



MEMORANDUM

December 3, 2008

TO: Campus Community
FROM: Gary Abramson, Chairman, Board of Trustees
SUBJECT: Board of Trustees – Fall 2008 Meeting Summary

The AU Board of Trustees met on campus on Thursday, November 20 and Friday, November 21 for the annual fall meeting. On November 20, meetings were held for the following committees: International Affairs; Alumni Affairs and Development; Academic Affairs; Audit; Campus Life; Communications; Trusteeship; and Athletics. On November 19, a Finance and Investment Committee meeting was held via conference call. The full board met on November 21.

Major business conducted at the full board meeting included the unanimous approval by the trustees of the strategic plan, with only three minor edits to the final document. Campus attention will now turn to the process of developing action steps and a budget stemming from the next two-year budget cycle. In synch with the development of budget proposals, the university leadership will begin working with the individual units to develop unit plans and action steps to reach the goals, with particular emphasis on what can be achieved in the first two years.

On behalf of the board, I want to thank and congratulate President Kerwin and the Strategic Planning Steering Committee—led by Professors Bill DeLone and Sarah Irvine Belson—for their excellent work in drafting a plan with extensive campus community participation and for working with the trustees on earning approval. It truly was a collaborative effort on an ambitious timeline that reached a very successful conclusion. We now have a succinct set of ten transformational and six enabling goals to pursue and make AU even more distinctive, and we look forward to the plan's implementation.

An open forum/town hall meeting was held on Monday, November 24 to provide an opportunity for the campus to discuss matters of interest or importance with President Kerwin, Board Vice Chair Tom Gottschalk, and me. This is the first of two such sessions to be held during academic year 2008–09.

In other business:

- The board authorized the budget formulation criteria to enable President Kerwin and Budget Committee co-chairs—Provost Scott Bass and Vice President of Finance and Treasurer Don Myers—to lead the effort to work on the next two-year budget (FY 2010–2011) proposal to submit to the full board for consideration at the regularly

scheduled February meeting.

- Board vice chair Tom Gottschalk announced that he will not seek reappointment as vice chair at the end of his term in May 2009; he intends to remain as a trustee, however, and for that we are grateful. As part of the board business for the May 2009 meeting, the trustees will nominate officers for a two-year term.
- Acting upon a recommendation from the International Affairs Committee, the work of that committee will be absorbed into the Academic Affairs Committee and others as appropriate, and therefore, that committee will cease as a free-standing entity.
- In an effort to better familiarize the trustees with AU's major academic units, each of the six AU schools and colleges will receive singular focus and enable the leadership to update the board on their achievements and challenges. The February meeting will focus on the School of Public Affairs.
- The board heard an analysis of the impact of the current national economic crisis on American University. The university leadership has worked to minimize the impact of this financial tumult on AU's finances as best it can. This has included restructuring some \$200 million or 90% of AU's tax-exempt debt. We will monitor the situation going forward.

In closing, the board again congratulates the entire university community for its dedication and diligence in producing a strategic plan that builds on AU's considerable accomplishments and positions it for a very bright future. The board looks forward to remaining involved in the plan's implementation.