Board of Trustees

ANTIOCH UNIVERSITY

150 E. South College Street
Yellow Springs, OH 45387

937-769-1345 (Phone)
937-769-1350 (Fax)

ANTIOCH UNIVERSITY
BOARD OF TRUSTEES MEETING
MINUTES
November 2-4, 2006
YELLOW SPRINGS, OHIO

Note: These are the minutes of the meetings conducted ***closed and open sessions.***

Wednesday, November 1, 2006

The University Leadership Council met all day.
The Trusteeship Committee met from 4:30 – 6:30PM.
Members of the Investment Committee met with College students on the issue of socially responsible investing.

Thursday, November 2, 2006

Today's plenary session took place in the Auditorium of the Glen Helen Building.

Trustees present: Art Zucker/Chair, Bruce Bedford/Treasurer, Amy Chappell, Howard Coleman, Dan Fallon/Vice Chair, John Feinberg, Dianne Brou Fraser, Sherwood Guernsey/Secretary, Reuben Harris, Hal Joseph, Jeff Kasch, Niels Lyster, Tom McNicol, Sharon Merriman, Jack Merselis, Larry Stone, and Barbara Winslow.

Absent: Michael Alexander, David Crippens, Everette Freeman, and Paula Treichler

ULC: Toni Murdock, Chancellor; Laurien Alexandre, Vice Chancellor University Academic Affairs; Leslie Bates, Executive Assistant to the Chancellor & Assist't Secretary of the Board; David Caruso, President, Antioch New England; Barbara Gellman-Danley, President Antioch University McGregor; Tom Faecke, Vice Chancellor and Chief Financial Officer; LucyAnn Geiselman, President Antioch University Southern California; Mark Hower, Interim President Antioch Seattle; MaryLou LaPierre, Vice Chancellor for University Advancement; Steve Lawry, President Antioch College.

Legal Counsel: David Weaver

Others present: Karen Ely, Assistant Secretary of the Board; College Community members included Tom Wamsley, Vice President Antioch College Office of Institutional Advancement; Tim Gilliland, College CFO; Levi Cowperthwaite, College Community Manager; Rick Jurasek, College CAO; Paul Maasen, GM-WYSO; Jimmy Williams, Dean of Students; Jill Yeager, Professor; Kim Jurriaans. from the *Antioch Record*, and Mike Brower, Alumni Board and Class of '55. Other Antioch Community members were: Richard Norris, Antioch Seattle; Tim Jordan, Antioch New England; McGregor: David Manley, Seth Gordon, Iris Weisman; Administration: Milt Thompson and Suzette Castonguay. Also present were K. J. Spring; Tracy Daley of the *Dayton Business Journal*; and Lauren Heaton from the *Yellow Springs News*.

7:30 – 9:30AM
New Trustee Orientation.

The Plenary Session began at 9:30AM with a **Press Conference.** (The press release is filed with these minutes.)

Art read an opening statement referring to Toni's selection as Acting Chancellor in October 2005 and Chancellor in May 2006. "Since her original appointment, we have worked closely together to develop a University system that is greater than the sum of its individual campuses and yet benefits each of the campuses individually. We have studied extensively the best governing board practices available. All of these suggest that thriving institutions have a Board Chair and Chancellor who share the same values, trust each other implicitly and agree on institutional goals. Toni and I are in concert on these very things....[She] possesses the skills Antioch University needs today: creativity, financial acumen, energy, intelligence, trustworthiness and wit."

Toni thanked Art for his comments, adding that her goal is for Antioch to be a nationally known university. She pointed out that this requires a supporting structure and she has already begun to build a stronger university-wide system with several new appointments including Dr. Laurien Alexandre, as Vice Chancellor University Academic Affairs, Dr. MaryLou LaPierre, as VC of University Advancement, and Tom Faecke as Vice Chancellor and CFO.

Under her leadership, the ULC will complete the strategic plan, create a virtual commons, adopt academic policies, develop a new University web-site, and find new ways to collaborate among admissions, development, public relations and marketing professionals.

Applause.

There were no questions so the meeting was called to order.

9:40AM Call to order.
Art Zucker called the meeting to order and welcomed everyone. New Trustees were introduced along with the newest members of the chancellor's management team. When the new trustees were introduced, Amy Chappell provided some brief biographical information on Sharon Merriman, a 1955 alum of the College, and Jeff Kasch provided biographical information on Howard Coleman, a

1975 alum of the College. Art acknowledged the visitors in the room and asked them to introduce themselves.

Chair's Report (A copy of this entire report is on file with these minutes.)
Art presented his report to the Board in three parts: observations of his first year serving as chair; his goals for the year; and a review of this meeting's agenda with objectives to be accomplished by Saturday.

Art mentioned that he attended the Academic Affairs Committee retreat late August and urged his fellow trustees to read the minutes of that retreat. Based on his experience, he suggested that all committee chairs give consideration to scheduling retreats for their committees in the next year.

The highlight of his recent visits to Yellow Springs was when he attended part of the meeting of the University's academic deans where he observed the work being done by Antioch's academic leaders. "This group represents the core strength…the ***heart*** of Antioch," he said.

After completing one year in office, Art acknowledged a greater appreciation for Antioch's complexity, and he fully realizes the crucial importance of the Chancellor's influence: Her "leadership has had a major impact over the past year." He sees a great willingness within the organization to change in order to succeed, saying that "Toni has been diligent about keeping the Board informed, and working closely with the Chair."

He listed the various members of the ULC and some recent achievements of each. He also noted what a committed and competent Board Antioch University is fortunate to claim. "We cannot afford to be satisfied with where we are. There is much work to be done internally. There is much work to be done externally. In a few minutes you will hear the goals from your leadership team that will define this work….I see in this room a very competent ULC management team and a very committed Board; in total, a group of people capable of and dedicated to dealing effectively with the challenges before Antioch University."

Applause.

Art then presented his goals for the coming year on behalf of Antioch University with a focus on three themes:

- *Transparency*
- *Process consistency*
- *Competence.*

Art's list of specific goals are as follows:

1. Develop a more effective Board of Trustees; by leading the efforts to:
    - Strengthen the relationship between the BOT and ULC.
    - Develop succession planning within committees and among Board officers.
    - Keep Trustees informed of University matters and focused strategically.
    - In conjunction with the Chancellor, create productive Board meeting agendas.

2. Continue to foster a strong, positive relationship with the Chancellor that demonstrates trust, confidence, support and mutual respect.

3. Provide support, as needed, to all Board committees; with particular attention to Development regarding Trustee giving, and to Trusteeship regarding Trustee recruitment.

4. Participate in continuing education activities to improve performance as Board Chair as well as to validate best practices. This can include conferences, meetings and studies provided by BoardSource, AGB, Conference of Board Chairs and other sources.

Art turned the floor over to Chancellor Murdock.

The Chancellor's Report. (A complete copy of Toni's report is on file with these minutes.)

Toni explained that the overall theme and goal during her work over the next two years is *building a university*, the first step of which is to build a structure. Toni provided detail on Tom Faecke's and Laurien Alexandre's backgrounds. She was pleased to announce that MaryLou LaPierre is filling a position the Board has been wanting, a vice chancellor for University Advancement. The search for a Chief Information Officer is still in process.

Art reviewed the agenda, then listed his objectives for the meeting – that if the sessions are successful, we will all leave here Saturday with:

- A clear understanding of the financial picture of Antioch University.
- A comfort level with the relationship between management and trustees.
- A clearer picture of University accountability and delegation of authority.
- Better direction for the relationship between the BOVs and the institution.
- An identification of the tasks that need to be accomplished in the short-term.
- A satisfaction that the participants have adequately applied the "Norms for Our Work Together."

There was a break from 11:00 – 11:15AM.

After the break, the Board reconvened in **closed session** for a retreat-style format, for discussion founded on an essay written by Toni Murdock, "The Relationship Among Antioch's Trustees and its Executives Concerning Expectations in Communication and Responsibilities." This essay and excerpts from *The Leadership Imperative* (a compilation of conclusions made by the AGB task force in *Trusteeship Magazine*) had been provided ahead of the meeting and are on file with these minutes.

(Note: University and College personnel *Vickie Nighswander, Deena Kent-Hummel, Pam Grueber, Karen Ely, and Joanne Prinz* served as scribes for this session. Laurien Alexandre condensed all the notes from this session, compiling them in one document, which is on file with these minutes.)

Art outlined the task for the breakout groups, suggesting 40 minutes be allocated to each subject, noting that additional questions may be added and that there would be 15-20 minutes for open discussion for any questions or comments.

The three areas of discussion on which to draw consensus:

1. University Accountability & Delegation of Authority (suggested questions pp. 4, 5)

2. Roles and Responsibilities of BOV's – Fund-raising Structures (p. 5)
3. Communications between/among Board, Chair, Chancellor, Presidents and Staff (pp.7,8)

Breakout groups were adjourned at 1:15PM.

State of the University Report.
At 1:30PM, the Board continued in **closed session**. Tom Faecke introduced Deb Caraway (College Comptroller) and Virginia Dowse (University Director of Finance & Budget Planning). Handout: "Report to the Board of Trustees, Financial Information." Tom explained the various slides: Funded Reserve Summary for 05-06, the FY07 Budget Reduction Plan for AUSC, the College Enrollment Estimates, Sustainability Analysis.

College Update. Steve Lawry gave an update on the cultural state of the College and provided some ideas on solutions including academic rigor, civic engagement, science, writing, study abroad, and the arts. He said that building a new Antioch entails revamping the structure and operations, a realignment of faculty to meet new needs. His report is on file with these minutes.

Art asked if there were any questions.

Steve was commended by several trustees on the frankness of his report.

Mark Hower stated that the ULC understands how important it is for the College to succeed and that the campus presidents want to help.

It was noted that the problems Steve has described are causing a huge burden on the faculty in the way of advisement and mentoring. Bruce agreed that searching for academic excellence is critical to achieving what Antioch wants and what it has as a legacy. There was unanimous agreement that we need to move forward in a reasonable timeframe.

Larry was pleased to see the support for Steve around the table and pointed out that not everyone will agree with his analysis, that some will see Steve as the problem. Lack of community and the toxicity are real problems, he said, which were identified by the NCA well before Steve arrived.

Sherwood proposed a motion to support the president of the College and his vision to build a college culture based upon mutual respect, intellectual freedom, and open inquiry within the university system. (*Secretary's note: This resolution was revisited the following day and passed;, see page 8 of these minutes*).

The discussion continued with comments about the need to modify the model of shared governance, why Antioch students don't go abroad, and ideas for collaborative relationships between the College and McGregor, and/or between the College and any of the other campuses.

There followed a discussion on the numbers Steve had presented and strategic fund-raising.

Concerning strategic giving, Dan mentioned the Teagle Foundation (www.teaglefoundation.org) which is committed to strengthening liberal education. He added that the Mellon Foundation has a new president who has a broader view of the world. Dan believes the project is saleable, that it takes getting it to the right donors. "Donors don't give to projects," he said, "they give to people."

Toni recognized the courage it takes to fight a culture war, how it takes a toll on the leader, in this case Steve, and underscored the support Steve is receiving from the ULC. Back to the issue of finance, she emphasized the need to address the issue of liquidity.

Steve expressed his appreciation and agreed to bring his answers to the questions.

The meeting was adjourned about 4:00PM so everyone could make their way to the McGregor Campus West ground-breaking ceremony at the northwest end of the Village.

The ceremony was followed by a reception and dinner at the Greene Country Club for the Board and ULC which included McGregor President Barbara Danley's executive staff, Board of Visitors, and other special guests.

Friday, November 3, 2006

Committee Meetings.
7:15 – 9:15AM – Investment.
7:30 – 9:15AM – Facilitators, Planning for Part II of retreat
9:15 – 10:15AM – Academic Affairs and Physical Facilities

Trustees present: Art Zucker/Chair, Bruce Bedford/Treasurer, Amy Chappell, Howard Coleman, Dan Fallon/Vice Chair, John Feinberg, Dianne Brou Fraser, Sherwood Guernsey/Secretary, Reuben Harris, Hal Joseph, Jeff Kasch, Niels Lyster, Tom McNicol, Sharon Merriman, Jack Merselis, Larry Stone, and Barbara Winslow.

Absent: Michael Alexander, David Crippens, Everette Freeman, and Paula Treichler

ULC: Toni Murdock, Chancellor; Laurien Alexandre, Vice Chancellor University Academic Affairs; Leslie Bates, Exec Assist't to the Chancellor & Assist't Sec'y of the Board; David Caruso, President, Antioch New England; Barbara Gellman-Danley, President Antioch University McGregor; Tom Faecke, Vice Chancellor and Chief Financial Officer; LucyAnn Geiselman, President Antioch University Southern California; Mark Hower, Interim President Antioch Seattle; MaryLou LaPierre, Vice Chancellor for University Advancement; Steve Lawry, President Antioch College;.

Legal Counsel: David Weaver

Others present: Tamra Fitzpatrick, Shareholder, and Gina Love, Supervisor, Hausser & Taylor LLC (CPAs); Karen Ely, Assistant Secretary of the Board; Joanne Prinz (minutes for Finance); Virginia Dowse, Director of Finance & Budget Planning; Deb Caraway, College CFO; Tim Jordan, ANE CFO; Richard Norris, Seattle CFO.

Today's plenary session took place in the Auditorium of the Glen Helen Building.

From 10:30AM – 12:30PM, the Trustees and ULC met in **closed session** as a **Finance committee** of the whole. There was a presentation of the **University Audit** followed by **operations reports** from each president and Dr. Alexandre (for the PhD in leadership program).

Virginia indicated that a separate audit is made for both WYSO and Glen Helen. Although WYSO has shown losses in the last couple of years, they are now moving in the right direction.

Five-Year Capital Plan: Capital budgets were presented to everyone at the June meeting. Tom indicated that although there were changes in what is reported in the actual plan, they were all reductions. Bruce recommended that the Board approve the spending plan for the College and Southern California.

RESOLUTION 11.4.06:11 (B. Bedford/L. Stone)

WHEREAS, the Executive Committee previously approved the 2006-2007 fiscal year operational budgets for Antioch College and Southern California campuses, but omitted to approve their capital expenditure budgets, and

WHEREAS, the President or CFO of each campus has reviewed and updated the Chancellor, Vice-Chancellor/CFO and the Finance Committee with regard to their capital expenditures, and

WHEREAS, the Chancellor and Vice Chancellor/CFO recommend that the Board approve their capital budgets and ratify their spending to date, and

WHEREAS, the Finance Committee has reviewed the same materials and now recommends that the Board both a) approve their capital expenditure plan, and b) ratify their recent capital expenditures since July 1, 2006.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Antioch University hereby approves, as presented at this meeting, the Capital Expenditure budget for the College and Southern California for the fiscal period July 1, 2006, through June 30, 2007, and ratifies the capital spending undertaken by the College and Southern California from July 1, 2006, through November 1, 2006.

Approved by unanimous voice vote.

Cash Flow: Tom Faecke indicated that a presentation will be made at the February meeting regarding cash flow. Tom discussed the need to increase the line of credit for operations cash flow.

For the FY07 Budget Action Plan, Toni proposed the following: a freeze on capital expenditures for all institutions (any repairs, etc. must be approved by the Chancellor); freeze on all non-instructional hiring (again, approval by Chancellor); freeze all faculty hiring university-wide; freeze on all new consulting and finally, review College back-up budget for FY07 enrollment shortfalls; review Funds 2 and 3 for possible releases; review College staffing and staffing for shared services; and finalize the cash flow analysis. This would stand in effect until reserves are built up.

Toni further recommended reinstituting a 1% liquidity reserve to be set up for each campus every year – these funds are not to be touched.

Campus West
Construction funds from the bond issue will be released this week. We have shifted to a build-and-design concept with a guaranteed maximum price which is to our benefit. Change orders would, of course, be extra and these are to be monitored carefully by Barbara and Glenn. A weather contingency is built in.

Discussion of IT was postponed.

Art called a break for lunch at 12:45PM and the presentation by the AU McGregor School of Education which dealt mostly with the approaching NCATE accreditation.

1:45 – 3:15PM, Executive Session with the Chancellor
The Board met with the Chancellor in Executive Session.

3:15PM, the Board and ULC reconvened in closed session.
Art and Toni noted that the purpose of yesterday's exercise in Retreat was to solicit diverse opinions on the various topics to get a sense of where there's controversy or lack of consensus, to identify for the ULC the research that needs to be done. Toni pointed out that this information also provides a framework for creating a white paper on these areas in relation to governance. The ULC will bring a recommendation to the Board by June 2007. Laurien added that the summaries from yesterday's discussions will be distributed in the near future. In re delegation of authority – the general sense is that although the model and structure are okay, implementation is not so clear; more clarification needed around levels of authority. There were lots of different opinions about the Board and the Boards of Visitors; areas of major difference had to do with the fundamental nature of the BoV and levels of authority of the BoV. By virtue of the conversations, this proves to be a rich area for further study. In re communications among and between chancellor, trustee, faculty, etc., Laurien reported that the general sense is that what is appropriate behavior is clear but not always practiced.

At 3:40PM, the Board and ULC continued in **closed session** to continue the discussion begun yesterday with Steve's **College Update**. At Art's request, Sherwood Guernsey read the resolution passed by the Board yesterday for Steve and members of the ULC.

RESOLUTION 11.4.06:13 (S. Guernsey/D. Fallon)

RESOLVED, that the Board of Trustees of Antioch University supports President Steven Lawry's vision for Antioch College based on mutual respect, intellectual freedom and open inquiry [as envisioned by the Renewal Plan] within the University system with the same shared values.

Passed by unanimous voice vote.

There was a discussion about the College and the role of the university – the College being integral to and part of the university – and ways to execute programmatic elements of the program.

As the culture is modified, Steve said the aim is not to produce a sterile environment. 84% of entering students say it is important to develop meaningful philosophies of life. He suggested thinking in terms of an ethical education so students are able to make critical judgments in life. "We're looking for intellectual diversity, a curriculum more diverse and more challenging," he said.

Tom Wamsley was asked to speak about the campaign. He provided some of the reasons people provide for not making their donation and said that the lack of a business plan with measurable outcomes is hurting us. We should have a plan by January, he said.

Sherwood asked to see a plan from Tom, with the list of donors Steve or Tom will go to, and the amounts they plan to raise from them (new or existing donors).

Steve was confident that with the business plan, he and his team can generate more excitement. Out of the cultivated list of 35 people, he was optimistic that some number will be responsive.

In response to the question as to how any incoming money would be applied, Steve responded that it would be used in curricular elements and physical facilities. One thing that stands out the most in students' reasons for not applying is our physical plant, he said.

Art spoke to ULC's preparation to support in the way of supplying revenue. What we need to do here is define the parameters of a timetable for the development of those elements – its components and a plan. He suggested pursuing answers to the question of how to do this with the current staff.

Barbara Winslow recalled the resistance by faculty to the new curriculum. She asked Steve how he envisions the faculty response to the programmatic changes and ideas in the new plan, and whether the current faculty can teach the courses he's contemplating.

Steve expressed his confidence that there's a need for what Antioch can offer, especially in the way of an emphasis on music and science, and he believes Antioch can distinguish itself among its competitors. There are lots of judgments that need to be made, he said, and he would include faculty but leadership would make the decisions.

In response to questions about devoting time to fund-raising, Steve reported that there's a lot of interest out there in how well the liberal arts is doing, also as it pertains to preparing young adults for ethical leadership. "There's a lot happening inside campus requiring my attention which is demanding, so it's not a simple formula to divide Rick's and my time. I can't sell a College that's not operating effectively. We're making progress. With a compelling plan, I'll be out and about to fund-raise."

Howard Coleman offered to meet with Steve and donors in the northwest, as long as the plan includes measurable benchmarks and defensible budget projections.

Bruce suggested that the new plan needs a cultural element: "The Renewal Commission's plan did not include this and we shouldn't go forward without it this time."

Art adjourned the meeting at 5:00PM after making a slight adjustment to tomorrow's agenda.

There was a reception & dinner for the Board and ULC at the Antioch Inn.

Saturday, November 4, 2006

Today's plenary session took place in the Auditorium of the Glen Helen Building.

Trustees present: Art Zucker/Chair, Bruce Bedford/Treasurer, Amy Chappell, Howard Coleman, Dan Fallon/Vice Chair, John Feinberg, Dianne Brou Fraser, Sherwood Guernsey/Secretary, Reuben Harris, Hal Joseph, Niels Lyster, Tom McNicol, Sharon Merriman, Jack Merselis, Larry Stone, and Barbara Winslow.

Absent: Michael Alexander, David Crippens, Everette Freeman, Jeff Kasch, and Paula Treichler

ULC: Toni Murdock, Chancellor; Laurien Alexandre, Vice Chancellor University Academic Affairs; Leslie Bates, Exec Assist't to the Chancellor & Assist't Sec'y of the Board; David Caruso, President, Antioch New England; Barbara Gellman-Danley, President Antioch University McGregor; Tom Faecke, Vice Chancellor and Chief Financial Officer; LucyAnn Geiselman, President Antioch University Southern California; Mark Hower, Interim President Antioch Seattle; MaryLou LaPierre, Vice Chancellor for University Advancement; Steve Lawry, President Antioch College.

Legal Counsel: David Weaver

Others present: Karen Ely, Secretary of the Board; Rick Jurasek, Antioch College Chief Operations Officer; College Community members included Tom Wamsley, Vice President Office of Institutional Advancement; McGregor: Michael Robinson, Iris Weisman.

Call to Order.
Art opened the meeting at 7:55AM in **closed session**, beginning with some housekeeping items and a review of the revised agenda.

New College Plan.
Discussion centered around defining parameters for Steve's new College plan and the Board's expectations (i.e., financial projections, programming, development) for what needs to be in this plan.

Steve's focus includes donors' expectations plus measurable benchmarks and reliable budget projections, implementation/achievement benchmarks, and costs. Programmatic elements are crucial, a project that seeks to create new and exciting ethical implications that Antiochians will find compelling. He envisions product descriptions modeled after the Antioch Notes, and will be working with Jan Krukowski on the content since his firm has helped with other successful campaign material.

Larry emphasized that Steve's business plan should include how much money is needed and what the money will be used for.

Steve agreed, adding it will also include specifics about professors, physical facilities, hiring, and implementation of programs.

John Feinberg asked how Steve will reflect the desires of existing and prospective students; what admissions would take to the market. Steve described an education that he believes people will respond to (students and their parents), one that is intellectually challenging, socially relevant, one that prepares them for successful careers – these are the "guideposts for the program, selling a strong core, a more classical education. We would be selling a series of flagship programs, environmental studies, business, global citizenship with political science and economics. There is a very strong market for that, and one with depth and roundedness around ethical decisions."

Barbara Winslow was curious as to how Steve will plan the education abroad piece, believing that donors would be interested in the global element. Steve agreed and envisions Brazil for a program on the environment, India for religion, and Africa for art – "these would be experiential, relevant areas, we may need to add more conventional options. AEA has been financially successful so we have a lot to go on."

Larry expressed concern about whether there is a good pool of students looking for what Steve is describing, believing that students today are vocationally motivated.

Dan responded to this concern saying that surveys of student interest show there is a market. Antioch needs only 800 of those, he said. "We're beginning to see students more engaged in their communities and the circumstances that influenced those communities. The key here is being really clear about the curriculum and your goals, at some point the faculty at Antioch are going to prepare the profile for what the Antioch grad looks like, what the competencies are that we expect of them, develop an outcomes-based assessment. When you do that you have a powerful advantage. How to shape those capabilities and define what the graduate looks like can be in the Plan."

Steve added that 36% of the College's students come from Ohio which represents a change from historical figures. He sees this as an advantage in growing a pool of students.

Amy suggested a need for more targeted fund-raising, asking donors to respond to a specific need.

Sherwood suggested asking trustees who they know or have access to in the way of high school superintendents that we could spread the word to in places admissions is not reaching; this would personalize it.

Bruce spoke to the reality of the ability to implement a new program, that it might make more sense to choose among the menu of options under discussion. The magnitude of what Steve is proposing has an impact on the entire university, he said, with a focus on the College for a longer period of time. He suggested there might be a lack of understanding of what's happening at the other campuses. "If you look at the first order of magnitude over the next 5-7 years, there may be a grappling for the same resources at the same time," he cautioned.

David Caruso pointed out that today's discussion has dealt with long-term plans for long-term success versus an issue to be addressed over the next nine months. We need a concrete timeline showing how we survive in the short-term. Having more curricular products is related to attracting a wide range of students and relates to retention.

Mark suggested that Steve's focus is overwhelming (short-term plan and long-term plan). We have to grow, but there are some things on this campus that are not essential, even sacred cows that have to go.

Jack pointed out that it's important to look not only at resources for the College but resources within the context of the University. "You market to your strengths – we can identify university strengths and these could be transportable and transferable from the other campuses. There's a lot of risk here, he said, adding that what's needed is a contingency plan. While we're addressing what needs to be done at and for the College, we also need to look at the What-Ifs."

Art thanked everyone for their comments and recognized the huge task ahead. He observed that there are plenty of human resources around the table and expressed optimism that action could be taken at the February meeting. It is up to the University management to say what that 'something' is within the parameters of what the Board has discussed at this meeting (some portion of Steve's proposed 9-month plan).

Dan appreciated that the Board was having this discussion. He pointed out that the turnover in personnel makes it difficult to maintain a steady course of action. "When the Board adopted the Renewal Plan we agreed that it was our best shot. We should not lose sight of the fact that we want to invest in this college. Having a contingency plan is on target, we ought to discuss it. We have a plan for the survival of this college; we should not lose sight of our need to invest in it, not as an act of faith but a calculated business decision. The future of the institution is at stake. We're not starting from scratch; we're talking about re-shaping the liberal arts within the liberal arts curriculum we have. As we go through this process, we support the need to develop the College in accordance with the Renewal Plan and, in a careful way, find economies in the budget. We have to look at what we have, develop the kind of plan that excites donor interest and saves the institution. There are a variety of contingencies out there. Let's look at the donut as well as the hole. Look at why Antioch College should exist."

Toni shared comments pertaining to the immediate and future time-frames. She said it isn't a matter of whether the College survives on its own, "we're all in this together." Having seen the financial picture she argued that this is not a managerial situation, it is about raising money and the University needs the Board's help. The other campuses can assist with the College and there is a real opportunity for us to function and operate as a university, she said, and senses "a real desire on the part of the presidents to do that," adding that there is faculty all over the US with expertise to come together to do what needs to be done. "We'll come out of this stronger *as a university*," she stated.

At 9:00AM, Art suggested a break.

At 9:15, the meeting reconvened in **open session** for a report on the capital campaign.

Tom Wamsley provided an update (his report is included in the report that includes the FY06 Year end results).

In a re-cap of the campaign, Tom summarized that the Campaign for Antioch was launched in 2001 with a goal of $65 million. Phase I of the campaign concluded in May 2006 with $42 million in gifts and pledges. Phase II of the Campaign launched in June 2006 with a goal of $23.4 million, and is scheduled to conclude in June 2009. The goal consists of three main priorities:

- Cash stabilization needs ($10.4 million)
- New Student Union ($8 million)
- Library renovation ($5 million).

He announced that a current member of the Board has given the College a $500,000 **challenge gift** that requires a dollar-for-dollar match from current and former Trustees. This pertains to *new* pledges of unrestricted gifts. In order for the $500K gift to be realized, a total of $500K in new pledges must be received by June 30, 2007.

Barbara Winslow noted that today's discussions have an impact on how to proceed. With regard to the $500K Challenge Gift/Pledge, she reminded the group that when the Board voted to accept the Renewal Commission plan, we agreed at the same time to raise the money to support it. In the next 3 years, she hopes to see the Board as a whole match the Challenge Gift.

Art urged Trustees to have their pledges in by the June '07 meeting.

At 9:30AM Art asked for the **Crisis Management Report** from Richard Norris and Tim Jordan. The meeting continued in **open session**. (The Powerpoint document from this session is on file with these minutes.)

Richard explained that the work and the charge of the task force are complete. The responsibility for/ operation of it now falls under the CFOs and the response teams at each campus. He noted that it would be difficult to be prepared for every possible crisis but we're prepared for broad categories of events – not only physical disasters but PR disasters. With regard to data recovery, the server for all data is located in YS. If this campus were leveled by a tornado, for example, it would be prudent to have a server located on another campus to which the YS data could be transferred. With regard to insurance coverage, it was suggested our business interruption insurance be reviewed. In conclusion, Richard said that campus drills will be scheduled on an annual basis to test the plans.

Committee Reports. Art requested that committee chairs be brief in their reports.

Investment, Howard Coleman.
Howard reported on the socially responsible investing session with students which occurred on November 1, noting that the trustees renewed the offer to let them vote on the proxies. The session also included discussion of possible travel to meetings and their being allowed to make a statement. Howard reported that the Endowment has earned 14.79% on a trailing 12-month basis and 12.29% last fiscal year. The Investment Committee is attempting to continue to diversify the portfolio to make it less correlated to the stock market, calling the Board's attention to new accounting rules regarding alternative investment funds.

Physical Facilities, John Feinberg.
John reported that the **Campus West** project is 11 days behind due to heavy rains. Due to poor quality foundation-bearing conditions, 125 caissons are being drilled down and into the solid limestone bedrock. The caissons, of reinforced concrete, will support the structure. Off-site

improvements by the Village are underway and/or near completion. Glenn Watts has been provided a contract to serve as Owner's Representative.

ANE is expecting to need more space, more classrooms in the near future. CFO Tim Jordan was focused in his presentation on the current lack of ability to quickly assess the viability of properties available for purchase and have on-hand the required down payment or financing for quick purchase. The committee agreed that having in-place arrangements for speedy evaluation and purchase for ANE would be beneficial. Tim will follow up with more specifics as to what he thinks will work.

Currently under development is a planning process for "**Campus Master Plans**" and associated planning and design guidelines for the general needs of the other campuses. Tom Faecke has been charged by Toni for coordinating the development and expects to supply each campus with an outline of guidelines to assist the individual campus administrative personnel in the Master Plan preparation. The committee will assist in the development of a first draft guideline. To assist in this effort, the Chair made available a sufficient number of Campus Master Plans from other colleges and universities so that each committee member could make a selection.

A retreat is being planned for this committee.

Communication, Sherwood Guernsey.
The committee has decided on its charter which is to support and provide oversight on effective communication policy. In its role, the committee will be available to assist the chancellor and board chair in the board's work. Now that Toni has begun putting an infrastructure in place, MaryLou LaPierre is a part of the process. The committee, which is considering having a retreat, will be helping develop a strategic communications plan to go with the ULC's strategic plan.

Development, Jack Merselis.
Jack put the following resolution forward for the Board's approval.

RESOLUTION 11.4.06:5 (J. Merselis/B. Winslow)

RESOLVED, that the following new endowment gifts and pledges received from May 1, 2006, through September 30, 2006, are gratefully accepted acknowledged by the Antioch University Board of Trustees:

Donor	**Amount**	**ANTIOCH UNIVERSITY NEW ENGLAND Restriction / Type**
	$20.00	Environmental Studies Scholarship
REDACTED	$50.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$30.00	Environmental Studies Scholarship
	$35.00	Environmental Studies Scholarship
	$250.00	Environmental Studies Scholarship

	$25.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$30.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
REDACTED	$20.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$75.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$25.00	Environmental Studies Scholarship
	$50.00	Environmental Studies Scholarship
	$100.00	Norman Wilson Diversity Scholarship
	$500.00	Norman Wilson Diversity Scholarship

Donor	**Amount**	**ANTIOCH UNIVERSITY SEATTLE Restriction / Type**
	$150.00	Scholarship Endowment
	$50.00	Scholarship Endowment
	$100.00	Scholarship Endowment
REDACTED	$25.00	Scholarship Endowment
	$30.00	Scholarship Endowment
	$600.00	Scholarship Endowment
	$50.00	Scholarship Endowment
	$100.00	Scholarship Endowment

Donor	Amount	ANTIOCH COLLEGE Restriction / Type
REDACTED	$200.00	NEA Challenge Grant
	$1,134.00	Anne Poindexter Fischer Endowed Scholarship
	$2,000.00	Anne Poindexter Fischer Endowed Scholarship

Passed by unanimous voice vote.

RESOLUTION 11.4.06:6 (J. Merselis/B. Bedford)

RESOLVED, that the following new foundation grants and pledges received from May1, 2006, through September 30, 2006, of $50,000 or more are gratefully accepted and acknowledged by the Antioch University Board of Trustees:

Foundation Name	Amount	Restriction / Type
REDACTED	$165,000.00	Antioch University Seattle Early College High School- Nationwide Initiative
	$100,000 Pledge	Antioch University McGregor Campaign Pledge – (Received first payment of $50,000)
	$100,000	Antioch University Programmatic Development Grant payment
	$80,000	Antioch University New England Center for Alternatives to Violence
	$130,000	Antioch University Southern Calif. $50,000 – Psychology Department $50,000 – Capacity Building for Santa Barbara Fundraising $30,000 – Marketing Support of outreach to Hispanic students
	$225,000	Antioch University Seattle $110,000 – Center for Creative Change $80,000 – Psychological Services Clinic Antioch University $35,000 – On-Line Registration Capacity
	$175,000	Antioch University McGregor $90,000 – Masters Program for Certified School Teachers $85,000 – Yellow Springs Chautauqua
	$400,000	Antioch University $200,000 – Support the work of Professor Alan Guskin (salary/fringe benefits) $200,000 – Project on the Future of Higher Education
	$700,000	Antioch College Implementation of the Plan for Antioch College
	$50,000	Antioch College GIK – Travel Vouchers to bring speakers, artists to symposiums at Coretta Scott King Center

Passed by unanimous voice vote.

Donor Bill of Rights. David W was asked to speak to the Donor Bill of Rights. It was initially suggested by the College Development Office as beneficial when speaking with donors. It is widely used by non-profits and is consistent with current University practices. Following is the bill in its entirety:

> Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:
>
> 1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
>
> 2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
>
> 3. To have access to the organization's most recent financial statements.
>
> 4. To be assured their gifts will be used for the purposes for which they were given.
>
> 5. To receive appropriate acknowledgment and recognition.
>
> 6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
>
> 7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
>
> 8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
>
> 9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
>
> 10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

If we adopt these bullet points, we accept these principles and we as trustees should feel comfortable that these are being adhered to. Although it imposes obligations on us, there's nothing here we're not already doing; i.e., recognition of gift receipts, access by donors to our audit, etc.

<u>RESOLUTION 11.4.06:7 (J. Merselis/D. Fraser)</u>

> RESOLVED, that the upon the recommendation of the Development Committee, the Board hereby amends the University Commitment Acceptance Policies as needed to incorporate into and make a part of said policies the "Donor Bill of Rights" promulgated by the Council for the Advancement and Support of Education (CASE).

Passed by unanimous voice vote.

Academic Affairs, Dan Fallon.
Dan brought the trustees' attention to the letter Toni wrote to the presidents following the August retreat of this committee. The theme of the retreat, "A Vision for the Future—Academic Quality, Integration, and Innovation," focused on the strategic plan and the academic audit; the need to re-examine the faculty on the graduate campuses in relation to their contracts; the Commons; and the *Antioch Review*. The group discussed academic quality in many of its forms and the desire to ensure this at all campuses, as well as the need to have some sense of equity across the campuses on certain faculty benefits and expectations.

The committee also discussed McGregor Undergraduate Studies program review and response – there will be more on this in February 2007.

Finance, Bruce Bedford.
Bruce noted that the finance committee's meeting was called as a meeting of the whole and was attended by nearly the entire board. He introduced the following resolutions for the board's approval.

RESOLUTION 11.4.06:8 (B. Bedford/L. Stone)

RESOLVED, that Thomas A. Faecke is elected Assistant Treasurer of the Corporation and Vice President and CFO (commonly referred to as Vice Chancellor and CFO) of the University effective retroactively from July 1, 2006, through June 30, 2007.

RESOLVED FURTHER, that during the time Thomas A. Faecke holds the foregoing offices, he shall have the authority and shall perform the duties of Assistant Treasurer and Vice Chancellor and CFO, including those described in Section 5.6 of the University's Bylaws and delegated to the Assistant Treasurer and/or to the Vice Chancellor and CFO of the University, by prior actions of the Board and/or its Executive Committee.

Passed by unanimous voice vote.

Art asked Bruce for his comfort level with our new auditors. Bruce replied that the previous auditors didn't have a lot of expertise in higher education but this new group (Hausser) does.

RESOLUTION 11.4.06:9 (B. Bedford/L. Stone)

WHEREAS, the Chancellor, Vice Chancellor/CFO and the Finance Committee of the Antioch University Board of Trustees have met with Hausser and Taylor and reviewed their draft of audited financial statements of Antioch University for the fiscal year 2005-2006, and

WHEREAS, the Finance Committee recommends Board approval of the draft audited financial report by Hausser and Taylor as presented at this meeting, subject to any final, non-substantive changes.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Antioch University hereby approves the audited financial statements of Antioch University for the fiscal period July 1, 2005, through June 30, 2006, as presented by Hausser and Taylor at this meeting, and delegates joint authority to approve any non-substantive changes to the Chair of the Finance Committee and the Vice Chancellor/CFO.

Passed by unanimous voice vote.

RESOLUTION 11.4.06:11 (B. Bedford/R. Harris)
WHEREAS, the Executive Committee previously approved the 2006-2007 fiscal year operational budgets for Antioch College and Southern California campuses, but omitted to approve their capital expenditure budgets, and

WHEREAS, the President or CFO of each campus has reviewed and updated the Chancellor, Vice-Chancellor/CFO and the Finance Committee with regard to their capital expenditures, and

WHEREAS, the Chancellor and Vice Chancellor/CFO recommend that the Board approve their capital budgets and ratify their spending to date, and

WHEREAS, the Finance Committee has reviewed the same materials and now recommends that the Board both a) approve their capital expenditure plan, and b) ratify their recent capital expenditures since July 1, 2006.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Antioch University hereby approves, as presented at this meeting, the Capital Expenditure budget for the College and Southern California for the fiscal period July 1, 2005, through June 30, 2006, and ratifies the capital spending undertaken by the College and Southern California from July 1, 2006, through November 1, 2006.

Passed by unanimous voice vote.

Trusteeship, Larry Stone (in Jeff Kasch's absence).
Larry reported that the Committee had discussed ways of engaging David Crippens in different ways while allowing him a leave of absence for the time being. The committee also discussed the Board's recent self-evaluation and will conduct these on an annual basis. Some thought is being given to revising the scope of the committee to include governance and some research on this possible change is being conducted. High on the committee's list of priorities is broadening board membership. ULC will be involved more prominently in this goal. Commencement greeters have been set for ANE and AUSC LA/SB; still need greeters for Seattle (June 9), McGregor (June 24), College (April 28), and the PhD (August 11). Barbara W spoke to the importance of trustees doing this and assured her fellow trustees that talking points can be provided if necessary – either from board colleagues or the campus presidents. Art emphasized that attending these commencements "is our reward as Trustees" and encouraged volunteers to contact Jeff Kasch.

It was announced that Friday, April 13, is David Caruso's inauguration at ANE. Trustees are invited.

The Trusteeship Committee brainstormed on ideas for staying in touch with former trustees and will continue to devise a variety of ways to keep them informed.

Consent Agenda
The following resolutions were contained in the Consent Agenda and were passed by unanimous voice vote.

<u>Resolutions 1-4 (B. Bedford/L. Stone)</u>

RESOLUTION 11.4.06:1

RESOLVED, that the Board hereby approves the minutes from the June 1-3, 2006, Board of Trustees meeting held in Keene, New Hampshire.

RESOLUTION 11.4.06:2

RESOLVED, that the Board of Trustees of Antioch University hereby ratifies and confirms the actions of the Executive Committee as reported in the minutes of the meetings held by conference call on July 18, September 6, and September 22, 2006.

RESOLUTION 11.4.06:3

RESOLVED, that the Vice Chancellor and CFO, Thomas Faecke, is hereby authorized to execute and deliver a quit claim deed and any other documents as may be needed to convey an undivided interest in or to a certain 30 ft x 150 ft strip of land located behind the Birdsview Volunteer Fire Hall in Skagit County, Washington to the Skagit Co. Fire District 10.

RESOLUTION 11.4.06:4

WHEREAS, upon the recommendation of the Executive Committee, the Board hereby suspends the Chancellor search currently in progress until July 2007, and

WHEREAS, in all other respects, Board Resolution 6.4.05:29, which established the Chancellor Search committee and defined its charge, shall remain in force and effect.

RESOLVED, the Board expresses its thanks and appreciation to those members of the Chancellor Search Committee for the work they have done, and directs the Chair of the Board to appoint or reappoint individuals prior to July 2007 to serve on the Chancellor Search committee who he deems to be representative of the University, as required by the Bylaws of the University, at least a majority of whom also shall be current trustees of the University, as provided in Resolution 6.4.05:29.

RESOLVED FINALLY, the Board hereby authorizes the Chair of the Board, in consultation with the Executive Committee and the Compensation Committee, to extend the employment agreement of Tullisse Murdock as Acting Chancellor for one year on the terms and conditions he deems necessary and appropriate.

Bruce next introduced the College Union agreement resolution.

RESOLUTION 11.4.06:10 (L. Stone/D. Fallon)

RESOLVED, pursuant to Human Resources Policy 2F, the Board hereby ratifies and confirms the Chancellor's approval on behalf of the University the College's collective bargaining agreements with UE local 767 for the P&M and staff employees and with Security, Police & Fire Professionals of America, Local 122.

RESOLVED FURTHER, that the Board hereby ratifies and confirms the execution of those contracts by the President of the College or other appropriate official as authorized by the Chancellor.

Passed, as amended, by unanimous voice vote.

There was a discussion about the conflict of interest and the form.

RESOLUTION 11.4.06:12 (L. Stone/D. Fallon)

RESOLVED, that the board hereby accepts the report made at this meeting indicating that all trustees and principle officers have signed and filed with the assistant secretary of the corporation annual Conflict of Interest statements for the year ending June 30, 2006, in accordance with the University's Conflict of Interest policy and that there are no conflicts of interest disclosed in said statements.

Passed by unanimous voice vote.

At 10:45AM the Board meeting was adjourned and board members went into Executive Session. The following resolution was read aloud and passed by unanimous voice vote.

RESOLUTION 11.4.06:14 (A. Zucker/B. Bedford)

WHEREAS, the Antioch University Board of Trustees states its unequivocal support for Chancellor Toni Murdock's tireless efforts, commitment, and leadership on behalf of the University, and

WHEREAS, the Trustees wish to recognize her intellectual and analytical ability, her willingness to listen carefully and prioritize issues, her working cooperatively and collaboratively with the Board and the ULC, her organizational and management skills, her commitment to transparency, and her tenacity in dealing directly and professionally with all the difficult issues of our Antioch University systems.

RESOLVED, that the Board of Trustees thanks Chancellor Murdock for her service and pledges its cooperation to her.

Action items from this meeting will accompany the meeting minutes.

These minutes respectfully submitted by,

Leslie Bates	*Sherwood Guernsey II, JD*
Leslie Bates	Sherwood Guernsey
Assistant Secretary	Secretary

ACTION ITEMS FROM THE NOVEMBER 2006 BOARD OF TRUSTEES MEETING:

ACTION ITEM	To be delivered by…	To Be Completed by Date
Committee Chairs – Consider Committee Retreat	Chairs	
Send D&O Policy Summary to the Board	D. Weaver to L. Bates	(done)
Campus President Compensation Plan	Toni	Feb '07
Search Committee Guidelines		
Audit – Follow up on Drey Reclassification	Tom F DAW	ASAP
Board Email Policy – Send Existing Policy	DAW	ASAP
CFO Report to Board re S. California Financial Process Review		
Cash Flow Report	Tom F	Feb '07
IT Proposal – bring back later	Toni/Tom	
CA Donor – Follow up on Salazar Cease & Desist Letter	DAW	
Governance Report to Board	Toni	June '07
College Funding Plan to Chancellor	Steve L	Nov '06
ULC Report to Board		Feb '08
Consult Higher Ed Creditor Counsel	DAW/Toni/ Tom F.	Feb '07
Business Interruption Insurance Coverage Clarification	DAW/ Tom F.	ASAP