14, 15, and 16, which we will vote on as a group."

*The Illinois Board of Higher Education, on motion made by Mr. Ruiz and seconded by Dr. Woodward, unanimously approved the following items:*

#### **13. Board Meeting Minutes - October 5, 2010**

*The Illinois Board of Higher Education unanimously approved the Minutes of the October 5, 2010, meeting.*

#### **14. Fiscal Year 2010 Financial Report as of October 31, 2010**

*The Illinois Board of Higher Education unanimously approved the fiscal year 2010 financial report dated October 31, 2010.*

#### **15. IBHE Administrative Rules: Regulatory Agenda**

*The Illinois Board of Higher Education unanimously hereby adopts the proposed January 2011 Regulatory Agenda as contained in this item to be published in the Illinois Register.*

## **16. FY2011 Nurse Educator Fellowship Awards**

*The Illinois Board of Higher Education unanimously here approves the allocation of \$180,000 to 18 eligible institutions on behalf of the 18 individuals recommended to receive \$10,000 Nurse Educator Fellowship awards for Fiscal Year 2011(see Appendix 1).*

Dr. Carroll said, “We will now have Item 17 - Public University Noninstructional Capital Project Approval.”

## **17. Public University Noninstructional Capital Project Approval**

Mr. David Benjaih said, “We are looking at this project, Living and Learning Initiative for \$94.3 million, and that is considered in the light of a project that was approved for Northern Illinois University four months ago for \$80 million. Now that was a public-private project, and that was a matter of contention at that time, at least a contention from this member. This particular issue that stands now is broken down into multiple projects, and there are issues of concern, if I take a look at these quickly. The first project would be a sprinkler system, which is the Stevenson Towers Residence Hall, and that project is for a total of \$2.7 million, rounding up. Now that, of course, is a project that needs to be done. It is a reasonable project, but what is lacking in the reason is that this is to bring Stevenson Towers into compliance with Illinois Statute 110 ILCS 47, which was from HB4361, passed in 2005. How is it that they did not in any way feel it reasonable to develop a fund six years ago in order to save money? This is an issue that I brought forth in the past and I continue to bring forth. Apparently, we need to drive this point home. So, we are going to spend a few minutes hearing about this again. If you had put aside a few hundred thousand a year -- guess what? -- it is all done now, as opposed to issuing a bond that you are going to pay 100 percent interest on. If we extrapolate that to other bond issuances, which is of course a major issue, it is something to be considered. I am just bringing this forward because I need people to consider it. I would like someone from Northern Illinois University to defend this. Is there a person present from Northern Illinois University?”

Dr. John Peters, President of Northern Illinois University, said, “I want to introduce some students who are part of this whole process. Our Student Association president, Eric Kilmer, had to get back to DeKalb. He waited patiently several hours for this item, but we have Jonathan Kite, our Residence Hall Association president, who was very much involved in this project -- the Living Learning Project in its complexity -- and we provided you with great detail because the IBHE Board expressed the need two years ago for more detail about these non-appropriated capital projects. So we have given you more detail than perhaps you needed. Maybe a \$2.6 million item on sprinklers would be one example of that. This is part of a larger project -- Vision 20-20 -- for us to reexamine how we do everything at the University to remain competitive, and the Living Learning is part of this. It has been going on for three or four years. As far as the sprinkler thing, that is rather interesting because we have gotten a mandate -- all public universities had a mandate -- that we have to come into compliance with by, I think, 2013. Dr. Williams is here, our chief financial officer. Our total burden was a heck of a lot more than \$2 million. We had no money appropriated for it, and so every year we have had a very systematic plan for bringing one residence hall on at a time. I just want to say that this has been approved at all of our levels, including our finance committee of our governing board. The chair of our Board would be here today, but I told him it was not necessary.”

Mr. Jonathan Kite, President of the Residence Hall Association at Northern Illinois University, said, “Thank you, President Peters, and members of the Board for having me here

today. I would like to commend Northern Illinois University for having the students so involved in this process throughout the entirety of it. I have been involved in this process myself for the past two years in my position as president of the Residence Hall Association, and one of the things that I love about the way Northern Illinois University does business is that there is a great job of shared governance that happens at Northern Illinois University.

“Not only were students involved in the planning process, but what we did, basically, is have town hall meetings to get student input, not only to present all the projects and what we are planning on doing with this, but also to get student input on what do they want to see changed and do they approve this. We wanted to get their input back on this. When we got the surveys back, we had about 1,400 surveys that were turned back in. We did this in a town hall format. We went to organizations, to Greek life, and to residence halls. We went everywhere we could to get student feedback. Ninety-two percent of the students who were surveyed said that they were in full support of this project. Eight percent of them said they were not, obviously. When we asked the question -- because this is a bond issue we are going to have to pay back these bonds and one of the ways that we are looking at doing that is through a student fee -- 70 percent of the students who were surveyed said that they would be in favor of adding an additional fee for the purpose of paying this off because these are projects that students care about. This is something that the students of Northern Illinois University want. When the students speak that loudly, that is something that, I feel, the students need to be heard. As a student leader, I feel that that is extremely important.

“Now also at the Illinois Board of Higher Education Student Advisory Committee, which I sit on as a voting member, this past weekend, we, unfortunately, were not able to meet quorum, so we do not have an official resolution that was passed, but there was a resolution of support presented to the Illinois Board of Higher Education Student Advisory Committee. Ari Shroyer, who is the secretary of the committee, actually has that resolution. It passed unanimously, but with one vote of present during that meeting. So if you would like to come up here and read that.”

Mr. Benjaih said, “No. That is improper, and it was not unanimous.”

Dr. Carroll said, “May I, in all respect, call for a motion and we will have a roll call vote rather than continue to debate this?”

Mr. Benjaih said, “There are six issues here. I would like to touch on all of these quickly. What I would like is for the respondent to be a little more terse in his response. That would be appropriate.”

Dr. Carroll said, “What kind of response do you want?”

Mr. Benjaih said, “What I still have not heard a response to is why there is not a reasonable fund generated six years ago in response to the need of this sprinkler system. You could say we have been bringing these things up-to-date one by one, and I recognize that. However, why do we need to pay 100 percent interest on bond issuances for this? I personally also stood behind the issue of the sprinkler system and you know that. But the point is that we need to have a little foresight. I mean, this is a room full of Ph.D.’s and, excuse me gentlemen and ladies, but can we not have some foresight in our spending initiatives? We are broke. The state is grossly behind the eight ball as far as what we are doing financially. This is actually \$125 million bond issuance for 2010, and \$75 million bond issuance for 2011. That is a lot of money.

You are going to put 100 percent on top of that in return, that is a lot of return. So you are putting a huge burden on the students not only of your school, but of all students when you consider this amortized over the great amount of time that needs to be reflected as far as these bonds. When we are looking at residence halls that are 40 and 50 years old, we need to start thinking in advance, saying: Look, we can build a fund because this building will break down in 40 years. All buildings break down in 40 years. Let us have a fund 40 years from now, guess what, whatever we do now is going to be needed to be done again, and when that is done again, let us have a fund in place that has been accruing interest as opposed to paying interest for a bond issuance. It lacks sense.”

Dr. Carroll said, “I can agree that we can have some hindsight, but I think also in all fairness to the school, I am going to ask Reverend Williams to speak to the six-year idea that we did not think of it six years ago. Would you speak briefly to this?”

Dr. Eddie R. Williams, Executive Vice President, Business and Finance, and Chief of Operations, Northern Illinois University, said, “I will do my best. We appreciate the question. To be very frank about this, as the president indicated, as far as the sprinkler systems are concerned, that was legislation that was brought down on the universities without notice that gave a mandate, which gave a time period for which that was to be completed, which was by 2013. Now, the mandate was excellent except there was no money that came with it. For Northern Illinois University, this is somewhere between a \$16 to \$18 million project. We began right away, by the way, in terms of utilizing what reserve funds we had, which were set aside for the development and the upkeep, renovation, and repair of those residence halls. We then tapped into those funds as much as we could to begin a program, which we put in place immediately of phasing in. We have finished about three of our residence halls already in terms of installations, and we are moving forward. The bond issue gave us an opportunity to speed up that process by including the sprinkler system for this particular residence hall within the bond issue, which is something that is certainly possible and is something that we can do.”

Dr. Carroll said, “Thank you.”

Ms. Heba Hamouda said, “I just want to get clarification. The student survey that was sent out, the 92 percent positive response was on every issue, right? Not just the sprinklers, but the entire project, and they were fully aware of the fee increase and what that amount would be?”

Dr. Williams said, “We did not establish what the fee would be at that point.”

Ms. Hamouda said, “OK, but they had an idea. Did they have an idea as to the approximation?”

Dr. Carroll said, “Could I have a motion?”

*The Illinois Board of Higher Education on motion made Mr. Ruiz and seconded by Ms. Georgouses, hereby approves the noninstructional capital projects included in this item.*

The roll call vote on Item IV-17, approval of the noninstructional capital project described in IV-17 was as follows:

Yes -- Bergman, Carroll, Georgouses, Hamouda, Hayes, McNeil, Rivera, Ruiz, Washington. No -- Benjaih.

Dr. Carroll said, "Is there any other business? I want to thank you for staying so late and thank the audience for being so patient."

There being no further business to come before the Board, Board Member Dr. Carroll adjourned the meeting at 4:35 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 December 7, 2010, meeting.