

Minutes of the  
**BOARD OF TRUSTEES**  
**OF NORTHERN ILLINOIS UNIVERSITY**  
March 22, 2007

**CALL TO ORDER AND ROLL CALL**

The meeting was called to order by Vice Chair Cherilyn Murer at approximately 9:06 a.m. in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Sharon Banks-Wilkins conducted a roll call of Trustees. Members present were Trustees Robert Boey, Myron Siegel, Marc Strauss, Student Trustee Andrew Nelms and Vice Chair Murer. Present via teleconference was Chair Barbara Giorgi Vella. Not present were Trustees George Moser and Manny Sanchez. Also present were Board Parliamentarian Kenneth Davidson and President John Peters. With a quorum present, the meeting proceeded.

**VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING**

Confirmation of Open Meetings Act public notice compliance was provided by Board Parliamentarian Ken Davidson.

**MEETING AGENDA APPROVAL**

We have a revised agenda today which reflects the change of original Agenda Item 9.d. to Agenda Item 10, Chair's Report No. 39. After discussion with President Peters and review of the revised printed agenda before us, I propose creation of a Consent Agenda that would immediately precede the beginning of the President's Report for today's meeting, and move President's Report Number 54, Action Items 9.a.(3), (4), (5), (6), (7), (8), (9), (11), (12), (13), (14), (15), (16), (24), and (25) and our receipt of Information Items 9.b.(1), (2), (3), (5), (6), (7), (8) and (9) and 9.c.(2) to that consent agenda. Also, in the interest of grouping the action items together in the agenda, without objection I am moving the reports of the Board Committees and Board Liaisons to the end of the Board meeting, immediately following the action items related to the *Bylaw* change. Vice Chair Murer asked for a motion to approve the revised meeting agenda. Student Trustee Nelms made a motion to approve the meeting agenda as amended. Trustee Boey seconded the motion. The motion was approved.

**REVIEW AND APPROVAL OF MINUTES**

It was moved by Trustee Strauss and seconded by Trustee Boey to approve the minutes of the December 7, 2006 Board Meeting. The motion was approved.

**CHAIR'S COMMENTS/ANNOUNCEMENTS**

Vice Chair Murer stated that since Chair Vella was joining us telephonically, the Chair's comments would be deferred until the next regular Board meeting in June.

I would like to take a moment to remind all of us of the strength of NIU and its sense of community, Vice Chair Murer said. We have had tragedies in the last few weeks with the deaths of members of our community. We have all been impressed with the students and faculty and the DeKalb community who have rallied around and once again reminded us of the frailty of life. Students are so important to us because they are the essence of what we do. When there is a loss in the student population in particular, it has an emotional affect on the entire community. So, we commend everyone for being sensitive to these issues. We are a caring family, and that is the strength of NIU.

But as we had tragedy, this morning we also have joy. I am pleased to introduce Jim Phillips, our Athletic Director, who will introduce our new coach men's basketball coach.

Members of the Board and our distinguished audience, Mr. Phillips said, it is my pleasure to introduce publicly to this group for the first time our new head men's basketball coach. The search for a very good institutional fit was one of the five criteria, but first and foremost, we wanted someone who was going to bring high character, great values and serve as a role model for our young student athletes. And it did not matter who I talked to across the country, Ricardo Patton's name continued to surface. We also wanted someone who had experience, someone who had success, someone who was a proven recruiter; and in each of those categories, his name continued to rise to the top. He is a terrific individual. I was privileged enough to hear him talk to the team for the first time, and you could hear a pin drop as those young men looked forward to the next chapter in Huskie Basketball. So, it gives me great pleasure this morning to introduce our new men's basketball coach, Ricardo Patton.

Coach Patton's remarks were as follows:

I would like to again thank Jim Phillips and President Peters for bringing me to this institution. I would like to thank the Trustees for approving the hire. It is an honor and a privilege to be here today and address this group. My wife of 27 years, Jennifer, and I, are extremely excited about the new chapter in our lives here at NIU. There were two things that I wanted to be sure of before I accepted any position out of the number of other opportunities that had presented themselves. One was to surround myself with good people. I can tell you, the people I have met here have been wonderful and very embracing, and I appreciate that. The second thing is, I was looking for an opportunity where I thought we could have an opportunity to win sooner rather than later. And I know that you are hungry to see that success materialize on the floor. I think we have a great opportunity here. The convocation center is as nice as any venue in the Big 12. There are some places that may be just a little bit bigger; but as we all know, bigger does not necessarily mean better. When I walked into the convocation center, that was the first thing that jumped out in my mind. If we bring a young student athlete to campus, there is no reason why he would not want to play in a place like the convocation center. I applaud you for having that facility here on campus.

At the first meeting, we talked to our players. Every day on my practice plan, I give a "Thought for the Day." It could be something as simple as "What do you get when you squeeze an orange?" There is no wrong answer. Whatever that means to you, that is what it means. So, ultimately one of the players will say, "Well, you get orange juice when you squeeze an orange." And I say, that is exactly right. Now what are we going to get when we squeeze you? What can we expect when life puts a squeeze on you, because at some point life puts a squeeze on all of us. But in that first meeting, I talked to the guys about making sure that their effort matched their goal. It is unrealistic to give 'C' effort in the classroom and have the goal of attaining an 'A.' We want to win conference championships. We want to get to the NCAA Tournament. There is no question in my mind, and I assure you, I would not be here if I did not think those two things were possible. We are not just trying to be a good basketball team in the MAC Conference. If you look around the country, there are teams like Southern Illinois, Creighton, Wichita State, Gonzaga that have built a foundation that has been sustained. There is no reason we can't do that here at NIU. With a recruiting base in Chicago, with the national contacts that the staff and I will have across the country, we will bring talent that will take us to the next level. I give you that as my promise. We will bring student athletes here that will represent the university, represent themselves and their family name in a first-class manner. When we travel, we will travel in coat and tie. We will make you proud of us not only on the floor, but off the floor as well. One of the other things I told the team yesterday was the fact that I did not believe you can be a loser off the floor and all of a sudden hit the court and become a winner. I think they go hand in hand. In order to be a winner, you must be a winner at all times. And that is the program that we will put in place here. We will make you proud.

Again, thank you for having me as your basketball coach. I look forward to meeting you one-on-one and spending some time with you.

Thank you, Vice Chair Murer said, this is another indication that Jim Phillips surrounds himself with the best.

The Vice Chair welcomed the University Advisory Committee representatives: Dr. Paul Stoddard, Dr. Xueshu Song, Dr. Ferald Bryan, Dr. Joseph Stephen, Ms. Bobbie Cesarek and Ms. Sara Clayton.

I would like to publicly acknowledge Dr. Stoddard and congratulate him, Student Trustee Nelms said. Last night he was sworn in as the newest member on the DeKalb County Board, thus reaffirming the commitment of NIU and its personnel to the local community.

We would just like to thank the Board for their continued efforts in providing the opportunity for Northern Illinois University to continue to move forward in the area of staffing, Ms. Cesarek commented, and certainly in the area of facilities as we move forward with new projects and in the community as a whole. So, appreciate your efforts. Thank you.

#### **PUBLIC COMMENT**

The Chair asked Board Parliamentarian Kenneth Davidson if any members of the public had registered a written request to address the Board in accordance with state law and Board of Trustees Bylaws. Mr. Davidson noted that he had received no timely requests to address this meeting.

#### **CONSENT AGENDA APPROVAL**

Vice Chair Murer asked for a motion to approve the items placed on the consent agenda earlier in the meeting. They include President's Report Number 54, Action Items 9.a.(3), (4), (5), (6), (7), (8), (9), (11), (12), (13), (14), (15), (16), (24), and (25) and receipt of Information Items 9.b.(1), (2), (3), (5), (6), (7), (8) and (9) and 9.c.(2) to that consent agenda.. Trustee Strauss so moved, seconded by Trustee Siegel. The motion was approved.

#### **PRESIDENT'S REPORT NO. 54**

Spring is upon us, President Peters said, and with change in seasons comes renewed optimism about our future and our heightened expectations. That is one characteristic of NIU, and the bar continues to rise. With the hiring of Coach Patton, we have raised the bar for the whole Mid-America Conference by having the best coach in that league.

It is spring and I want to thank all the staff, the grounds crews, the people who work in housing, and all the others who have really brought us through an extremely difficult winter. Our people were stretched, our equipment was stretched, and I want to thank you all on behalf of everyone who works here for a job well done.

There are several issues before us today about meeting demands and expectations on the part of our students and our wonderful Chicagoland region. You will be voting today on student fees and housing costs for the next academic year, which we regularly do at the March meeting. And as we watch the Northern View Community rise out on the Far West Campus, we feel the optimism I mentioned before. At the same time, we do not have to dig very deep into conversations with students or faculty or staff to sense the heightened expectations and no small amount of frustration about our other infrastructure and building needs. This is a very large campus with aging buildings and in a difficult climate where roads deteriorate. The state has been unable to help us in the past few years, and the campus is showing signs of that. In spite of all that, we do a remarkable job with what we have while we continue to make our case. I thank the Trustees for helping make that case as well.

You will be voting on a proposal for an intergovernmental agreement between NIU and the City of Chicago for a potential hosting on our campus of key events in the 2016 Summer Olympics. That is a dose of optimism. The City would like to use our facilities for soccer and other things, so we will see what the future brings. Today you have met our exciting new men's basketball coach, Ricardo Patton. If you need proof of the old saying about hard work paying off, spend some time with Coach Patton, and you will have more proof than you could use with a hundred lectures to your teenagers. He really is a remarkable individual, and he is such a wonderful fit for NIU and its people. And, finally, if you want an illustration of

the concept of heightened expectations, you will see a great one in just a few minutes as we hear reports on private giving to NIU this year and our plans for NIU's first capital campaign.

#### **UNIVERSITY RECOMMENDATIONS FORWARDED BY THE BOARD COMMITTEES**

##### **Agenda Item 9.a.(1) – Fiscal Year 2008 Student Fee Recommendations**

The Student Fee Recommendations appear on page 13 and following in your reports, President Peters said. As you know, we have several committees that go through the process of evaluating student fees in areas where tuition or state revenues do not cover various needs. It is a very elaborate participatory process with groups of students and staff working together for several months and culminating with their submission to me for approval. Our approach is always to try to keep those fees at the absolute minimum. Some are uncontrollable because they are based on contractual negotiations, and others are more discretionary. But my rule is always to try to keep them below the CPI. On average, the increase is about a 5.5 percent. When health insurance is excluded, the recommended increases are about 3.32 percent.

I wanted to note that the amount of the fee increase varies considerably, Trustee Strauss said. I did make inquiry and would second the President's comments regarding the amount of inclusion provided from the members of the various study committees. I was impressed at the opportunities available to be able to provide input. Like any other fee, its determination has two components. One would be the items of expense, and the other would be whatever is to be charged. Many of you sitting in this room today served on one or more of these committees. Everybody in the university community has the opportunity to provide input to these on either the expense or the revenue side, and I would encourage you to avail yourselves of that opportunity in the event that there is any distress caused by the increases.

It is unfortunate to see the costs increase, Student Trustee Nelms said, but they are necessary. As Trustee Strauss noted, it is an exhaustive process. Prior to sitting on the Board, I served on a number of these committees for three years or more, and these increases are a result of increased demand for services on the Huskie Bus Line, increased demand for expansion and newer equipment at the recreation center, renovation of some of the areas in the Holmes Student Center to make them more student friendly, and student organizations are seeking more and more funding from the Student Association. So, the culmination of all these issues result in the increases we see here.

Vice Chair Murer asked for a motion to approve the FY08 Student Fee Recommendations. Trustee Boey so moved, seconded by Trustee Strauss. The motion was approved.

##### **Agenda Item 9.a.(2) – Fiscal Year 2008 Room and Board Rate Recommendations**

The 2008 Room and Board Rates are a bit higher than normal as a result of a couple of things, the President said. We are beginning implementation of the state statute requiring fire sprinklers, a safety issue which is not an inexpensive item. We have had a state-mandated increase in minimum wage. Many of the individuals who help us in housing are student workers at minimum wage, so that will have an impact along with utility costs and so forth. You will note that there is no increase in board rates or meals for this year.

In answer to a question from Trustee Siegel regarding installation of the sprinkler systems in the residence halls and possible misuse or vandalism to the devices, Dr. Williams said that an architectural firm has designed the system based on previous experiences in other residence halls, and the prevention of these possibilities is being considered in the design.

Vice Chair Murer asked for a motion to approve the FY08 Room and Board Rates. Trustee Boey so moved, seconded by Trustee Strauss. The motion was approved.

**Agenda Item 9.a.(3) – Fiscal Year 2008 Student Accident and Sickness Insurance Contract Renewal**

**Agenda Item 9.a.(4) – Fiscal Year 2008 Mass Transit Contract Renewal**

**Agenda Item 9.a.(5) – Fiscal Year 2008 Athletic Sports Camp Housing and Meal Expenditure**

**Agenda Item 9.a.(6) – Fiscal Year 2008 International Programs Division**

**Agenda Item 9.a.(7) – Fiscal Year 2008 Waste Management Contract Renewal**

**Agenda Item 9.a.(8) – Fiscal Year 2008 Document Services Copier and Controller System Contract Renewal**

**Agenda Item 9.a.(9) – Fiscal Year 2008 Copy Paper ITS Document Services and Materials Management**

Consent Agenda Items.

**Agenda Item 9.a.(10) – Transportation Services Motor Coaches**

The Transportation Services Motor Coaches are not related to the Huskie Bus Line, Dr. Peters explained. These are two buses that the university operates directly, which have been in service since the late 1980s. They do a tremendous amount of cartage of athletic teams, student groups, taking groups to and from O'Hare, and summer camps. That is a lot of wear and tear, and we do a wonderful job of maintaining those buses. But those have exceeded their useful life, and we are in the process of purchasing two new buses, one of which will be wheel chair accessible.

Vice Chair Murer asked for a motion to approve the purchase of two transportation services motor coaches. Trustee Strauss so moved, seconded by Trustee Siegel. The motion was approved.

**Agenda Item 9.a.(11) – ITS Document Services Digital Press**

**Agenda Item 9.a.(12) – Information Technology Services – Hardware and Software Maintenance and Software Upgrade**

**Agenda Item 9.a.(13) – NIUTEL – Telecommunications Services System Upgrade**

**Agenda Item 9.a.(14) – Far West Campus Roadway Extension – DeKalb Sanitary District Easement**

**Agenda Item 9.a.(15) – Lorado Taft Campus Waste Water Treatment Plant – Capital Project Revision**

**Agenda Item 9.a.(16) – Student Financial Aid Office Remodeling – Capital Project Budget Revision**

Consent Agenda Items.

**Agenda Item 9.a.(17) – Collective Bargaining Agreements**

We are asking approval of two full collective bargaining agreements, President Peters said. One is for Teamsters Local #330, representing our motor vehicle operating mechanics and automotive technicians. The other is for the Chicago Regional Council of Carpenters, Local #790. They have the support of the university and the bargaining units. Vice Chair Murer asked for a motion to approve the collective bargaining agreements for Teamsters Local #330 and Carpenters Local #790. Trustee Boey so moved, seconded by Student Trustee Nelms. The motion was approved.

**Agenda Item 9.a.(18) – Intergovernmental Agreement – City of Chicago**

Even though the 2016 Olympics is years away, the President said, as a requirement of the Olympic bid, the City had to demonstrate that it had contractual relations for all of these potentialities. Therefore, we would like permission to enter into an intergovernmental agreement with the City of Chicago to provide facilities for their Olympic activities, which is basically soccer, in Huskie Stadium.

Number one, Trustee Boey said, it is a wonderful opportunity to show off our campus. And number two, hopefully, many improvements will come by way of the agreement as well.

I like the sound of improvements and revenue, Trustee Strauss said, but I wonder if there is any exposure for expense. We do not have any specifics at this point, Dr. Williams said, because so much of the planning for the Olympics is still under discussion. What we want to do is assist the City in meeting all of the necessary benchmarks so that their application would meet all of the basic requirements. This will not be a drain on university resources. As mentioned earlier, this may be an opportunity for us to realize

some improvements to our facilities as well as making a tremendous contribution to this overall Olympic effort. So, at this point, we are not negotiating detail. But I can assure you that we will be a partner who will provide facilities with an opportunity to perhaps improve those facilities, and not as a financial resource.

In answer to another question from a Trustee, Dr. Williams stated that NIU was the only university selected for this particular venue. For example, he said, an evaluation was made of facilities in the region that could meet the Olympic requirements for soccer. After evaluating those particular locations, NIU was chosen as the best location for that activity. That says a lot about our facilities and our campus. And in that sense, we were the only university chosen. There are other venues that will be taking place, but we do not know if other universities were selected for those.

Vice Chair Murer asked for a motion to approve the Intergovernmental Agreement with the City of Chicago. Trustee Strauss so moved, seconded by Trustee Boey. The motion was approved.

#### **Agenda Item 9.a.(19) – Naming of Academic and Athletic Performance Center**

On behalf of the university, President Peters said, we asked the NIU Foundation to serve as the developer for the construction of our Academic and Athletic Performance Center, for which we have raised well over \$9 million. And with my enthusiastic endorsement, the Foundation recommends naming that center after our lead donors, Jeff and Kimberly Yordon. Jeff was a student athlete here and reconnected with the university only recently. It happened that athletics was his passion, so they have made the lead gift to this important academic and athletic structure. It is recommended that we name the new Academic and Athletic Performance Center, which will open on August 1, the Jeffrey and Kimberly Yordon Center.

Vice Chair Murer asked if Trustee Boey, as Liaison to the Foundation, would like to make the motion. I would be proud to move the motion, Trustee Boey said, to approve the naming of the Academic and Athletic Performance Center as the Jeffrey and Kimberly Yordon Center. Trustee Siegel seconded the motion. The motion was approved.

#### **Agenda Item 9.a.(20) – Recommendations for Faculty and Supportive Professional Staff Sabbatical Leaves for the 2007-2008 Academic Year**

The annual Recommendations for Faculty and Supportive Professional Staff Sabbatical Leaves for the 2007-2008 Academic Year come from the Academic Affairs and Student Affairs with the support of the Provost. A list of those eligible faculty and staff are included in your report. Sabbaticals are intense focus and study either in a research area or a pedagogical area. Each year since I became a member of this Board, Trustee Boey said, when we come to this sabbatical leave item, I always want to use it as an opportunity to inform the people who are not in the academic world of the proper definition of the sabbatical and what it really is, because outside this academic circle people have a tendency to view it as “another paid vacation.” But far from it, it is time that those in the teaching profession are given to do research and to contemplate in their fields so that they can bring that knowledge back to the classroom to benefit the education of the students.

Vice Chair Murer asked for a motion to approve the Recommendations for Faculty and Supportive Professional Staff Sabbatical Leaves for the 2007-2008 Academic Year. Trustee Strauss so moved, seconded by Trustee Boey.

#### **Agenda Item 9.a.(21) – Request for a New Minor**

Moving into academic programming, Dr. Peters said, we have a request for a new Minor in Actuarial Science. It will be delivered by the Division of Statistics and the Department of Mathematical Sciences. Actuarial science is a much in-demand field, very intensive, and this new minor will prepare our students to take two of the tests that one has to pass to be an actuary. No new resources are necessary; we are just concentrating courses. Vice Chair Murer asked for a motion to approve the new Minor in Actuarial Science. Trustee Strauss so moved, seconded by Student Trustee Nelms. The motion was approved.

### **Agenda Item 9.a.(22) – Request for Degree Authority at Regional Site**

Our Request for Degree Authority at a Regional Site, the President said, is for a B.S. in Technology to be delivered in Region 3, Naperville, through our Department of Engineering. Vice Chair Murer asked for a motion to approve the request for a B.S. in Technology to be delivered in Region 3, Naperville. Trustee Strauss so moved, seconded by Trustee Boey. The motion was approved.

### **Agenda Item 9.a.(23) – Request for New Emphases and Specializations**

We have a series of new emphases and specializations, President Peters said, and most of these are an academic packaging of existing sources requiring no new resources. They are: Emphasis in Actuarial Science within the Bachelor of Science, Mathematical Sciences; Emphasis in Electrical and Computer Engineering within Electrical Engineering; Emphasis in Biomedical Engineering; Emphasis in Health and Systems Engineering; Specialization in Applied Radio Frequency Engineering; and Specializations in Music Education, Music Performance and Individualized Study within the Master of Music. The new emphases and specializations are a reflection on the fluidity of the university, Vice Chair Murer commented. I think it is a very positive thing, a continued reexamination our degree programs and our specializations to assure that we are really in keeping with trends and making sure that our students are well-prepared for the real world.

Vice Chair Murer asked for a motion to approve this Request for New Emphases and Specializations as enumerated by President Peters. Trustee Strauss so moved, seconded by Trustee Boey. The motion was approved.

### **Agenda Item 9.a.(24) – Request Delete Emphases**

### **Agenda Item 9.a.(25) – Northern Illinois Technology Triangle Intergovernmental Agreement**

Consent Agenda Items.

### **UNIVERSITY REPORTS FORWARDED FROM THE BOARD COMMITTEES**

#### **Agenda Item 9.b.(1) – Fiscal Year 2007 Increment Summary Report**

#### **Agenda Item 9.b.(2) – Quarterly Summary Report of Transactions in Excess of \$100,000**

#### **Agenda Item 9.b.(3) – Periodic Report on Investments**

Consent Agenda Items.

#### **Agenda Item 9.b.(4) – Bowl Game Participation Expenses**

President Peters asked Dr. Eddie Williams to give a report on the Bowl Game Participation Expenses. Regarding the Poinsettia Bowl expenses, Dr. Williams said, the two items listed in your report are pursuant to our commitment to provide you with any expenditures exceeding \$100,000 to a single vendor. With regard to the overall economics of the Bowl appearance, the good news is that for two of the last three years, NIU has been invited to a Bowl. One of the things we have done as part of that is to prepare ourselves financially to accommodate a Bowl. In most cases, Bowl experiences are great, but they are not economically positive unless you are at one of the major Bowls. As such, through the efforts of Jim Phillips and our staff, we have worked through our football revenues, gate revenues, guarantees and so forth to assure that if we have a shortfall in total expenses compared with the income generated from the Bowl, we would have funds to make up that shortfall. As we look at this last Bowl experience, the numbers show that we are totally in balance based on the dollars that we have available. And we are preparing for next year's Bowl. The Bowl provided approximately \$750,000 that went through the conference office. NIU, based upon our participation and guaranteed tickets, realized approximately \$600,000 from that. And through that, and the expenditures listed for the team, the band and the cheerleaders, we met those expenses. So, the bottom line message to the Board is that we do not have to go to student fees to make sure that everything is in balance.

I do want to say that one of the things Jim Phillips, Dr. Alden, Dr. Williams and I have always been committed to is that we wanted as many of our student athletes, band members and dance squad members to go and have that experience. After commencement, I took the last plane out with the band, the cheerleaders and the dance squad, and so many of those young people had never been on an

airplane before. And I just revealed that they had the opportunity for that experience that was provided by our football team, and that we could help a little. And the NIU band won the Battle of the Bands.

**Agenda Item 9.b.(5) – Oral English Proficiency Annual Report 2005-2006**

**Agenda Item 9.b.(6) – Illinois General Assembly Substantive Report**

**Agenda Item 9.b.(7) – Congressional Report**

**Agenda Item 9.b.(8) – Bush Administration FY08 Budget**

**Agenda Item 9.b.(9) – Statement on Auditing Standards (SAS) No. 112**

Consent Agenda Items.

#### **ITEMS DIRECTLY FROM THE PRESIDENT**

#### **Agenda Item 9.c.(1) – Resolution of Support for NIU's First Comprehensive Campaign**

It is my great honor and privilege to bring to the Board a request for formal support to launch NIU's first ever capital campaign, President Peters said, but before we get to that, I want to do a brief history. As you know, we have been engaged in what we have called the quiet phase of our capital campaign for the past several years building the foundation for a sustainable fundraising effort through key leadership gifts and commitments of time and effort on the part of many loyal volunteers. Since the year 2000, that quiet phase has tallied over \$106 million, a very healthy basis on which to build. Considering that this university was never really engaged in Foundation work until very recently, this is incredible. So, on May 5, we will be announcing a new campaign goal that reflects both the optimism I talked about before and our rising expectations.

So to whet your appetite a little, and because it fits so well with our current Liberal Arts and Sciences dean search, I want to announce today that we have recently received the largest endowment gift in NIU's history: a \$2 million pledge to establish an endowed dean's chair in the College of Liberal Arts and Sciences. This gift will be key in the life of our university in that it provides a firm foundation and tells the country what we value, and it will provide that new dean of our largest college the basis to move forward in academic programming and fundraising. This is a gift from the heart of a man whose heart and mind were touched by Northern Illinois University. We thank Ray and Patricia Smerge greatly for this, our largest single endowment of \$2 million.

NIU Foundation President Mallory Simpson introduced John Castle, who will co-chair Northern Illinois University's first comprehensive campaign with Dennis Barsema, to make the report on behalf of the Foundation Board of Directors.

Mr. Castle's comments were as follows:

It was a pleasure to hear Coach Patton, Mr. Castle said. We need to recruit him to do some motivational speaking for the Foundation. I thought he was terrific. I am asked sometimes why I am involved in Foundation work. Suffice it to say that I have four or five family members with six graduate degrees. My wife holds three degrees from Northern, culminating in a Ph.D. in Psychology. She is the prototypical NIU student who came here from junior college as a transfer, got her undergraduate degree here, got a master's here and then a Ph.D. in Psychology, moved off and taught at another university for a number of years and then came back to Northern.

The purpose of my remarks today is to thank the Board in anticipation of its support for the capital campaign. It is \$150 million dollar campaign, with \$106 million already in the bank. The next phase of the campaign is a \$50 million phase. We are still calling it a \$150 million campaign, but we will settle for \$160 million, \$170 million, whatever it turns out to be. You are being asked today to pass a resolution that reflects your commitment and your confidence in this campaign. This is a critical time for Northern Illinois University, and it is essential that we have Trustee support. Today's students are challenging the university to prepare them to compete for skilled jobs in a global workforce. We are facing competition now for jobs that we not only did not think of before, but that no one could conceive of before. They are asking too that they be given the tools and the background to thrive in our increasingly global society. As you know only too well, public support for higher education has declined over the past five years. And, frankly, tuition and



fees are just not enough to make up the difference. The costs of educating students for what they need today to participate in the global economy are going up and up, and tuition and fees are just not going to cover that gap. Private funding, private solicitation of funds is the place to be. The competition for private money is fierce. It is fierce among institutions of higher learning. We are competing with private universities as well as with other public universities. And of course we are competing with all the wonderful causes that are around us all the time.

It is a tough job, and the success of our campaign requires commitment, organization and money. Not surprisingly, it takes money to get money. And it takes leadership from the top. President Peters has provided that leadership for the first phase of the campaign, which has been extraordinarily successful. We have every reason to believe that the next \$50 million phase will be equally successful, and perhaps more so. So, today, we are thanking you in anticipation of your passing the resolution and saying to you that it is really important that you step up and assert a leadership role and a commitment to the campaign. And for doing that, we all thank you very much.

I cannot say enough about John Castle, President Peters said. He is not an NIU alum, and yet, from the time I first stepped on campus May 26, 2000, John Castle has offered his sage advice and unwavering support for this campus. It is part of the community in which he was raised and has done business. And we all should feel lucky that someone of John Castle's caliber has agreed to co-chair this activity, because it is like the "Good Housekeeping Seal of Approval." Therefore, I am confident that as we move forward, we will achieve this goal in quick order.

I too want to make a comment about John Castle and his acceptance of this leadership role, said Vice Chair Murer. John is the quintessential representative of the values and the character of NIU. And if our students can even begin to emulate the successes and the benefits that John has provided to his community and to this university, that will be a wonderful thing. We are very appreciative, John, that once again you have come to NIU and offered your services. But most important, that you have offered your leadership and your guidance. And for that, along with Dennis and Stacey Barsema, there is no way we will not be extraordinarily successful. It is with pleasure that I read this resolution of support for NIU's first comprehensive campaign.

### **RESOLUTION OF SUPPORT FOR NIU'S FIRST COMPREHENSIVE CAMPAIGN**

**WHEREAS**, the alumni and friends of Northern Illinois University have demonstrated their support for the university through more than \$106 million in gifts since July 1, 2000; and

**WHEREAS**, the need for private support for scholarships, faculty and academic programs is a growing priority for Northern Illinois University; and

**WHEREAS**, a comprehensive fundraising campaign will focus attention on raising gifts to support endowments for these critical needs and build on the existing momentum generated by our success thus far;

**THEREFORE, BE IT RESOLVED** that the Board of Trustees of Northern Illinois University recommends support of Northern Illinois University's first comprehensive campaign.

### **BOARD OF TRUSTEES OF NORTHERN ILLINOIS UNIVERSITY**

*Barbara Giorgi Vella, Chair*  
Attest: *Marc Strauss, Secretary*



I would like to congratulate Mallory and John, Chair Vella said. I want to congratulate the Foundation, the staff and their board on the beginning of this capital campaign. I also want to thank John Castle and

Dennis and Stacey Barsema for all their help in this campaign. I wish you well and know I speak for the entire Board when I say that we are committed to assisting you in any way we can to achieve your goals.

I am absolutely delighted at the leadership of the campaign, Trustee Boey said. As most of you know, John and I have been dear friends for a long-time. He did not have to do this. He could go on vacation and forget about the capital campaign. But that is the man we are talking about along with the Barsemas. My friend, all I will add to this is thank you so much for taking on this responsibility.

I will second what has been said, Trustee Strauss said. The campaign is in good hands. It is very important work, and we are extremely grateful for the support that the Foundation gives to the university.

On behalf of current and future students, Student Trustee Nelms said, I would like to thank Mr. Castle and the Foundation for putting the full force of the Foundation behind meeting these academic challenges. Mr. Castle mentioned the problems we have had with state funding and the problems of increasing tuition on an annual basis, and this campaign will go a long way towards helping countless generations of students attend NIU and to receive the quality education that we have been so happy to provide for over a century.

The Vice Chair asked for a motion to approve the Resolution of Support for NIU's First Comprehensive Campaign. Trustee Boey so moved, seconded by Trustee Siegel. Vice Chair Murer then asked for a roll call vote, which was as follows:

Trustee Boey	Yes	Trustee Murer	Yes
Trustee Siegel	Yes	Trustee Strauss	Yes
Student Trustee Nelms	Aye	Chair Vella	Yes

The motion was approved.

#### **Agenda Item 9.c.(2) – Summary of Grant and Contract Awards**

Consent Agenda Item.

### **CHAIR'S REPORT NO. 39**

#### **Agenda Item 10.a. – Second Reading – Amendment to *Bylaws* of the Board of Trustees of Northern Illinois University**

Senate Bill 585 passed the General Assembly this past spring and was effective January 1, 2007, Vice Chair Murer said. Our legal counsel has advised that we should update the Board's *Bylaws* in order to remain consistent with the new statutory language as it pertains to the Open Meetings Act in Illinois. Today represents the Second Reading of the proposed bylaw change. The First Reading occurred at the December, 2006 Board meeting. Mr. Davidson will explain one minor change to the amendment.

In this substitution for Agenda Item 10.a., Mr. Davidson said, you will note that there are three areas where I have indicated a change. After review of the First Reading, one of the Trustees recommended a change to make it clear that locations at which there may be remote attendance via video conference must be Illinois locations. I also have added a permissive provision that may allow for this special attendance paragraph in the quorum area to have elasticity should there be future changes in the law. There have been further amendments to the Open Meetings Act in this legislative session that may provide additional reasons for which a person may be absent but can call in to the meeting and, authorized by the present quorum of the Board, to permit the teleconferencing Trustee to participate and vote.

Trustee Siegel asked Mr. Davidson to clarify the language in Article X of the *Bylaws*. Mr. Davidson stated that the intention of that section of the *Bylaws* was to stabilize them so that could be changed only through a strong will of the Board. In Article X, "majority vote of the total voting membership of the Board" refers to all eight Trustees. So to change any *Bylaws*, an affirmative majority of the total voting

membership of the Board, or five Trustees, would be required, regardless of how many members are present at a meeting.

Trustee Siegel then made a motion to amend Section 6 to insert the word "calendar" before the word "days" in three locations in the second paragraph. Vice Chair Murer asked for a second to Trustee Siegel's motion. Trustee Strauss seconded the motion. The motion to approve the amendment to the Bylaws was approved as amended.

### **Agenda Item 9.c.(3) – Report Regarding RIAA Issues**

RIAA is the Recording Industry Association of America, President Peters said. Consistently, the Recording Industry Association of America has been trying to address what they considered to be the pervasive problem of online file trafficking of copyrighted works such as downloaded music and videos. And, as you know, recently, NIU was one of 13 universities identified by RIAA in what probably will be the first wave of universities that have been asked rather publicly to identify individuals that the RIAA has identified, through IP addresses, as potential misusers of this illegal downloading. Identification of those users is a rather complicated process. The Digital Millennium Copyright Act federal statute, which deals with the copyright infringement, compels us to notify students when we are notified. President Peters asked Wally Czerniak, Associate Vice President for Information Technology Services, to provide some context for the Board.

Before I begin, Mr. Czerniak said, I want to give you a few definitions as background. The President has talked about DMCA, which is the Digital Millennium Copyright Act of 1998. This was the most significant rewrite of the copyright law in over a generation, consisting of five different titles and sections.

In Title II, we talked about ISP's (Internet Service Providers). NIU along with all of the other public and private universities that offer access to the Internet are classified as Internet Service Providers. In order for these ISP's have a safe harbor, they were required to do five things: (1) designate an agent to receive notices of copyright violation or infringement, (2) educate users on copyright law, (3) warn users that they could lose their service for violations of copyright, (4) accommodate and not interfere with technological measures that identify and protect copyright owners and, lastly, (5) remove from the Internet any copyright material when notified, and that is pretty significant.

We are dealing with three organizations. The RIAA (Recording Industry Association of America) is made up mostly of music content owners, is probably the most aggressive and spends most of its time trying to deal with copyright issues for its members. The MPAA (Motion Picture Association of America) is made up primarily of the movie content owners. Copyright infringement is just a smaller piece of what this organization does. And lastly, the BSA (Business Software Alliance). This group's members write software for MicroSoft and other companies that build software. Again, they have spent a lot of time trying to protect the copyright of software and the illegal distribution of copyrighted software. But the DMCA applies to all of these entities and certainly applies to the Internet Service Providers.

One of the other definitions I would like to give you is Peer-to-Peer, better known as P2P. Originally, when computers were built and their systems were designed mostly for a client-server relationship, with a big server somewhere on campus. Then they became smaller as PC's, which literally would communicate with the servers. Any information that was shared between your PC and my PC usually went through a server. With the advent of software like Napster came P2P. Napster created software on its server that could be downloaded to your PC, and that allowed your PC to communicate directly with someone else's PC. So with this technology, when you would go to the server, the software actually started to build a directory on that server. The Peer-to-Peer software would look at your computer, load those titles to a Napster server, and then all of the members who joined this organization by loading this software could see all of this material. Then this allowed a direct pass-through for copying whatever files were on one machine to the other without going through the server. That changes how computers operate.

Because Napster stored the directories, they were going to be convicted for violating copyright, so they were pretty much shutdown and illegalized. Today, there continues to be a plethora of companies that give you the software that allows your computer to talk to any other computer on the network and transfer

files, such as Gnutella, LimeWire, Morpheus, but they do not store the directories, so they are not considered illegal. Those files could be your personal pictures, music, movies, software or whatever you wanted to put out there.

Lastly, in my definitions, Mr. Czerniak said, I want to talk a little about Apple, iPod and MP3's. It is legal to purchase and download songs to your PC. It is legal to copy your purchased CD's to your PC or to your MP3 player and play them. However, it is not legal to take all those files, open your computer to the Internet and share them with other people. So the crux of it is that while you will hear the RIAA always talking about people downloading illegal copies of music, you could legally take your music collection and load it there, and then copy a program like KaZaA onto your machine. KaZaA would open up all the titles in your music file, or movie files, to the public, and that is the act that becomes illegal. It is that act that the RIAA and other industries come back to the ISP's to complain about.

In an attempt to remedy this, NIU has used a three-pronged approach -- to educate our students, to comply with the law, and to provide legal alternatives – and we have been a partner, a follower and a leader in all three of these areas.

Education. NIU has created policies on its web sites that talk about the law, what is against the law and how to do things legally. We have created an “Everything Technology” book that talks about copyright laws among other things. We deliver this to every student who lives on NIU's campus, and it is available to all students who attend here. NIU has created a CD for students to help them connect to the Internet that also tells them about copyright violations and runs software to clean up their PC's. In addition to that, every semester we do significant amounts of advertising in the *Huskie Living Newsletter*, at our summer orientations, through flyers in the residence halls, and through notices on Cable TV Bulletin Channel 20.

Compliance, Technology and Enforcement. Originally when we received complaints from the RIAA, they blamed the universities more than they blamed the other ISP's because we have such large pipes to the Internet. The fact is that those big pipes cost a lot of money. Illegal file sharing was costing the universities money because they had to pay for these pipes and it put additional traffic on the pipes, which caused problems for students and faculty doing legitimate Internet work. So we were an early adopter of what was called “packet shaping.” Though it did not completely stop it, this has significantly reduced the amount of traffic going into and out of the residence halls for this file sharing protocol. Also, when we received the complaints, we contacted the students and did everything we were required to do by law, and then notified the RIAA that we had taken this material off the Internet.

Lastly, Mr. Czerniak said, we decided that if we really wanted to stop this behavior we needed to provide a legal alternative. At that time, Apple and iPod had already been out for a couple of years. So in the early 2000's, NIU decided to partner with a brand new start-up organization called Ruckus. NIU and two other universities partnered and tried to develop a legal music download sharing operation. In the year 2004, Ruckus announced its first product. Since then, they have found a way through advertising to actually make free music available to students, and for a small fee they can also download movies.

<b>REPORTS OF BOARD COMMITTEES AND BOARD LIAISONS</b>
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**Executive Committee**

There was no report from the Executive Committee.

**Academic Affairs, Student Affairs and Personnel Committee**

Committee Chair Cheryl Murer reported that the Academic Affairs, Student Affairs and Personnel Committee met on Thursday, March 8. Since we have already approved all of the recommendations under the President's Report, I just want to reiterate what Trustee Boey said about the sensitivity to sabbaticals and an understanding that they are really at the epicenter of scholarship. The university does benefit from sabbaticals because that is when books are written, when new techniques are identified, when research projects are initiated, and when grants are written. So it was with pride that the committee supported that list. Also, we were very interested in hearing about all of the programming changes in deletions and additions of specializations and emphases presented by the Provost. Again, this is a

reflection of the fluidity of the university in its academic structure. We were very pleased to have two professors make a presentation regarding their recent sabbaticals.

### **Finance, Facilities and Operations Committee**

Committee Chair Robert Boey reported that the Finance, Facilities and Operations Committee also met on Thursday, March 8. All of the items on which the committee made recommendations were in the President's Report. Particular discussions were held on student fees, room and board rates, and some of the other special authorizations for items such as sports camp housing and meals.

### **Legislation, Audit and External Affairs Committee**

Trustee Marc Strauss, who was Acting Committee Chair at that meeting, stated that the Legislation, Audit and External Affairs Committee met at Hoffman Estates on Tuesday, March 6. Although most of these items were reported on the consent agenda, I will summarize what happened at that meeting. Ken Zehnder provided a report on pending substantive legislation in Springfield. Kathy Buettner provided a report on key issues, including the Higher Education Reauthorization Act in Congress and a summary of the Bush administration budget for FY08. These reports are included in your agenda materials today. Due to the lack of a quorum, the committee forwarded the Northern Illinois Technology Triangle Intergovernmental Agreement to the full Board with consensus for approval. This agreement is a cooperative agreement voluntarily established by contracting units of state and local government to promote, facilitate and implement broadband connectivity for the northern Illinois region. Internal Auditor Sharon Downen explained a new statement on auditing standards, SAS No. 112, which took effect in December 2006. The ultimate interpretation of the new statement was that there may be more adverse audit findings in the next cycle. It will be implemented by external auditors with the university's FY07 audit. Finally, the FY2005 Audit and Compliance examination for the university was accepted on the consent calendar of the Legislative Audit Commission meeting in December.

### **Illinois Board of Higher Education**

President Peters reported that the last meeting of the IBHE was held on February 6, 2007 in Springfield. It was the last meeting of Chairman James Kaplan, who resigned as chair. He has been replaced by Carrie Hightman, the former CEO of AT&T. I look forward to meeting her at the next IBHE meeting, which is scheduled for next week.

### **Universities Civil Service Merit Board**

Universities Civil Service Merit Board Liaison Marc Strauss stated that the February meeting of the Civil Service Merit Board was cancelled due to inclement weather. A combined February-May meeting has been scheduled for April 13 in Urbana.

### **UNIVERSITY REPORTS FORWARDED FROM THE BOARD COMMITTEES**

**Agenda Item 9.b.(1) – Fiscal Year 2007 Increment Summary Report**

**Agenda Item 9.b.(2) – Quarterly Summary Report of Transactions in Excess of \$100,000**

**Agenda Item 9.b.(3) – Periodic Report on Investments**

**Agenda Item 9.b.(5) – Oral English Proficiency Annual Report 2005-2006**

**Agenda Item 9.b.(6) – Illinois General Assembly Substantive Report**

**Agenda Item 9.b.(7) – Congressional Report**

**Agenda Item 9.b.(8) – Bush Administration FY08 Budget**

**Agenda Item 9.b.(9) – Statement on Auditing Standards (SAS) No. 112**

Consent Agenda Items.

### **NEXT MEETING DATE**

The next meeting of the Board of Trustees is scheduled for Thursday, June 21, on the main campus in DeKalb.

## ADJOURNMENT

There being no Other Matters, Vice Chair Murer asked for a motion to adjourn. Trustee Strauss so moved, seconded by Trustee Boey. The meeting was adjourned at 11:55 a.m.

Respectfully submitted,

Sharon M. Banks-Wilkins  
Recording Secretary

