



Board of Trustees HIGHLIGHTS & SUMMARY

Vol. 23, No. 4 May 8, 2017

President's Report

President Hurley reported that Fr. Vincent M. Cooke, S.J., former president of Canisius, has been diagnosed with cancer and asked that everyone keep him in their prayers. He announced that the Regents Ball had been a great success, with 600 people in attendance. He reviewed admissions data and said that deposits are running 40-50 behind compared to last year. This is a concern as the college works diligently to attract an incoming class of 600 students. Admissions has reported that the number of students who have requested an extension of time to deposit has doubled, in part due to New York's "free tuition" Excelsior Scholarship program passed by the state in April. Mr. Hurley noted that Excelsior has received \$87million in funding for the current year, which would produce about 32,000 grants. The legislation provides a first preference to currently-enrolled students at SUNY/CUNY, which enrolls more than 400,000 undergraduates. There is potential that Canisius will be of increasing interest as families learn more about the conditions of the program. Mr. Hurley reported that he spoke with Lt. Governor Kathy Hochul about the immediate, negative impacts of the Excelsior Scholarship program on Canisius. Mr. Hurley gave a brief update on the status of the college's strategic plan, *Canisius 150*, and the results of the current year operating plan. He was pleased to report that progress has been made on nearly every objective and that the administration will be working to develop the next phase of the operating plan for the coming year. Among the objectives addressed this year, he reported that the Campus Conversation on Race is ongoing. Subcommittees that focus on student issues and faculty/academic issues have been formed to promote a constructive dialog on race on the campus. He announced that the students on the Certified Financial Analyst Research Challenge Team finished in the top 21 in America's finals and after winning the regional competition for the seventh consecutive year. We are the only school in the world to have advanced to the finals for three consecutive years. Mr. Hurley reported that men's hockey coach, Dave Smith, accepted the head coaching position at Rensselaer Polytechnic Institute. Trevor Large, the first assistant, has been promoted and will assume leadership for the team beginning this year. Mr. Hurley remarked that Large has been instrumental for recruitment, coaching, and academic success of hockey players. He announced that the women's lacrosse team won their 6th MAAC championship in the past seven years. Erica Evans '18 scored 76 goals this season to lead the nation. Finally, Paige Burkhard '15 MBA '16 received a 2016 Elijah Watt Sells Award from the American Institute of CPAs (AICPA). This prestigious award is given to CPA candidates who during the 2016 testing cycle obtained a cumulative average score above 95.5 across all four sections of the Uniform CPA Exam on their first attempt.

The Canisius College Policy Manual

The Board of Trustees was presented with Volumes I-III and V-IX of the Canisius College Policy Manual for review and consideration. The Board also received an executive summary describing the process and the substantive changes in each of the volumes, along with an index of significant changes to each specific policy in advance of the meeting. Mr. Hurley stated that the development of the policy manual has been a comprehensive, iterative process marked by broad involvement from the college's stakeholders. Beginning in spring 2016, the administration worked with the Faculty Senate on developing the approach to the project and made revisions to expand the Senate's involvement during the year. Legal counsel was engaged to advise the college on key policies. He emphasized the importance of the project in maintaining compliance with state and federal regulations, accreditation standards, and current best practices. The Board briefly discussed some questions and corrections specific to the Board of Trustees Bylaws. The volumes presented for this meeting were approved unanimously by the Board.

The 2017-18 Budget

Mr. Michael Montante, chair of the finance and facilities committee, and Marco Benedetti gave a presentation on the current financial picture and the assumptions for the 2017-18 fiscal year. He said lower student revenues, declines in room and board, and reductions in non-operating revenue will mean a reduction in operating revenues in FY 2018. While there have been some expenses savings in compensation and operations, the college is facing a significant deficit for the coming year. Mr. Benedetti presented the capital budget and said it contains items that are primarily "life and safety" improvements. The FY 2018 operating budget and capital budget, which anticipate a 5% spending rate from the endowment, were approved unanimously. The board later held an executive session in which it reviewed the administration's proposals for reducing the deficit in the operating budget. The board did not approve any set of measures but instructed the administration to develop its plan more fully to insure that it will address the challenges presented by the declining revenue picture. The board intends to meet again in June in a special meeting to review this further.

Academics Committee

Dr. Margaret McCarthy, vice president for academic affairs, provided updates on the FY 2018 budget situation and the impacts on Academic Affairs. She reported on a number of initiatives under consideration to

produce efficiencies in operations, organizational structure, and academic offerings. The committee reviewed Volume V, of the Canisius College Policy Manual dealing with academic policies, and voted to accept it. Dr. Karl Kozlowski, Chair of the Faculty Senate, summarized the Faculty Senate's accomplishments for AY 2016-17. He also discussed areas of concern for the faculty and reviewed the recent resolutions passed by the Faculty Senate that express a serious and growing lack of confidence in the administration's plans for dealing with the college's budget challenges.

Audit Committee

The committee reviewed the current year financial projections. The college expects the operating deficit to be approximately \$1 million higher than budget primarily due to lower than expected tuition revenue and auxiliary operations related to declines in enrollment. Deloitte presented the upcoming 2017 fiscal year audit plan, which was approved by the committee. The auditor's will begin their work in July.

Enrollment Management Committee

The committee reviewed the May 5, 2017 undergraduate admission statistics. Kathleen B. Davis, vice president for enrollment management reported that applications were up, admits were level, and deposits were down compared to the same point last year. Part of the shortfall in deposits is attributable to the non-base population that includes HEOP and ULLC students, as well as athletes, who have been somewhat later to commit. Ms. Davis noted that international student deposits are ahead of last year and that we have seen positive results from recruitment efforts in Florida, Chicago and Ohio. Net tuition revenue is at approximately 95% of goal. Mr. Hurley reported on the Excelsior Scholarship program. The committee discussed that the number of stipulations tied to these grants may create movement in deposits through the late summer, as students and families learn more about the details and limitations. The committee reviewed prospective student research on tuition pricing and discussed the possibility of an alternative tuition pricing model for the college.

Finance & Facilities Committee

The committee reviewed 2017 fiscal year operating and capital projections. The committee reviewed the 2018 proposed budget and revenue assumptions and discussed the anticipated deficit. The committee expressed concern that the projected enrollment and tuition revenues might be optimistic given the unpredictable impacts of the Excelsior scholarship program. The committee advised the administration and faculty to conduct additional analysis on restructuring of the college and formulate a three year plan that returns the college to balanced budgets.

Mission & Identity Committee

In preparation for the meeting, the committee read sections of a document produced by the Social Justice and Ecology Secretariat of the Jesuits, "The Promotion of Justice in the Universities of the Society." The committee welcomed Dr. Elizabeth Gill, dean of the College of Arts and Sciences, and Dr. Erin Robinson, professor of sociology who discussed their observations and experiences with mission-related programming in the College of Arts and Sciences (CAS). Dr. Gill discussed the impact of mission-centric experiences in the academic program through service-learning, research, and other co-curricular experiences. She said that CAS is using the college's mission as a basis for the formation of new initiatives, such as those related to sustainability. She also discussed the college's new efforts to enhance understanding of mission and identity through faculty orientation and development programs. Dr. Robinson discussed a range of experiences, including the Ignatian Colleagues Program, which have led to her understanding and expression of mission in her teaching, research, and service. The committee discussed the New Buffalo Institute's preliminary plans and heard about some specific projects that are underway that support New Americans and the Buffalo Promise Neighborhood through the new Center for Urban Education.

Institutional Advancement Committee

Mr. William M. Collins, vice president for institutional advancement, reported that the Regents Ball held on May 6th was a sellout and raised approximately \$175,000 for the Regents Scholarship Fund, which is now valued at about \$2.6 million. He further reported that the Class of '67 reunion campaign stands at \$687,000, an all-time record for 50-year class reunion gifts. He said that the newly established J. Patrick and Rebecca Greenwald scholarship has reached \$125,000, and the Canisius Fund is at 97% of goal with \$2,616,488 raised. This puts the Canisius Fund ahead of 2016 by \$122,563, 354 donors and 27 Leadership Society members. He reported that Giving Day 2017 generated \$345,000 from 2,009 donors, an increase of 1,000 donors over last year. The 2016-17 student call center raised \$164,503 from 1,878 donors, including more than 400 new donors. With regards to major gifts, 15 new endowed scholarship funds have been established during this fiscal year. Ms. Liz Culliton, director of alumni engagement, previewed a new online career and mentoring platform called Canisius Connect that will enable alumni and students to interact.

Investment Advisory Committee

The committee reviewed its Pooled Endowment Fund Statement of Investment Policy and proposed changes to the asset allocation guidelines to reduce the allocation to long/short equity hedge funds and move those funds into international and emerging market equities and private equity. Lee Wortham also reported that the value of the endowment stood at \$122 million at the close of May.

Student Life Committee

Dr. Lisa Morey, associate professor of biology, gave her final report as chair of the Faculty Senate's Faculty-Student Liaison Committee. Dr. Morey discussed her committee's agreement to review course evaluation tools for hybrid and on-line courses next year. Dr. Morey also mentioned that her committee intends to

continue a conversation of the diversity attribute in the core curriculum. Dr. Morey introduced Dr. Jonathan Lopez who will serve as the chair of the Faculty-Student Liaison Committee in 2017-18. Mr. Elias Ayoub gave his final report as President of the Undergraduate Student Association (USA). Mr. Ayoub reflected on what he viewed as the accomplishments in the 2016-17 Undergraduate Student Association (USA) including a commitment to educational programming on racial diversity and the creation of an endowment from surplus USA funds. Mr. Ayoub credited Christina Estime '17, USA Diversity Chair with all of the good work that had been done this past year with regard to racial diversity education. The committee met the new USA President, Amelia Greenan '18. The committee heard from 4 graduating seniors about their Canisius experiences. Graduating seniors Ayoub, Estime, Tamara Miskovic, and Lewis Vaccaro all spoke about their most memorable experiences at Canisius; what they had learned, both inside and outside of the classroom at Canisius; and how they planned to carry the Jesuit traditions and values with them after graduation. They also offered suggestions for possible changes at Canisius. All of the students spoke about their engagement with the Canisius community and their commitment to service in the Buffalo community and beyond. Dr. Terri L. Mangione, vice president for student affairs, discussed the policy manual process over the past year and in particular the work that had been done by administrators, students, and faculty on Volumes VI (Student Life Policies) and volume VIII (Sexual and Gender-based Misconduct Policies).

**2017-18 Board
Meeting Dates**

- October 16, 2017
- December 4, 2017
- February 26, 2018
- May 7, 2018

Erica C. Sammarco, Secretary