



PROCEEDINGS

July 1, 2004 - June 30, 2005

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY**

Officers

Barbara Giorgi Vella, Chair
Cherilyn G. Murer, Vice Chair
Marc J. Strauss, Secretary
Kenneth L. Davidson, Parliamentarian
Eddie R. Williams, Treasurer
Anne C. Kaplan, Assistant Secretary/Assistant Treasurer
Kathryn A. Buettner, Second Assistant Secretary
Sharon M. Mimms, Recording Secretary

Appointed Members

Expiration of Term

Robert T. Boey - DeKalb	January 15, 2007
George A. Moser - Barrington Hills	January 15, 2007
Cherilyn G. Murer – Homer Glen (<i>Appointed 05/06/05</i>)	January 17, 2011
Manuel Sanchez - Lisle	January 15, 2007
Myron E. Siegel - Bannockburn	January 17, 2011
Gary J. Skoien – Inverness (<i>Resigned 05/06/05</i>)	January 17, 2011
Marc J. Strauss – DeKalb (<i>Appointed 05/06/05</i>)	January 17, 2011
Barbara Giorgi Vella - Rockford	January 17, 2011

Student Member

Eric J. Johnson	June 30, 2005
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John G. Peters, President
Northern Illinois University
300 Altgeld Hall
DeKalb, IL 60115

PROCEEDINGS
of the
Board of Trustees
of
Northern Illinois University
July 1, 2004 - June 30, 2005

Table of Contents

<u>Meeting Date</u>	<u>Pages</u>
September 23, 2004..... Board of Trustees – President’s Report No. 42.....	1
December 9, 2004 Board of Trustees – President’s Report No. 43.....	43
February 16, 2005..... Board of Trustees Special Meeting – President’s Report No. 44.....	70
March 24, 2005..... Board of Trustees - President’s Report No. 45	81
June 16, 2005..... Board of Trustees – President’s Report No. 46.....	130

President's Report

No. 42

September 23, 2004

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
9:00 a.m. – Thursday – September 23, 2004
Clara Sperling Sky Room**

9:00 a.m. Call to Order, Roll Call, Notice Verification, Meeting Agenda Approval, Review and Approval of Minutes, Reports of Board Committees and Board Liaisons, Recess to Executive Session
Executive Session – University Suite
Reconvene Board of Trustees Meeting – Clara Sperling Sky Room



1. Call to Order and Roll Call
2. Verification of Appropriate Notification of Public Meeting
3. Meeting Agenda Approval *Action*...2
4. Review and Approval of Minutes of June 17, 2004 *Action*.....
Minutes of September 23, 2004 5
5. Chair's Comments/Announcements
6. Public Comment*
7. Reports of Board Committees and Board Liaisons
 - a. Executive Committee
 - b. Academic Affairs, Student Affairs and Personnel Committee
 - c. Finance, Facilities and Operations Committee
 - d. Legislation, Audit and External Affairs Committee
 - e. Illinois Board of Higher Education
 - f. University Civil Service Merit Board
 - g. Northern Illinois University Foundation
8. Executive Session
9. President's Report No. 42
 - a. University Recommendations Forwarded by the Board Committees
 - (1) Fiscal Year 2006 Appropriated Capital Budget Request..... *Action*... 17
 - (2) Fiscal Year 2006 Nonappropriated Capital Budget..... *Action*... 25
 - (3) Fiscal Year 2005 Internal Budget *Action*... 29
 - (4) Fiscal Year 2005 Salary Increment Allocation Guidelines *Action*... 33
 - (5) West Campus Utility Extensions and Infrastructure Improvements – Capital Project Approval *Action*... 35
 - (6) College Avenue Bridge Repairs - Capital Project Approval..... *Action*... 36

(7) Energy Infrastructure Improvements Performance Contract	Action ...	37
(8) Internet2 Fiber Pathways Lease Agreement	Action ...	38
(9) Department of Psychology Grant Subcontracting	Action ...	39
(10) University Health Service Multiyear Medical Reagent Open Order.....	Action ...	40
(11) Appointment of Vice President of Student Affairs	Action ...	41
b. University Reports Forwarded from the Board Committees		
(1) Fiscal Year 2004 Annual Report on Capital Activities	Information	
(2) Fiscal Year 2004 Annual Report of Transactions Involving Real Property	Information	
(3) Fiscal Year 2004 Annual Summary Report Obligation of Financial Resources	Information	
(4) Convocation Center Review of Second Year Operations.....	Information	
(5) Peoplesoft Student System Replacement Project Update	Information	
(6) Fiscal Year 2006 Programmatic Budget Requests	Information	
(7) 2004 Faculty Emeritus Recognition	Information	
(8) Fiscal Year 2004 University Performance Report	Information	
(9) Professional Excellence Awards for Faculty and Staff	Information	
(10) Fiscal Year 2004 External Funding for Research, Public Service and Instructional Projects	Information	
(11) Substantive Legislation	Information	
(12) Spring 2004 Congressional Report	Information	
(13) NIU Procedural Audit Revisions	Information	
c. Items Directly from the President		
(1) Collective Bargaining Agreement	Action ...	42
(2) Summary of Grant and Contract Awards	Information	
10. Other Matters		
11. Next Meeting Date		
12. Adjournment		

*The Board and its committees comply with P.A. 91-0715 through its *Bylaws*, Article II, Section 5.B:

1. Consistent with Public Act 91-0715 and reasonable constraints determined by these *Bylaws* and the Chair, at each regular or special meeting of the Board or its committees that is open to the public, members of the public may request a brief time on the approved agenda of the meeting to address the Board on relevant matters within its jurisdiction.
2. Committees of the Board review University proposals for action and make adjustments and endorsements as appropriate for further consideration by the full Board. Public comments are generally most useful at meetings of Board committees, where proposals are first considered and the time for interaction most feasible.
3. To facilitate an orderly process, appearance requests must be registered on a Board-provided form and submitted to the Board's Parliamentarian at least 45 minutes before the meeting is scheduled to be called to order. To be recognized, the appearance request will include the name, address and position of the individual wishing to speak, the name of the organization or group represented, a concise summary of the presentation, and whether the requestor has appeared earlier on the topic before any other meeting of the Board. The Parliamentarian may confer with registered speakers to cooperatively assist the Chair of the meeting in assuring coordinated issue presentation and an efficient use of allocated time. The Parliamentarian will acquaint requestors with the generally acceptable rules of decorum for their presentations. In lieu of oral presentations, individuals may present brief written materials not to exceed five (5) pages to the Parliamentarian for distribution and consideration by the Board in advance of the meeting.
4. The Chair of the meeting will recognize duly registered individuals at the appropriate point during the meeting. Unduly repetitive comments may be discouraged and restricted by the Chair. To assure an orderly and timely meeting the Chair may limit time allotments to five minutes or less, may delay or defer appearances when appropriate, and defer or refer questions received from presenters for answers if available.

Anyone needing special accommodations to participate in the NIU Board of Trustees meetings should contact Ellen Andersen, Director of Special Events, at (815)753-1999, as soon as possible, normally at least a week before the scheduled Board meeting.

Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
September 23, 2004

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Vice Chair Barbara Giorgi Vella at approximately 9:25 a.m. in the Clara Sperling Sky Room of Holmes Student Center. Recording Secretary Sharon Mimms conducted a roll call of Trustees. Members present were Trustees Robert Boey, Manuel Sanchez, Barbara Giorgi Vella and Student Trustee Eric Johnson. Trustee Myron Siegel and Chair Gary Skoien joined the meeting in progress. Not present was Trustee George Moser. 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

Chair Skoien is expected very shortly. So, I am going to ask for approval of the agenda, Acting Chair Vella said, but I am going to ask that we call some of these matters out of order. We will start with Agenda Items 1, 2, 3, and 6 and then go back. May I have a motion to approve the meeting agenda as amended. Trustee Sanchez so moved, seconded by Trustee Boey. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

Chair Vella announced that due to the Altgeld Hall move by the staff, the June meeting minutes will be reviewed at the December meeting.

CONSENT AGENDA APPROVAL

After discussion with President Peters and review of the printed agenda, Vice Chair Vella proposed creation of a Consent Agenda that would immediately precede the beginning of the President's Report and move President's Report Number 42, Action Items 8.a(5), (6), (8), (9) and (10), and receipt of Information Items 8.b.(1), (2), (3), (6), (7), (8), (10), (11) and (12), and 8.c.(1) to that Consent Agenda. Vice Chair Vella asked for a motion to approve the Consent Agenda. Trustee Boey made a motion to approve the consent agenda. Student Trustee Johnson seconded the motion. The motion was approved.

REPORTS OF BOARD COMMITTEES AND BOARD LIAISONS

Executive Committee

There was no report from the Executive Committee.

Academic Affairs, Student Affairs and Personnel Committee

I am feeling a little bit sentimental today since this is the last time we will be holding our Board of Trustees Meeting in the Holmes Student Center, Trustee Boey said. This room has held many a memory for all of us, including the swearing in of the original Trustees under the new charter of governance. So it is with a note of sadness but a lot of anticipation that we go to our new Board of Trustees conference room in Altgeld Hall.

The Academic Affairs, Student Affairs and Personnel Committee met on Wednesday, September 1, and at that meeting, the Committee considered and endorsed an action item for the Appointment of Vice President of Student Affairs, Brian Hemphill. The Committee heard reports on the following information items: Fiscal Year 2006 Budget Requests; 2004 Faculty Emeritus Recognition; Fiscal Year 2004 University Performance Report; Professional Excellence Awards for Faculty and Staff; Fiscal Year 2004 External Funding for Research, Public Service and Instructional Projects.

At this point, Chair Skoien assumed the chair.

Finance, Facilities and Operations Committee

Committee Chair Vella reported that the Finance, Facilities and Operations Committee met on September 1, 2004. At that meeting, the Committee considered and approved recommendations for the Fiscal Year 2006 Appropriated and Nonappropriated Capital Budgets; Fiscal Year 2005 Internal Budget and Salary Increment Allocation Guidelines; capital budgets, projects and improvements including the West Campus Utility Extensions and Infrastructure Improvements and College Avenue Bridge Repairs; Energy Infrastructure Improvements Performance Contract; Internet2 Fiber Pathways Lease Agreement; Department of Psychology Grant Subcontracting; University Health Service Multiyear Medical Reagent Open Order. The Committee also received reports including the following: the Fiscal Year 2004 Annual Reports on Capital Activities; Transactions Involving Real Property; Tuition and Fee Waivers; Cash and Investments, Summary Obligations of Financial Resources, Quarterly Summary Report of Transactions in Excess of \$100,000; Convocation Center Review of the Second-Year Operations; PeopleSoft Student System Replacement Status. The recommended items addressed by the Finance, Facilities and Operations Committee are included in the President's Report that President Peters will present for Board approval.

Legislation, Audit and External Affairs Committee

Chair Skoien announced that the Legislation, Audit and External Affairs Committee report would be delayed until Committee Chair Siegel arrived.

Illinois Board of Higher Education

Committee Liaison Barbara Vella deferred to President Peters for the IBHE report. He reported that the last meeting of the Illinois Board of Higher Education was held on August 10 at Western Illinois University in Macomb. Among the items discussed and/or acted on of interest to NIU included a recap of the Fiscal Year 2005 budget, limited discussion of the guidelines for the Fiscal Year 2006 budget preparation, a midterm review of the Illinois Commitment Report and a Report on the Governor's request to examine college textbook prices, which is an ongoing issue. The next meeting of the Illinois Board of Higher Education will be held on October 5 at the Illinois Institute of Technology. And on August 16, Tom Lamont was named the Interim Executive Director replacing Dan LaVista. A search committee has been formed to conduct a search for a permanent replacement.

Universities Civil Service Merit Board

I was not able to attend the meeting. However, it was held on September 15. Two employees were discharged from Northeastern University and two employees were also discharged from the University of Illinois at Chicago. The board approved the budget recommendation from the executive director. A revision to the Universities Civil Service Merit Board Bylaws regarding regulations under the Open Meetings Act was approved, and a Freedom of Information Policy was updated. In addition, the board scheduled their next four meetings, one of which will be in the Chicago area. The next meeting is scheduled for January 26.

Northern Illinois University Foundation

Trustee Boey, Board of Trustees Liaison to the Northern Illinois University Foundation, deferred to Mallory Simpson, President of the Foundation, for this report. In June, you may remember that I reported we had already exceeded our goal of \$10.5 million, Ms. Simpson said. The final total was \$12.7 million, which was a 27 percent increase from the year before. I was especially pleased that we had a nearly 90 percent increase in outright gifts from individuals.

The Foundation will be hosting its first Red and Black event next Friday, Ms. Simpson said. The evening is planned to provide an opportunity to recognize generous donors and volunteers as well as to reconnect with other alumni and friends of the university. I am delighted that so many of the Trustees are planning to attend. It is going to be a terrific celebration of Huskie pride, philanthropy and spirit. Two individuals will receive special recognition that evening. Sally Stevens will receive the Foundation's award for philanthropy. And Joe Preola, president of National Realty Advisors, will receive the Foundation's award for outstanding volunteer service.

To give you an update on the Barsema Alumni and Visitors Center project, Ms. Simpson said, we have made great progress during the summer with two new \$100,000 commitments in just the last week alone, both of them resulting from President Peters' personal efforts. They bring our pledge total for the project to more than \$5.2 million, which is 85 percent toward our minimum goal of \$6.2 million. I am especially proud to say that of that \$5.2 million, 64 percent has come from individual gifts from members of the Foundation Board of Directors. In addition, not counted in the \$5.2 million total is a property gift that the Foundation is making to the university valued at about \$350,000 to complete the land required for the project.

October 16, we are anticipating with a great excitement our groundbreaking celebration for the Alumni and Visitors Center project at Homecoming, Ms. Simpson announced. If you recall, we announced publicly the campaign at Homecoming last year. Best of all, next Homecoming, we will be dedicating a brand new Alumni and Visitors Center.

Last spring, we launched the general phase of our project campaign so that everyone in Northern's family – faculty, alumni, parents, students, friends – will have an opportunity to help complete the project, Ms. Simpson said. We are providing everyone with a chance to buy bricks, benches or trees with an inscription honoring an individual or occasion or just thoughts to live by. Nearly 350 bricks have been sold to date as well as several trees and benches. People seem to really like having the opportunity to contribute at whatever level they are able. The other donor recognition opportunity that has proved very appealing is the Circle of the Seal in the center of the great hall. Surrounding an eight foot university seal will be large tiles inlaid with donor names of those who have pledged \$100,000 to the project over a period of three to five years. These donors are prominent alumni, leaders, volunteers, civic and business leaders and entrepreneurs. The Circle of the Seal activity this summer has been exceptional. As of Monday, we have only one spot left.

Last but not least, Ms. Simpson said, a few heartwarming stories of recent commitments to Barsema Alumni and Visitors Center. For 40 years, Jerry Zar has been a part of the NIU family – student, faculty member, senior administrator – and he had previously established two endowed scholarships, one in music and one in biology. This summer, Jerry and Carol, who is also an alumna and staff member, pledged \$50,000 to name the terrace outside the faculty library of the center. And last winter, Jim Mason, a local businessman, and his alumna wife Linda committed \$50,000 to the center. But after listening to co-chair Nancy Castle talk about the importance of the project and the impact it will have, they were inspired to double their gift. So their commitment is now \$100,000, and they are in the Circle of the Seal. Alumnus David Lehman, who spent his career teaching in the Chicago Public School System, has up until now made gifts to support teacher development and also the Tri-County Community Health Center. But this summer, David made a \$100,000 pledge to the Alumni and Visitors Center, earning a spot in the Circle of the Seal.

And my last story is a great one. Margaret Florial, a 1947 NIU graduate, spent her life teaching. Just a couple of months ago, she walked into the Foundation office and asked to speak to someone. She wanted to do something significant, she said, to show her gratitude for the excellent education she had received. The result is that she is making a \$50,000 gift to the Alumni and Visitors Center. This is more proof of something we say often in our department – you just never know where the next major gift is going to come from.

So, as you can see, Ms. Simpson said, expected and unexpected people are responding to this project. Of the 19 individuals who have made commitments, 15 of them are first-time major donors. Clearly, our university will be well-served by the facility. But beyond that, it is doing a wonderful job in energizing our constituencies, inspiring major gift support and helping to provide a launching pad for additional projects in the years ahead.

CHAIR'S COMMENTS/ANNOUNCEMENTS

It is great to be back on campus this morning for our first full meeting of the new school year, Chair Skoien said. The campus looks beautiful, our students are fully engaged in their exciting college lives and the work of the university is in full swing. It is a wonderful time to be here at NIU. We have a very full agenda this morning, and, of course, many of the items before us have to do with budgetary matters. While we continue to struggle with increased demand and decreased dollars, I think I speak for all of us when I say that there is a sense of having turned a corner, at least temporarily, in our state funding crisis. We saw a tremendously difficult pitched battle in Springfield this summer over spending priorities. Public higher education took a strong stand against further cuts, and we prevailed. This year, for the first time in three years, we start a new school year with a level budget. That is, the same amount we started with at this time last year. And in this environment, that actually is very good news. Later this morning, we will be voting on salary increment guidelines for FY05, and we are very happy to be doing so. All of us believe that NIU's continued success and forward momentum are driven by the talented faculty and staff of this university, not to mention this outstanding Board of Trustees. We share Dr. Peters' view that improving salaries must be a top priority, and we celebrate the opportunity to do so in a manner and at a level that compares very favorably to other institutions around the state.

We will hear a report later this morning on external funding. And, once again, the news is good against a backdrop of decreased state support. NIU is increasing the amount of funding we receive from other entities, both public and private and state and federal, for research and public service across the region and around the country. So we have stabilized state funding. We are building our own resources through more grant-writing and targeted research funding. And we are moving ahead as an institution "on the grow," so to speak, leaner but not meaner, focused on giving our best to our students and our region. To that end, I'd like to introduce two individuals this morning who exemplify this forward movement. The first received enough of his own press last month to really need no introduction, but I want to acknowledge and formally welcome our new Athletic Director, Mr. Jim Phillips. I have been fortunate enough to spend some time with Jim and to hear and share his vision for NIU Athletics. I am delighted. He is a Chicago kid, and he is from a well-known Catholic university in a neighboring state. He has an exciting plan, and it is an exciting time for our sports program. The Chair recognized Mr. Phillips and invited him to make comments.

It is really my honor and privilege to be introduced as the new athletic director here at Northern Illinois University, Mr. Phillips said, and I am very excited about what the future holds. Very briefly, as I talked to the over 100 some odd staff we have in 17 sports and 450 student athletes, our primary objective is to provide a world class athletic experience for each student that participates in intercollegiate athletics. We want them to be clearly defined academically so that we graduate our student athletes with a useful degree. We prepare them as they transition into the real world, and we give them a great social experience where we are involved in community service and outreach programs. And finally, we want to prepare them athletically so that we compete to win championships. That is what athletes like to do. That is what we all like to do as competitors, and that will be our primary focus. It will be something we do every day all day. Again, I am very humbled to be here, Mr. Phillips said in conclusion. I will be even

more excited when my wife, Laura, and our four young little Huskies join me here in the near future. So, thank you for having me this morning, and I look forward to a long prosperous future together. Thank you.

We are really delighted to have you here, and we welcome you, Chair Skoien said. And I hope you feel happy here at your new home and that you will be with us a long time.

The next person I would like to introduce, the Chair said, is NIU's new Vice President for Student Affairs. We will be voting on his appointment later in the meeting. Brian Hemphill joined us just a few weeks ago and is already shaping a very clear vision for enhancing the student affairs role at NIU. He brings strong experience from a large, land-grant university with challenges not unlike those at NIU. Brian joins us at a critical time for student services and student support, and I would like to ask him to come forward at this time and share a few thoughts with us.

I can say that I am very honored and very proud to be here also as a member of this particular community. My wife and I talked last night about this being my 30th day anniversary. I sincerely hope that it has not felt like three years for some of our staff. But, we are having a great time, and we have truly focused on looking at how we, in Student Affairs, can begin to enhance the academic mission of this institution. President Peters has laid out a clear vision for NIU, and he has challenged this institution in many ways to pick up the pace. And you can see that in some of the acknowledgements we are receiving in terms of our academic credibility and Barsema Hall, and also in being recognized as one of the premiere institutions in terms of graduating to African American Ph.D.'s. As I talked to our staff for the very first time, one of the things we talked about is how we would truly be partners in picking up the pace and working to enhance the academic mission of this institution, and we will commit ourselves to that. I am looking forward to providing leadership for our initiatives. Thank you very much.

In keeping with the generally upbeat nature of our meeting today, Chair Skoien said, I would like to mention two other matters that give us cause to celebrate. By the next time we meet, ground will have been broken for the new Barsema Alumni and Visitors Center on Annie Glidden Road, just east of the football stadium. We are all excited about this project and the ability for the whole university to give a better welcome to our friends and visitors, to better nurture our relationships with alumni and other supporters, and to better serve new students and parents visiting our campus for the first time. And finally, I am happy to announce that just two weeks from today we will formally reopen and rededicate the historic Altgeld Hall. On October 7, we have a series of events planned to showcase that beautiful campus landmark and dedicate it to a second century of service. The grand public spaces in Altgeld Hall will make it a major center of campus life, reminding us of the foundations of this university and the timeless mission we fulfill on behalf of future generations.

Now I would like to mention something of a personal nature. All the Trustees on the Board here, except Eric, have sons. Our friend, Myron, lost his son in a very tragic occurrence a few weeks ago. And I mention it for a couple of reasons. One, there is no one on this Board who has greater, more sincere love and devotion for this university than Myron. I think, without exception, his heart and his soul and his effort on behalf of the university are exemplary. I also mention it because I was so struck, when I was at Myron's house, by the number of staff and faculty and Board members who were in attendance. That speaks volumes about this community and about how, when you recognize the goodness of someone, what they have done and who they are, you stick together and shoulder to shoulder go forward. I can't imagine what Myron has gone through, but, Myron, on behalf of the Board and everybody in this room, our hearts are with you. We are proud to have you on the Board, and we are glad to have you here with us.

The Siegel family thanks all of you and all of those who have taken time to write cards and express their sympathy, Trustee Siegel replied, it has been very helpful. Thank you.

On the same note, Trustee Boey said, we would also like to recognize that Sharon Mimms lost her father at the same time. Our sympathies went out to her in the Committee meetings, and we offer our

condolences now to Sharon and her family. Ms. Mimms thanked Trustee Boey and the Board for their condolences.

Chair Skoien recognized the University Advisory Committee (UAC) representatives: Dr. Paul Stoddard, Dr. Paul Loubere, Dr. William Tolhurst, Dr. Xueshu Song, Ms. Shey Lowman and Ms. Donna Smith. He asked Dr. Stoddard if he had any comments at this time.

It is an honor to be able to take part in these proceedings, Dr. Stoddard said. From what I have seen so far in working with the Board of Trustees, I am very happy to be part of a community that sees all levels from the highest governing bodies to all those below them pull together to make this a truly remarkable place. Speaking specifically to agenda items, as President of the Faculty Senate and Executive Secretary of the University Council, we are particularly happy with the administration's efforts in times of flat budgets to be able to actually come up with a salary increment. Many people were not expecting to see anything this year, given the budget situation. So, we are very thankful.

Thank you very much for being here, Chair Skoien said. We welcome seeing you again at our future meetings. The Chair then recognized Former-President Bill Monat.

Chair Skoien called for the Legislation, Audit and External Affairs Committee report.

Legislation, Audit and External Affairs Committee

Committee Chair Myron Siegel reported that the Legislation, Audit and External Affairs met in Hoffman Estates on August 11. Ken Zehnder and Kathy Buettner provided reports on the status of state and federal substantive legislation pending in Springfield and in Congress. Both reports are included in this BOT report. With the adjournment of the spring legislative session a few days before our August meeting, Trustee Siegel said, the Committee expressed its appreciation to Kathy and Ken for their hard work in Springfield to protect the flat budget for Fiscal Year 2005. For those of you who are happy that we were able to find a salary increment this year, a lot of that effort comes from this legislative effort that goes on in Springfield that allows us to protect our budget and keep it flat. If the efforts of our legislative people had not been successful, there would not have been a salary increase. So, when you hear people asking why we are spending a few dollars in this area, it is because the return has been tremendous. It has been tremendous in what we have received in grant money from the federal government and tremendous in what we have been able to do with the funds the state gives us by simply keeping the budget flat. So, when you see these people around, say hello and thank them, because it is their efforts that really drive that return. Make sure you let them know how happy you are that they have done a good job for us, because without them, our job here would be a lot more difficult.

Ken Zehnder provided a detailed report of the memorandum of understanding that was signed by the Governor and legislative leaders to insure that public universities do not receive any rescissions or holdback in funding during FY05. That was another very important thing for us to achieve this year, because in the past we have been unsure whether it would be taken away from us two weeks, six weeks or eight weeks later. President Peters commented on the massive educational efforts of every university trustee, president and government relations staff, and many faculty, staff and students over the course of the session in communicating the seriousness of the budget situation in which Illinois public universities find themselves. I must say that we are again lucky that our faculty, staff and students have pulled together. If it was not for all of you standing side by side with us, we would not be able to achieve this. Northern Illinois University is special because of all of you out there, including the *Northern Star*, which helps us by writing these articles and saying what the issues are. Because even though the *Northern Star* is a local publication, and we read it here, they read it there too. They read it. They hear it. So it is important to get our message out. I thank all of you, those who have stood with us and will stand with us to accomplish these things.

Kathy Buettner gave a detailed overview of the FY05 Department of Defense appropriations bill that contained \$3.5 million in continued funding for the Rock Manufacturing Research Initiative coordinated by

the College of Engineering and Engineering Technology in Rockford. Special thanks to Dean Vohra for his work. NIU received \$2.2 million in federal funds in FY04 from the Defense appropriations bill to begin helping to revitalize the manufacturing base in Rockford. Dr. Vohra, Acting Dean, presented a formal overview of his research project to the Committee at our March meeting. Dr. John Lewis, Associate Vice President of Outreach, provided an overview of the role NIU is taking in assisting the Belvidere-Boone Ag-Tech Research Park collaboration and the federal funding that NIU has received to provide economic development and technology commercialization expertise in that area.

The Committee held a follow-up discussion about one of the FY03 audit findings for the university on not depositing cash receipts from several departments on a timely basis. At our March meeting, the Committee endorsed a motion that requested President Peters to develop a fair and flexible mechanism with administrative structure to provide for enforcement of audit findings, recommendations and implementation. The Committee is pleased with the university's audit reports received from the Auditor General annually but decided it would like to make sure the President had the ability, in appropriate circumstances, to take administrative corrective actions against departments or individuals who fail to follow university policies that result in adverse audit findings. President Peters presented his recommendation, which is Agenda Item 8.b.(13) in your Board report.

I also want to take a moment to let you know what is going on at the College of Business, Trustee Siegel said, because we have a very unique program that even Donald Trump has found out about. It is very exciting, and we are hoping to bring him on campus soon. But if you are not watching the College of Business apprentice program, you can read about it in today's *Northern Star*. If you have not heard the radio announcement, you have to hear it. To hear Donald Trump say that NIU is a hot school and that if he was 20 years old, he would be in this class, really is going to go a long way to help us meet the mission that we all have been fighting for – getting the NIU name out all over the country. And, this is one of the most positive things I have seen.

When I was driving to the meeting today, Trustee Sanchez said, I heard on the radio that the number one, bar none, rated show is *The Apprentice*. So, what Trustee Siegel says about the value of that is correct, and the audience is just unbelievable. You cannot put a value on it. So it is a wonderful, creative, ingenious idea. But to get that kind of, not just national, but international attention is awesome. And it speaks volumes for where this university is continuing to go on the academic side. I think it is spectacular.

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 indicated that he had received six timely requests. Two were withdrawn, he said, and I understand one representative of the remainder wishes to be recognized. So at this time I recommend that Ms. Kathy Burrignt be recognized.

I understand you have provided each registered individual with the generally acceptable Rules of Decorum for public presentations, Chair Skoien said. Before we receive any presentation, I want to remind Trustees and members of the public who are present today that these presentations are mainly for providing special information to the Board concerning its pending business and that the Chair will take under advisement follow-up presentations, if any, that may be appropriate. The Chair recognizes Kathy Burrignt for a presentation of no more than five minutes.

Following is a summary of Ms. Burrignt's statement: Ms. Burrignt, a kitchen helper and cashier at the Northern Lights Grill, stated that she has not only been a worker and an employee, but also a friend to the students at NIU for 27 years. Recently, she and 39 others in the same classification decided to join other kitchen workers and janitorial staff in AFSCME to obtain fair seniority rights. They were offered a contract for about half the hourly rate of other people with whom they work. She stated that they do the

same work and have the same stress, and she asked for support to gain rights, respect and fair pay for their classification.

EXECUTIVE SESSION

Chair Skoien asked for a motion to close the public meeting to conduct an executive session to discuss the following subjects authorized by the Illinois Open Meetings Act: personnel matters as generally described under §2(c)(1) and (3) of the Open Meetings Act, collective bargaining matters as generally described under §2(c)(2) of the Open Meetings Act, litigation and risk management matters as generally described under §2(c)(11) and (12) of the Open Meetings Act, property matters as generally described under §2(c)(5) and (6) of the Open Meetings Act, Executive Session Minutes matters as generally described under §2(c)(21) of the Open Meetings Act. Trustee Siegel so moved, seconded by Trustee Sanchez. A roll call vote of the Trustees to recess to Executive Session was unanimous.

BOARD OF TRUSTEES MEETING RECONVENED

The Chair reconvened the public meeting of the Board of Trustees at approximately 11:52 a.m.

CONSENT AGENDA APPROVAL

Chair Skoien asked for a motion to approve the items placed on the consent agenda earlier in the meeting. They include President's Report Number 42, Action Items 8.a(5), (6), (8), (9) and (10), and Information Items 8.b.(1), (2), (3), (6), (7), (8), (10), (11) and (12), and 8.c.(1). Trustee Siegel so moved, seconded by Trustee Sanchez. The motion was approved.

PRESIDENT'S REPORT NO. 42

I have a few brief comments to share before we get into our agenda, President Peters said. First, I would like to echo something that you mentioned earlier. Whether it is the beautiful weather, the start of a new school year or just the excitement that a new class of freshmen brings to campus each fall, there is a very palpable sense of optimism on campus right now. I think the source is simply a critical mass of good news – successful partnerships, the external validation that has us once again able to see the great promise of this institution and the important role that NIU plays in the life of this region and state. All of you know that we moved into Altgeld Hall this past week, and even though we are still living out of boxes and trying to get settled, being in that building that once housed our entire university and hearing all the stories about its history, it is hard not to be inspired by the importance of our purpose. I am somewhat humbled by the realization that we all play a role for a brief period of time in the life of an institution that lived before us and will live on after we are gone. And so, regardless of its source, I just wanted to say that I share your sense of optimism and hope that we can build on that feeling throughout the coming year.

All of you saw our announcement earlier this week about enrollment. We have purposely pulled back a bit on student numbers in response to our budget crisis. Enrollment management is both an art and a science, and we anticipate and appreciate the work of our staff in admissions and registration and the Provost's area for the fine balancing act they performed over the past year to help us match declining resources with increasing demand. In the end, we came very close to our targets in each category. We are just under 25,000 overall, and most of the decrease came in new freshmen and new transfer students. As you know, the control mechanism we chose was an earlier application deadline, imposed with plenty of prior notification to high school and community college guidance counselors. So, we can feel good about our numbers and the steps we took to get there. Demand was up more than 12 percent this year. Application numbers have increased by 2,000 or more per year for the past five years, and this year was no exception.

As an institution that has always valued access, it is hard to close the door when so many of the latecomers have great qualifications. On the other hand, I think of something Trustee Siegel has emphasized so many times at these meetings, and that is our commitment to doing what it takes to enhance the value of an NIU degree. That means optimizing the student-faculty ratio, making sure our facilities enhance the learning experience, and guaranteeing our students the ability to get classes they need to finish their degrees in a timely fashion. So, I think we have done a good job of it this year, and I want to once again commend the work of our enrollment management team.

At one of our committee meetings a couple of weeks ago, we heard a report about the tremendous progress we are making in external funding for research and public service projects. Dr. Bose, our research vice president, gave us information that is contained in your Board reports, which shows us approaching the \$50 million mark this past year in grant funding. I cannot overemphasize the importance of this progress as we watch the decline in state support that has continued unabated for the past two decades or more. Not only do these grants supply funding for important research, they also provide resources that help support the larger university.

Speaking of universitywide projects, I would like to draw your attention to the information packets each of you have. Two weeks ago, we held a news conference in Naperville to announce a very ambitious project called "NIUNet" – a 175-mile fiber optic "loop" around the northern Illinois region that will connect education, business, health care and many other interests to the very latest in high-speed communications and research technology. NIUNet is a great example of the entrepreneurial spirit that keeps our university out front in so many areas. We have found a way to partner with cities, private organizations and other universities to create a virtual jumpstart for economic development across the region. I wish you could have been with us at NIU Naperville and felt the excitement in that room as state legislators, mayors, city managers and officials from agencies like DCEO stood up and shared what NIUNet will mean to them. It was really inspirational. Today you have an action item related to one piece of this project, but I assure you that NIUNet is something you are going to be hearing about for some time to come. My thanks to Wally Czerniak and so many others who have worked to make this a reality.

Speaking of entrepreneurs, I have to emphasize the College of Business apprentice program and those who are involved in the project: Trustee Myron Siegel; NIU alum, Dean Dobias; and the faculty of the College of Business. Donald Trump is right about one thing, and that is that NIU is a "hot" place. And if I were 20 years old, like Donald said, going to the College of Business at NIU is a darn good option. Once again, I am so proud of the support of the Trustees. All the community is proud that you are our Trustees, and we look forward to a very good year.

UNIVERSITY RECOMMENDATIONS FORWARDED BY THE BOARD COMMITTEES

Agenda Item 8.a.(1) – Fiscal Year 2006 Appropriated Capital Budget Request

Our first action item is the Fiscal Year 2006 Appropriated Capital Budget, which is essentially unchanged from last year, Dr. Peters said. I recommend it to you. Chair Skoien asked for a motion to approve the Fiscal Year 2006 Appropriated Capital Budget Request. Trustee Siegel so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 8.a.(2) – Fiscal Year 2006 Nonappropriated Capital Budget

The 2006 Nonappropriated Capital Budget contains projects that are funded by revenue bonds, President Peters said, and they appear on page 10 of your Board Report. I recommend approval of the 2006 Nonappropriated Capital Budget. Chair Skoien asked for such a motion. Trustee Vella so moved, seconded by Trustee Siegel. The motion was approved.

Agenda Item 8.a.(3) – Fiscal Year 2005 Internal Budget

Approval of the Fiscal Year 2005 Internal Budget is required by BOT *Bylaws*, Dr. Peters said, and as of this year, is also required by Illinois statute. The budget is broken down by all sources of funds, whether

appropriated or nonappropriated, and by agreed-upon categories with the Bureau of the Budget. Therefore, I recommend your approval of the Fiscal Year 2005 Internal Budget as presented. Chair Skoien asked for approval of the FY05 Internal Budget. Trustee Sanchez so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 8.a.(4) – Fiscal Year 2005 Salary Increment Allocation Guidelines

I consider this our most important item of the year, President Peters said. It is the well-discussed Fiscal Year 2005 Salary Increment Allocation Guidelines, which come to you with the unanimous approval of the Finance, Facilities and Operations Committee. We are providing what amounts to a 3+1 or 4 percent salary package. We can do this because we have a base budget for 2005 equal to 2004 with reasonable assurances that that budget will stay intact. We took very seriously the Board's charge to us to do what we could for our employees. I gave that charge to Dr. Williams and Dr. Legg, and they came up with the best possible salary package. The guidelines for distribution are listed. I very enthusiastically ask for your approval of this item. Chair Skoien called for a motion to approve the FY05 Salary Increment Allocation Guidelines. Trustee Boey so moved, seconded by Trustee Vella. The motion was approved.

Agenda Item 8.a.(5) – West Campus Utility Extensions and Infrastructure Improvements – Capital Project Approval

Agenda Item 8.a.(6) – College Avenue Bridge Repairs – Capital Project Approval

Consent Agenda items.

Agenda Item 8.a.(7) – Energy Infrastructure Improvements – Performance Contract

This is our third or fourth performance contract that permits us, in effect, to improve the campus infrastructure with someone else's money, President Peters said. He asked Dr. Williams to elaborate on the item. The President has given you the essence of performance contracting, Dr. Williams said. Because of legislation that was passed in the state of Illinois that allows the universities to pursue performance contracting, NIU has become, by far, the number one university utilizing this technique to generate improvements to our campus at zero or little cost to us in terms of capital outlay.

Very briefly, the buildings that are included in this proposal are those that were built during the sixties when, in fact, the architectural design was that they wanted to control the internal environment, so we have no operable windows in these facilities. This has proven to be a very negative and sticky point. We are dealing with buildings that are over 40 to 50 years old. We need to move forward and provide the proper kinds of windows, HVAC systems and so forth. I commend the people in our Physical Plant for their efforts and Bob Albanese's leadership in coming up with a way for us to make these improvements and have the contractors guarantee the cash flow necessary to support the improvements. Chair Skoien asked for a motion to approve the Energy Infrastructure Improvements Performance Contract. Trustee Boey so moved, seconded by Trustee Vella. The motion was approved.

Agenda Item 8.a.(8) – Internet2 Fiber Pathways Lease Agreement

Agenda Item 8.a.(9) – Department of Psychology Grant Subcontracting

Agenda Item 8.a.(10) – University Health Services Multiyear Medical Reagent Open Order

Consent Agenda Items.

Agenda Item 8.a.(11) – Appointment of Vice President for Student Affairs

With great pride, and with thanks for a lot of hard work on the part of Provost Ivan Legg and the search committee, President Peters said, I request that you formally approve Brian Hemphill as Vice President for Student Affairs. I just want to say that I am very excited about this appointment, Student Trustee Johnson said. I have had a few meetings with Dr. Hemphill, and both the students and the university are going to be well-served with him here. I look forward to working with him in the future. I had the pleasure of meeting with Brian previously also, Trustee Boey said, and as Chair of the Student Affairs, Academic Affairs and Personnel Committee, I am excited to have him joining the team. Chair Skoien

asked for such a motion. Student Trustee Johnson so moved, seconded by Trustee Boey. The motion was approved.

UNIVERSITY REPORTS FORWARDED FROM THE BOARD COMMITTEES

Agenda Item 8.b.(1) – Fiscal Year 2004-05 Appropriated Budget Update

Agenda Item 8.b.(2) – Fiscal Year 2005 Tuition Rates

Agenda Item 8.b.(3) – 2003-2004 Program Review Summary

Consent Agenda items.

Agenda Item 8.b.(4) – Convocation Center Review of Second-Year Operations

We are going to defer giving a detailed account of the convocation center review of second-year operations until the December Board of Trustees meeting, President Peters said. I will say that the convocation center has been successful beyond my wildest dreams. Having had some experience with two of these previously, this one is the most successful.

I would like to add that I had high expectations myself, Trustee Sanchez said, and for all of the events, it really has exceeded those expectations. I am very proud, not just of the physical structure, but the management of the facility.

Agenda Item 8.b.(5) – PeopleSoft Student System Replacement Project Update

We will also hold off on our PeopleSoft Student System Replacement Project Update until the next meeting, unless there are questions, Dr. Peters said. We are still awaiting the outcome of lawsuits. We have placed ourselves in a very good, prudent position on this, so we are just waiting for the decision.

Agenda Item 8.b.(6) – Fiscal Year 2006 Programmatic Budget Requests

Agenda Item 8.b.(7) – 2003-2004 Faculty Emeritus Recognition

Agenda Item 8.b.(8) – Professional Excellence Awards for Faculty and Staff

Consent Agenda item.

Agenda Item 8.b.(9) – Professional Excellence Awards for Faculty and Staff

I would like to dwell just a second on the Professional Excellence Awards for Faculty and Staff, the President said. We held a luncheon for these exceptional individuals, winners of our Presidential Teaching Professorships, Research Professors, Undergraduate Teaching Award winners, our Operating Staff Service Awards and our Supportive Professional Staff Awards of Excellence. They are truly an amazing group of people. If there are any of those individuals here today, please stand up and be recognized.

Agenda Item 8.b.(10) – Fiscal Year 2004 External Funding for Research, Public Service and Instructional Projects

Agenda Item 8.b.(11) – Substantive Legislation

Agenda Item 8.b.(12) – Spring 2004 Congressional Report

Consent Agenda items.

Agenda Item 8.b.(13) – NIU Procedural Audit Revisions

This last item is an extremely important request of the LAEA Committee, which takes very seriously our audit process and, recognizing that we have a good one, the need to constantly improve, Dr. Peters said. I have asked our staff, Kathy Buettner and Sharon Downen, to prepare a procedure to insure that if there were audit findings that needed to be acted upon, the proper people would be informed in a timely manner. Also, we want to improve something that is always an issue at large institutions, and that is our cash handling and deposits. The proposed language appears on page 56, and it will be implemented immediately in a memo that will be going out to all staff tomorrow.

We worked through this, LAEA Committee Chair Siegel said, and I want to thank Sharon Downen. We are lucky to have Sharon and that Internal Audit staff because they do a wonderful job of keeping everyone on the right course. This is meant just to be an additional tool to help keep things going in the right direction. I wanted to make sure that our Internal Auditor and her staff understand that we really had a good time working together and coming up with this plan. And we will continue to work together to deal with any of these issues that come up. We realize that at no point are we ever going to have zero audit findings. That would be an impossibility. But our findings are deminimis compared to other schools, so you are doing a great job.

ITEMS DIRECTLY FROM THE PRESIDENT

Agenda Item 8.c.(1) – Collective Bargaining Agreement

The Chair asked for a Motion to approve a collective bargaining FY05 Salary Reopener agreement with the International Union of Operating Engineers, Local 399, representing approximately 33 Heating Plant employees that contains terms and conditions that are consistent with the University FY05 salary increment policies and guidelines. Trustee Sanchez so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 8.c.(2) – Summary of Grant and Contract Awards

Consent Agenda items.

OTHER MATTERS

Willard Orchard Property Gift

Chair Skoien asked for a special Motion to accept the gift via Quit Claim Deed of a parcel of real property in Lot 4 of the Plat of Willard Orchard adjacent to NIU property on Annie Glidden Road from the NIU Foundation in connection with the construction of the Barsema Alumni and Visitors Center. Trustee Boey so moved, seconded by Trustee Siegel. The motion was approved.

Barsema Construction Easement

The Chair asked for a special motion to approve a temporary construction easement for construction of the Barsema Alumni and Visitors Center. A legally suitable temporary construction easement is to be prepared by our General Counsel for use by the NIU Foundation and its designees, to the west of Annie Glidden Road and south of Stadium Drive for the construction of the building that will be known as the Barsema Alumni and Visitors Center. Trustee Sanchez so moved, seconded by Student Trustee Johnson. The motion was approved.

NEXT MEETING DATE

Chair Skoien announced that the next meeting of the Board of Trustees is scheduled for Thursday, December 2, 2004 in DeKalb.

ADJOURNMENT

Chair Skoien asked for a motion to adjourn. Trustee Sanchez so moved, seconded by Trustee Siegel. The motion was approved. The meeting was adjourned at approximately 12:25 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

FISCAL YEAR 2006 APPROPRIATED CAPITAL BUDGET REQUEST

Summary: The Appropriated Capital Budget Request is prepared in the fall prior to the budget year in order to meet the Illinois Board of Higher Education (IBHE) and state capital project review and approval submission schedules. The Capital Budget Request consists of two principal categories of projects that profile the university's requirements for the capital improvements and construction and equipment appropriations. The "Capital Renewal" category lists repair and renovation projects with estimated budgets in excess of \$100,000 (but less than \$1.5 million), which are not included in the campus permanent improvement operating budget allocation. Requests may include improvements to existing facilities and systems, building additions, infrastructure and site/roadway/utility improvements. The attached table provides a summary of the FY06 Capital Request.

Recommendation: The university requests Board of Trustees approval of the FY06 Capital Budget Request. The request will then be submitted to the Illinois Board of Higher Education for consideration and inclusion in the statewide FY06 IBHE Capital Budget Recommendation.

TABLE C101
 SUMMARY OF BUDGET YEAR CAPITAL IMPROVEMENT REQUESTS
 LISTED IN PRIORITY ORDER
 NORTHERN ILLINOIS UNIVERSITY

FISCAL YEAR 2006
 REQUEST
 (IN THOUSANDS OF DOLLARS)

UNIVERSITY PRIORITY	PROJECT DESCRIPTION/BUDGET CATEGORY	TOTAL ESTIMATED PROJECT COST	STATE FUNDS			NON-STATE FUNDS
			BUDGET YEAR REQUEST	PRIOR YEAR	FUTURE YEAR	
<u>REGULAR CAPITAL PROJECTS</u>						
1	Steven's Building Renovation	18,926.68	18,926.68	-	-	-
	(Planning)	1,649.82	1,649.82			
	(Remodeling)	15,474.79	15,474.79			
	(Equipment)	1,802.08	1,802.08			
2	Computer Science & Technology Center	29,784.02	29,784.02	-	-	-
	(Planning)	2,124.18	2,124.18			
	(Building)	21,618.35	21,618.35			
	(Equipment)	6,041.49	6,041.49			
	Electrical Infrastructure & Wirtz Hall Renovation	12,138.43	12,138.43	-	-	-
3	Academic Buildings Improvements [HVAC & Window Replacement]	16,419.52	16,419.52	-	-	-
4	Hoffman Estates Facility (Building) - Off Campus Project	31,617.29	21,721.89	1,314.50	-	8,580.90
	(Planning)	1,314.50		1,314.50		
	(Building)	24,552.19	21,721.89			2,830.30
	(Land)	5,750.60				5,750.60
5	Campus Roadway Repair & Reconfiguration	5,776.93	5,776.93	-	-	-
6	Gilbert Hall Renovation	18,269.88	996.14	-	17,273.74	-
	(Planning)	1,456.78	996.14		460.64	
	(Remodeling)	16,372.10			16,372.10	
	(Equipment)	441.00			441.00	
7	Elevator Rehabilitation & Renovation (Remodeling & Rehabilitation)	3,470.63	3,470.63	-	-	-
8	Campus Signage & Wayfinding	4,847.92	4,847.92	-	-	-
	TOTAL, REGULAR CAPITAL PROJECTS	141,251.29	114,082.15	1,314.50	17,273.74	8,580.90

TABLE C101
 SUMMARY OF BUDGET YEAR CAPITAL IMPROVEMENT REQUESTS
 LISTED IN PRIORITY ORDER
 NORTHERN ILLINOIS UNIVERSITY

FISCAL YEAR 2006
 REQUEST
 (IN THOUSANDS OF DOLLARS)

		TOTAL ESTIMATED PROJECT COST	STATE FUNDS			NON-STATE FUNDS
			BUDGET YEAR REQUEST	PRIOR YEAR	FUTURE YEAR	
<u>Capital Renewal Projects</u>						
1	Lucinda Avenue Substation 4160v Replacement	\$ 552.03	\$ 552.03			
2	Classroom & Technology Upgrades, Phase II (Remodeling & Rehab.)	\$ 507.83	\$ 507.83			
3	College Avenue Road Repair (east of Gilbert drive)	\$ 369.81	\$ 369.81			
4	High Pressure Steam Vault Replacement (between Reavis & Dusable)	\$ 443.01	\$ 443.01			
5	Psyc/Math Elevator Rehabilitation (Remodeling & Rehab.)	\$ 212.59	\$ 212.59			
6	Swen Parson (Continued) & Adams Hall Stone Repair & Tuckpointing (Remodeling	\$ 843.33	\$ 843.33			
7	Annie Glidden Road Safety Improvements	\$ 376.34	\$ 376.34			
8	Graham Hall Unit Ventilator & Pipe Insulation Replacement (Phase I)	\$ 364.35	\$ 364.35			
TOTAL, CAPITAL RENEWAL PROJECTS		<u>\$ 3,669.28</u>	<u>\$ 3,669.28</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
GRAND TOTAL		<u>\$ 144,920.58</u>	<u>\$ 117,751.44</u>	<u>\$ 1,314.50</u>	<u>\$ 17,273.74</u>	<u>\$ 8,580.90</u>

Summary of Capital Budget Requirement Projects for the Fiscal Year 2006 Budget

1. Stevens Building Renovation and Addition

The renovation of the Stevens Building will resolve many longstanding problems. The project will provide a new heating, ventilation, and air-conditioning system, new energy efficient lobby windows, a new roof, new ceilings, handicapped accessibility, asbestos abatement, reconfiguration and upgrades of academic spaces, and an addition to the scene shop that will make scene construction safer and more efficient. With the renovation, the useful life of the facility can be extended another 25-30 years. With on-campus space at a premium, this building must be retained as a viable place for academic programs to flourish.

2. Computer Science and Technology Center

The university is requesting funding for a new Computer Science & Technology Center. In the last decade the demand for college graduates with expertise in technology-based fields has increased exponentially. The new facility will offer students a unique learning environment combining the best of a time-honored college education driven by a focus on advancing technology. The center will have extensive infrastructure to accommodate a broad range of equipment necessary to develop a nationally competitive program with potential for industry and professional certification programs, custom learning labs and single classes for corporations and individuals. Experience using "cutting edge" technology in a well-planned, well-equipped facility will prepare students to compete and succeed in the intense technologically complex world of the future.

Electrical Distribution and Wirtz Hall Renovation

This project is proposed to address three requirements of the university's primary electrical distribution systems and to renovate Wirtz Hall. First is replacement of switchgear at the existing Glidden substation constructed in 1957 that feeds much of central campus and for which new replacement parts are not available. Second is the replacement of underground cables that are twenty or more years old and prime candidates for failure. Third is establishment of new circuits in the system that would reduce load on existing circuits and improve failure recovery capabilities.

The Wirtz Hall Renovation will provide improvements for programmatic spaces and building efficiency. The need for an upgraded and remodeled building to house the Health and Human Sciences College is substantiated by the dramatic changes in the type of physical facilities needed by a modern college to support new learning outcomes and increase interaction with the health community. Plans will focus on the consolidation of the college's space needs into Wirtz Hall. The Health and Human Sciences College will be housed in a remodeled, dedicated building that will provide classrooms to facilitate group discussion, laboratories that allow students to refine presentation skills, computer laboratory spaces, faculty and administrative offices, and spaces that facilitate student interaction and interdisciplinary faculty relationships. This request will provide funding for the planning, design and construction for remodeling Wirtz Hall.

3. Academic Buildings HVAC & Window Replacement

Several buildings on campus are experiencing problems with air ventilation systems due to the age of the equipment. Three buildings of primary concern are Reavis, Watson and Montgomery Halls. Both Reavis and Watson Halls are classroom/faculty office buildings with identical 35-year-old HVAC forced dual-duct systems (one heat duct/one cooling duct) with units mounted in walls controlling room temperature. Difficulty keeping constant temperature-humidity and airflow has surfaced in both buildings during the last two years stemming from the age of the equipment and inaccessibility for maintenance purposes. Recessed wall units are completely sealed behind masonry leaving no openings for repair of internal parts. This project would remove and replace the recessed wall units, dampers and temperature controls.

The objective of the Montgomery Hall portion of the project is to convert ventilation systems serving laboratory, office and classroom areas from existing constant velocity dual duct to variable air volume (VAV). Major portions of trunk and branch ductwork will be redesigned and replaced. Some fume hoods would be replaced while all hoods would be retrofitted with monitor controls, sash sensors, alarms and air flow valves. All building controls would be updated. Asbestos abatement in some areas will also be necessary.

The third part of the project is the replacement of windows throughout Zulauf, Reavis and Watson Halls. The existing windows date back to the original construction of the buildings well over thirty years ago. They are generally of a single-pane variety and very inefficient in their ability to conserve heat in the winter months and cool air during summer. Current window systems will be installed that are considerably more energy efficient, which will complement the university's efforts at energy efficiency and conservation.

4. Hoffman Estates Facility

NIU-Hoffman Estates opened for classes and conferences in the fall of 1992 in order to provide quality, affordable education at a convenient location. The positive enrollment response at NIU-Hoffman Estates was immediate and has been escalating annually. As many as eighteen academic offerings cannot be accommodated in the current facility. Additionally, the demand for noncredit training, updating and conference activities can be expected to increase drastically, given the current trends for continuous workforce training and professional development. The requested facility would be approximately 100,000 square feet with a diverse mix of program spaces to accommodate academic, continuing education, workforce training and development needs.

5. Roadway Reconfiguration and Repair

Most roadways serving the NIU campus were constructed and are owned by the university, except Lucinda, Normal, Carroll, Locust and Annie Glidden. The majority of road construction coincided with the building surge in the 1950s and 1960s, though a good deal of the East Campus road construction predates that period. During the 1970s and 1980s, several campus roadways were resurfaced, however, the only significant reconstruction projects that have been completed in recent years are Lucinda Avenue, Castle Drive, a section of Stadium Drive West, Gilbert Drive and a section of College Avenue. Deterioration of campus streets has progressed to the point that maintenance efforts can no longer keep up with the disintegration on a localized basis. In addition to normal freeze/thaw damage, repairs due to construction projects (underground utility replacement, etc.) have led to a patchwork of street surfaces, each with seams that let more water penetrate and add to the deterioration. The additional burden of Huskie Bus traffic on university streets has accelerated the deterioration, particularly at bus stop locations.

6. Gilbert Hall Renovation

The allocation study identifies Gilbert Hall as underutilized housing space that could be converted into academic and office space. Gilbert Hall, constructed in 1950, was designed as a men's dormitory and contains 49,000 net assignable square feet. The relocation of academic and office spaces into Gilbert Hall, as well as the age of the facility, requires modification to the systems and interior. The facility will also require asbestos abatement during renovation. Currently, the facility does not have air conditioning, and the electrical and heating systems have outlived their life expectancy and are difficult to repair and maintain. This request for funding would address the necessary system replacement, compliance to ADA upgrades, some interior reconfiguration and asbestos abatement to accommodate consolidation for the academic and office space in the building.

7. Elevator Rehabilitation and Renovation

NIU seeks to rehabilitate passenger elevators across campus. After many years of service, the elevators have become difficult to repair and have extremely high maintenance costs. They provide an unacceptable level of performance, and the problems and breakdowns are appearing more frequently

and varied. In addition, parts availability has become a problem especially as the elevators continue to age. There is a need to upgrade to the latest elevator technology and systems available. This project requests funding for labor and material necessary to install controllers, replace generators, SCR drives, and install new hall and car stations for Zulauf, Faraday, Graham, Montgomery, Davis and Swen Parson Halls, and the Health Center.

8. Campus Signage and Wayfinding

The university currently maintains over 50 major buildings and numerous smaller facilities. For the thousands of new incoming students every fall, and visitors throughout the year, the campus often appears to be a small city. These individuals must find their way in what may appear to be a maze of buildings, departments and offices, through which they must locate their destination in a timely manner. The university will engage an experienced consultant to address three primary areas of concern: campus boundary improvements, pedestrian directional signs and landscape improvements.

Key aspects of the project include developing a system of "elements" which reinforce pathways from parking areas to destinations. This could include building identities, pedestrian directional signs, campus directory units, and informative or commemorative elements. In addition, the system will assist in determining destination priorities and direct pedestrians to the closest entrance.

**SUMMARY OF CAPITAL BUDGET REPAIR AND RENOVATION PROJECTS
(Capital Renewal)
FOR THE FISCAL YEAR 2006**

R1 – Lucinda Avenue Substation 4160v Replacement

The 4160v distribution line from the Lucinda Avenue Substation has deteriorated to the point that an emergency request for replacement could be necessary before funding for this renewal is available. The insulation is compromised due to water infiltration causing the line to ground fault unexpectedly. Power from the station is at best unreliable and has necessitated rerouting and the use of backup systems in Anderson, Wirtz, Arends, Gilbert and Still Halls, Still Gym, the Music Building and the East Heating Plant over the past year. Backup systems are limited in capability and capacity. Future deterioration will result in complete failure of this main feeder line.

R2 – Classroom and Technology Upgrades, Phase II (Remodeling & Rehabilitation)

The university continues to pursue the upgrading of campus classrooms in the areas of audio, visual and instructional technology so that professors may stay current with teaching styles used at peer institutions across the nation. Significant portions of NIU classrooms have undergone similar renovations with positive effects. The university continues its efforts to maintain quality-learning facilities that meet and exceed the expectations of students and faculty.

R3 – College Avenue Road Repair (east of Gilbert Drive)

The deterioration of College Avenue (east of Gilbert Drive) has progressed to the point that maintenance efforts can no longer keep up with the disintegration on a localized basis. In addition to normal freeze/thaw damage, repairs due to construction projects (underground utility replacement, etc.) have led to a patchwork of the street's surface, each with seams that let more water penetrate and add to the deterioration. With the upcoming repairs to the College Avenue Bridge, and the recent replacement of the west section of College Avenue, it is logical to complete this section of dilapidated road.

R4 – High Pressure Steam Vault Replacement (serving Reavis & DuSable)

The concrete structure covering the High Pressure Steam Vault serving Reavis and DuSable has deteriorated due to many years of service and heavy vehicular traffic over the concrete vault. Because of the poor condition of the structure, there is a safety concern with vehicles driving over the vault. In this condition, the vault also allows water infiltration that is corrosive and deteriorating in nature to the valves, the piping and associated steam distribution equipment.

R5 - Psychology / Mathematics Elevator Replacement

Rehabilitation of one of the two elevator cars in Psych/Math was completed in 1995. The other car has deteriorated to the point that service calls are frequent resulting in poor service to students and high maintenance costs. This is particularly problematic for students and staff who are mobility impaired. Being a tall building, Psych/Math necessitates even the most fit individuals to rely on the elevators to reach the upper floors in a timely fashion. The elevators in the building are among the most used on campus.

R6 – Swen Parson (continued) and Adams Hall Stone Repair and Tuck-pointing

Through experience gained on the Davis Hall Stone Repair project, the university learned that there is more extensive damage than was previously thought to the buildings built between 1940 and 1952. Funding for Swen Parson Stone Repair fell short, and Adams Hall is in similar need of repairs. Both buildings have had interior renovations within the last decade. The windowsills and frames need to be caulked, and stone needs to be tuck-pointed and some areas replaced in order to prevent ruin of the building interiors.

R7 – Annie Glidden Road Safety Improvements

NIU proposes making safety improvements along sections of Annie Glidden Road adjacent to campus that experience high volumes of vehicular traffic. Enhanced lighting, routing barricades and new walkways will help achieve safer pedestrian traffic routing. All improvements will complement existing campus standards and patterns thereby providing a passive directional announcement that students and visitors are on campus and heading in the right direction.

R8– Graham Hall Unit Ventilator and Pipe Insulation Replacement (Phase I)

Pipe insulation on the unit ventilators and supply/return lines in Graham Hall have deteriorated to the point of causing damage to the building. Humidity in the air condenses on the exposed pipes and drips onto ceilings, walls, desks and carpet below. The R-value is nonexistent and wastes energy that should be conserved. The fraying insulation contains asbestos, which presents a constant maintenance problem since it cannot be simply removed. The university seeks to abate and replace the insulation on a floor-by-floor basis with each floor being one phase.

FISCAL YEAR 2006 NONAPPROPRIATED CAPITAL BUDGET

Summary: The FY06 Nonappropriated Capital Budget consists of two principal categories, both presented in Table C-105. Projects with estimated budgets in excess of \$100,000 are listed individually, while projects estimated under \$100,000 are presented in aggregate and categorized to enable tracking for management purposes. The Nonappropriated Capital Budget is developed from requests submitted by department heads and physical plant and facility users. Requests are prioritized and presented for approval and include improvements to existing facilities and systems, building additions, infrastructure and site/roadway/utility improvements. The attached table and brief descriptions provide a summary of the FY06 Nonappropriated Budget.

Recommendation: The university recommends Board of Trustees approval of the FY06 Nonappropriated Capital Budget.

Table C-105**Plans for Noninstructional Capital Improvements****Fiscal Year 2006**

(in thousands of dollars)

Project Name/Description/Budget Category	Anticipated Source of funds	Total Project cost
Holmes Student Center - Master plan Implementation - Phase I (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 800.0
Lincoln Hall - Student Room Furniture Replacement - B Wing (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 450.0
Neptune Hall - Conduit Installation For Ethernet & TV Cable Upgrade (Deferred Maintenance)	Revenue Bond - R&R Reserves	\$ 250.0
Holmes Student Center – Tower Renovation (Phase II) (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 249.9
Grant Towers - Creation of Tutoring Center (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 200.0
Huskie Stadium - Remodeling of Concession Areas (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 174.0
Aggregate Amount Budgeted for Deferred Maintenance Projects Under \$100,000	Revenue Bond - R&R Reserves	\$ 106.1
Aggregate Amount Budgeted for Remodeling and Rehabilitation Projects Under \$100,000	Revenue Bond - R&R Reserves	\$ 77.0
	Budgeted Total:	\$ 2,307.0

Plans for Noninstructional Capital Improvements For the Fiscal Year 2006 Budget

04-1. Holmes Student Center - Master plan Implementation - Phase I

The Holmes Student Center is in need of significant remodeling. Much of the furniture, fixtures, decor and infrastructure are outdated, worn and deteriorating. The Division of Finance and Facilities has engaged an architectural firm to develop a master plan for the Holmes Student Center that will provide a comprehensive plan for phased renovation of the building over the next 15 years. The center plays a key role in campus activities and provides important services to students. It cannot be completely closed for a single major renovation. Therefore, renovation must be done in stages, with each phase addressing both aesthetics and building systems infrastructure. Technology advancements and improvements have been anticipated in the master plan and are also part of the phased renovation plans. Recommended Phase I renovations will impact the lower level and first floor of the Holmes Student Center.

04-2. Lincoln Hall – Student Room Furniture Replacement, B Wing

The student room furniture in Lincoln Hall has not been replaced for over 30 years. Much of the woodwork is peeling and falling apart. Refinishing the furniture has proven to be costly due to the short lifecycle of refinishing and the additional staffing needed to maintain the condition. The goal of this project would be to purchase movable furniture with a 15- to 20-year lifespan to replace all the existing furniture located in the student rooms of B wing.

04-3. Neptune Hall – Conduit Installation for Ethernet and TV Cable Upgrade

The communications infrastructure for the Neptune Residence Halls has not been upgraded to current standards since the buildings were constructed. In order to support high-speed Internet access and future data and video requirements, a wiring upgrade is required. The temporary proprietary system installed by ITS has an end life of December 2006 when it will no longer be supported by the vendor. The need to provide high-speed Internet access in the residence halls is essential, and replacement of the current technology is necessary before it becomes obsolete.

04-4. Holmes Student Center – Tower Renovation (Phase II)

The tower section of the Holmes Student Center consists of guest rooms with worn and outdated fixtures, furniture, and floor and wall coverings. This portion of the building has not been updated for over 30 years. The scope of this project will include replacing bathroom fixtures and vanities, replacing furniture and installing new carpeting, wall coverings, drapes and spreads. It will also involve the upgrading of electrical wiring and phone lines to accommodate current technology. This project has been successfully completed on the 12th floor of the Student Center with minimal disruption to service and a positive response from the students. The 11th floor is scheduled for renovation during the winter of 2004-2005. This request will set aside funds to renovate the 10th floor during the winter of 2005-2006.

04-5. Grant Towers – Creation of Tutoring Center

In 1997, ACCESS acquired the responsibility of coordinating tutoring services for the NIU campus with minimum grant funding and one space provided by Student Housing and Dining Services. In 2000, ACCESS successfully obtained state level funding assisting in the expansion of tutoring services across the campus. As a result of increased funding, three additional tutoring centers were created. These centers are located in Douglas Hall, Grant Towers South and Grant Towers North. Since that time, there has been an increased demand for tutoring services each year. During the first two years of operations, the number of hours of tutoring rose 59 percent and the number of tutoring sessions grew by 68 percent. In order to accommodate the increasing student demand each year, expansion of the tutoring center is needed.

This expansion proposes to close the two smaller tutoring centers in Grant North and Grant South and renovate the basement of Grant South where the fitness center is now located. This area would provide a total of 5,310 square feet of space, which includes one central area and four adjacent rooms. The design of the area will be flexible enough to accommodate increased demand, different usage patterns and changes in processes. The existing staff, programs and activities will be merged into the new centralized tutoring center.

04-6. Huskie Stadium – Remodeling of Concession Areas

The concession areas located on the west side of the stadium have not been renovated since the stadium was built in the 1960's. Many of the facilities are outdated and do not meet health codes or ADA standards. In addition, the food areas do not have adequate utilities to provide for upgrading the levels of food service. The east side was built ten years ago with only one concession area. Both sides of the stadium do not provide for sufficient points of service for large crowds. This project proposes to upgrade the electrical, plumbing and fixtures located in the food service areas, install permanent and portable stands to increase the number of point-of-sales registers to service more attendees, and set up portable grills that will be within fire and health codes.

04-7. Aggregate Amount Budgeted for Deferred Maintenance Projects Under \$100,000

A number of deferred maintenance projects under \$100,000 per project have been identified internally by departments responsible for areas within their respective facilities. Rotation painting and conduit installation are among the deferred maintenance projects. With the completion of these projects and the continuation of deferred maintenance projects in the future, the facilities will continue to be well maintained, which will reduce the rate of deterioration and prolong their lives.

06-8. Aggregate Amount Budgeted for Remodeling and Rehabilitation projects under \$100,000

A number of remodeling and rehabilitation projects under \$100,000 per project have been identified internally by departments responsible for areas within their respective facilities. Installing exhaust fans, restriping and prime coating of parking lots, and installing lifts necessary for the prevention of injuries as well as increasing efficiency are among the remodeling and rehabilitation projects. Due to the continued aging of NIU facilities, remodeling, rehabilitation and modernization are needed to ensure that the facilities will continue to serve the university community in the future. The proposed projects ensure that a number of university goals are met, including: (a) to ensure that the facilities are well-maintained; (b) to ensure the safety of the university community; (c) to ensure compliance to ADA requirements; (d) to ensure that the NIU facilities provide an environment that is attractive to students; and (e) to ensure that the facilities are configured in the most optimal manner compatible with today's technology and with the university community's functional needs.

FISCAL YEAR 2005 INTERNAL BUDGET

Summary: Given the appropriation bill as approved by the legislature and signed by the Governor, Tables 1-4 provide a summary of the total university internal FY05 budget.

Recommendation: Pursuant to Board of Trustees *Bylaws*, the university requests Board of Trustees approval of the FY05 Internal Budget as follows:

Table 1
FISCAL YEAR 2005 INTERNAL BUDGET
Summary of Budgeted Revenue by Source
(\$ in Thousands)

	FY2004 Adj	FY2005
Appropriated Fund Revenues		
General Revenue Fund	\$101,798.9	102,274.9
State College and University Trust ⁽¹⁾	10.1	10.1
Total Appropriated Fund Revenues	\$101,809.0	\$102,285.0
Nonappropriated Revenues		
University Income Fund	\$86,368.5	\$89,600.0
Revenue Bond Operations	62,650.8	64,873.9
Auxiliary Enterprises	17,520.0	17,895.4
Gifts, Grants and Contracts	39,626.2	40,900.0
Local Funds	31,300.0	31,927.5
Total Nonappropriated Revenues	\$237,465.5	\$245,196.8
Total Anticipated Revenues	\$339,274.5	\$347,481.8

⁽¹⁾ Generated from NIU license plate registrations

Table 2
APPROPRIATED FUNDS INTERNAL BUDGET
Fiscal Year 2004 - Fiscal Year 2005
(\$ in Thousands)

Object Classification	FY2004 Adjusted	Estimated FY2004 Expenditures	FY05
Personnel Services	\$89,702.4	89,702.4	87,068.7
Social Security	408.9	408.9	408.9
Contractual Services	3,540.1	2,592.4	6,536.8
Commodities	1,971.4	1,394.6	1,976.4
Travel	559.5	253.5	163.5
Automotive Operation	138.5	138.5	138.5
Equipment/Library Books	1,031.5	925.2	1,316.5
Telecommunications	796.9	796.9	798.9
Awards & Grants and Federal Matching Funds	195.8	175.3	195.8
Repairs, Maintenance and Other Capital Improvements	1,126.7	1,118.8	1,343.7
Contribution to CMS for Employee Insurance	2,337.3	2,337.3	2,337.3
TOTAL	\$101,809.0	\$99,843.8	\$102,285.0

** State required budget reduction of \$1,965.2 equals the difference between the FY04 allocation and the estimated expenditures.

Table 3

APPROPRIATED FUNDS INTERNAL BUDGET
Allocation by Object Class per Fund
Fiscal Year 2005
(\$ in Thousands)

Object Classification	General Revenue	State College & University Trust	Total
Personnel Services	\$87,068.7	-	87,068.7
Social Security	408.9	-	408.9
Contractual Services	6,536.8	-	6,536.8
Commodities	1,976.4	-	1,976.4
Travel	163.5	-	163.5
Automotive Operation	138.5	-	138.5
Equipment/Library Books	1,316.5	-	1,316.5
Telecommunications	798.9	-	798.9
Awards & Grants and Federal Matching Funds	185.7	10.1	195.8
Repairs, Maintenance and Other Capital Improvements	1,343.7	-	1,343.7
Contribution to CMS for Employee Insurance	2,337.3	-	2,337.3
TOTAL ALLOCATED	\$102,274.9	\$10.1	\$102,285.0

Table 4
NONAPPROPRIATED INTERNAL BUDGET⁽¹⁾
Fiscal Year 2004 - Fiscal Year 2005
(\$ in Thousands)

Object Classification	FY2004 Adjusted	Estimated FY2004 Expenditures	FY05
Personnel Services	\$99,078.5	\$97,852.0	\$109,462.3
Social Security	1,734.5	1,730.7	1,763.1
Contractual Services	56,324.6	54,804.2	56,372.5
Commodities	18,442.5	16,673.8	16,641.6
Travel	3,108.4	3,101.0	3,305.2
Automotive Operation	636.5	635.3	662.1
Equipment/Improvements	14,848.5	14,844.9	16,030.5
Telecommunications	2,389.9	2,237.8	2,354.8
Awards & Grants	20,836.2	20,811.3	21,006.4
Indirect and Other	1,697.2	1,679.2	1,748.0
Debt and Repair Transfers	17,164.7	17,164.7	14,646.3
Contribution to CMS for Employee Insurance	1,204.0	1,204.0	1,204.0
TOTAL	\$237,465.5	\$232,738.9	\$245,196.8

⁽¹⁾ Includes the Income Fund

FISCAL YEAR 2005 SALARY INCREMENT ALLOCATION GUIDELINES

Summary: In accordance with Board Regulation II.C.2.a., annual salary increment guidelines are approved by the Board of Trustees. The approval of annual salary increment guidelines authorizes distribution of a comprehensive annual increment. Following completion of the fiscal year salary adjustment process, increment totals are verified and provided to the Board of Trustees in summary form in conjunction with the annual review and approval of internal budgets. The proposed FY05 increment guidelines reflect the scarce nature of salary increase resources available to NIU and follow three fiscal years of limited increment flexibility. Accordingly, the FY05 guidelines emphasize a merit component for Fair Labor Standards Act (FLSA) exempt faculty and staff along with a comprehensive civil service salary range adjustment process.

The FY05 NIU appropriation bill (PA 93-0681) has been approved by the state legislature and signed by the Governor. While the appropriation bill provided no funding for salary increases, the maintenance of competitive salaries remains a continuing top priority of the President and Board of Trustees. Accordingly, the university has developed an internally funded plan to provide increments for FY05.

The FY05 salary increment guidelines pertain to three independent employment categories, comprising salary pools, within which total adjustments will be made consistent with the FY05 increment guidelines. These categories are as follows:

1. Regular Faculty:
 - a) 3.0 percent total increment effective August 16 (or as of the beginning date of the FY05 academic appointment/contract period).
 - 2.0 percent average merit increment.
 - 1.0 percent allocated on the basis of critical retention and long-term merit.
 - b) Up to an additional 1.0 percent (subject to the stability of the FY05 budget) effective January 1, 2005, distributed on the basis of critical retention and long-term merit.
2. Supportive Professional Staff/Exempt Civil Service:
 - a) 3.0 percent total increment effective July 1 (or as of the beginning date of the FY05 appointment/contract period).
 - 2.0 percent average merit increment.
 - 1.0 percent allocated to Supportive Professional Staff on the basis of critical retention, long-term merit and position responsibilities.
 - 1.0 percent allocated to Exempt Civil Service as a salary range adjustment.
 - b) Up to an additional 1.0 percent (subject to the stability of the FY05 budget) effective January 1, 2005, distributed in the same method as the 1.0 percent long-term merit/civil service range adjustment component outlined above.
3. Hourly Civil Service:
 - a) 3.0 percent total Increment effective July 1 (or as of the beginning date of the FY05 appointment/contract period).
 - 2.0 percent across-the-board increment.
 - 1.0 percent allocated as a salary range adjustment.

- b) Up to an additional 1.0 percent (subject to the stability of the FY05 budget) effective January 1, 2005, distributed as a salary range adjustment.

Faculty and staff employed by the university on or before December 31, 2003 and who remain employed on the effective dates of the increment program will be eligible for the 3.0 percent components. The same group of employees who remain employed as of December 31, 2004 will be eligible for the additional January 1, 2005 distribution of up to one percent. Final specification of the January 1, 2005 increment will be announced as the fiscal year proceeds.

Increment components relating to long--term merit will be allocated based on preapproved methods documented by the Colleges and Divisions and approved at the vice presidential level. The exempt and hourly civil service salary range adjustment components will be distributed as an across-the-board update to eligible employees' base rates. Graduate assistant positions will be incremented in FY05 according to guidelines established by the Provost. Employees on temporary contracts who are reappointed during FY05 may receive salary increases in conjunction with the reappointment subject to the availability of funds. Hourly student worker and extra help rates will be updated to comply with the \$6.50 state of Illinois minimum wage effective January 1, 2005.

Following implementation of the July 1 range adjustments specified above, the minimum rates associated with civil service salary ranges will be adjusted.

The FY05 increment guidelines pertain to nonnegotiated faculty and staff.

Recommendation: The university recommends approval of the FY05 salary increment guidelines.

**WEST CAMPUS UTILITY EXTENSIONS AND INFRASTRUCTURE IMPROVEMENTS
Capital Project Approval**

Summary: Utility extensions and infrastructure improvements (including lighting, water main, sanitary and storm sewer, and paving) are required for the new development on the Near West Campus. These extensions and improvements will most immediately provide steam for heating and chilled water for cooling for the new Alumni and Visitors Center. Centralized steam production and networked distribution are currently available and utilized throughout campus. Similar production and distribution facilities for chilled water have recently been installed and constructed to serve other quadrants of the campus. Both steam and chilled water are now available to serve this new building. Experience on campus has shown three major benefits of networking utilities: (1) lower front-end construction costs, (2) more reliable services and (3) long-term operational savings.

To realize these long-term benefits, the university plans to utilize existing steam lines serving the Recreation Center and installing low-pressure steam lines to the distribution system. The chilled water piping connections will be made at the existing lines on the north side of Stadium Drive. The university's electrical distribution and lighting systems will be upgraded and extended and a feeder loop will be provided for system redundancy. Extensions to the storm and sanitary sewers are included in this project as well as new service lines tapped at the existing water main for both domestic use and fire protection. The plan also includes sidewalks, hardscaping, parking lot demolition and construction, and improvements as required.

Recommendation: The university requests Board of Trustees authorization to establish a total budget of \$943,900 for the design and construction of utility extensions and infrastructure improvements that will serve the West Campus generally and which will support the new Alumni and Visitors Center. The university further requests approval to execute professional service agreements and construction contracts and issue work orders as necessary to design and construct these extensions and improvements.

**COLLEGE AVENUE BRIDGE REPAIRS
Capital Project Approval**

Summary: The Board of Trustees granted project approval for major repairs to the College Avenue bridge over the Kishwaukee River at the June 2000 meeting. A project budget of \$412,500 was approved at that time. The Qualifications-Based Selection (QBS) process to select an architectural or engineering firm was undertaken but then suspended with no firm selected or approved for employment by the university. Instead, minor repairs have continued to be made to keep the bridge in operation during several years of budget crisis.

Reactivating the project is being undertaken now for two reasons. First, communication with the City of DeKalb and the Illinois Department of Transportation has revealed that the Lincoln Highway bridge over the Kishwaukee River will receive major repairs in the summer of 2006. Limiting the use of the two adjacent bridges during the same construction season is not advisable. Second, bridge repairs cannot be delayed without further deterioration of the roadway. Therefore, the university is taking the necessary steps to proceed with bridge repairs in the summer of 2005.

The delay of implementation for the bridge repairs necessitated a review of the project budget. Considering escalation of construction costs from late 1999 when the work was originally estimated, particularly the price increases for structural steel, the base cost of construction was increased by 15 percent to reflect an anticipated 2005 bid date. Adding engineering fees and a construction contingency, both based on a percentage of base construction, a new project budget of \$490,600 will be required to implement repairs.

The university advertised for and received QBS qualification submittals in June 2004. A QBS committee reviewed the qualifications from ten firms, ranked the three most preferred firms, and selected the firm of Knight Engineers & Architects of Chicago to provide design documents for bridge repairs.

Recommendation: The university requests Board of Trustees authorization to increase the approved budget for College Avenue bridge repairs to \$490,600 and to contract with Knight Engineers & Architects, Chicago, for preparation of plans and specifications for bidding the necessary repairs. Project costs will be paid from appropriated permanent improvement funds. Upon execution of the professional services agreement, the university will proceed with construction contracts and work orders as necessary to complete repair of the College Avenue bridge.

ENERGY INFRASTRUCTURE IMPROVEMENTS - PERFORMANCE CONTRACT

Summary: Public Act 90-0486 permits universities to negotiate contracts for the evaluation, design and implementation of facility improvement measures that will pay for themselves via guaranteed energy and/or operational savings over the life of a contract. Performance contracting has proven to be a viable and beneficial approach for Northern Illinois University in attempting to improve classroom and educational environments to meet escalating enrollment needs while faced with minimal deferred maintenance funding available to the university for these building improvements. Three major characteristics that distinguish the performance contracting approach from other conventional methods of capital improvement projects are:

1. The university makes no initial capital outlay or investment to fund the project.
2. *Energy and operational savings are guaranteed by the contractor to be at least at the level to fund the project, including finance charges, for up to ten years.*
3. Technical and financial risks are shifted from the university to the contractor.

With this proposed project, the university has identified needed infrastructure improvements including window and door replacement, pump control retrofits, new heating and cooling systems, as well as upgrades to air handling needs in various buildings on campus, including Reavis Hall, Watson Hall, Zulauf Hall and Montgomery Hall, resulting in reduced energy consumption and maintenance in the future. While the actual annual energy savings will be in the \$150,000 to \$200,000 range, operational savings, including a reduction in FTE's and future capital costs, will generate the balance of the yearly payment.

Utilizing the Request for Proposal (RFP) process, the institution is seeking proposals from qualified firms to provide all, or a portion of, the desired improvements on a performance contract basis. A qualified firm will be selected based on a ten-year payback plan not to exceed the cost of the improvements selected with a maximum ten-year value of \$8,542,000. The benefits to the university are: (1) short-term improvement to proposed facilities, (2) documented and verified savings in energy usage for the life of the ten-year contract, and (3) long-term energy reduction after the contract expires.

Recommendation: The university requests Board of Trustees approval to execute a performance contract with the selected qualified firm to implement the proposed Energy Infrastructure Improvements project. Work is to begin in January 2005, with completion by January 2006. Under the terms of the contract, payment commences at the completion of the work payable from guaranteed energy and operational savings over the life of the ten-year contract.

INTERNET2 FIBER PATHWAYS LEASE AGREEMENT

Summary: Northern Illinois University, in collaboration with FermiLab, will provide very high speed access to our campus in DeKalb, through Northern Illinois University Naperville and on to FermiLab. From there, Northern Illinois University will have access not only to FermiLab but also to IWire and the entire Internet2 network. This will also provide NIU with access to the Technology, Research, Education and Commercialization Center (TRECC) at the DuPage County Airport.

In order to obtain this access at the highest possible speeds and the lowest cost, Northern Illinois University plans to enter into fiber right-to-use Lease Agreements with local cities to connect our campuses to FermiLab.

Recommendation: The university requests Board of Trustees approval to enter into intergovernmental agreements with the cities of Batavia and Naperville for a right-to-use fiber lease agreement, which will provide a 20-year renewable lease. The lease will be funded from local and grant funds not-to-exceed \$180,000.

DEPARTMENT OF PSYCHOLOGY GRANT SUBCONTRACTING

Summary: The university is subcontracting with Old Dominion Research Foundation for a federal research grant entitled "Assessing Reading Comprehension with Verbal Protocols and Latent Semantic Analysis." The grant period will be July 1, 2004 through June 30, 2008. The intent to award this contract as a sole source was advertised in the *Illinois Higher Education Procurement Bulletin*. Original presidential approval was given on July 22, 2004.

Recommendation: The university requests approval of a change order for FY05-FY08 as follows:

Old Dominion University Research Foundation – Norfolk, VA

<i>Original Amount</i>	<i>\$115,482</i>
<i>Amendment</i>	<i>400,000</i>
<i>New Order Total</i>	<i>\$515,482</i>

UNIVERSITY HEALTH SERVICES MULTIYEAR MEDICAL REAGENT OPEN ORDER

Summary: University Health Services seeks approval to extend their existing open order for medical reagent testing for the detection of sexually-transmitted diseases presently covering the period of July 1, 2004 through June 30, 2005. This extension will cover reagent testing through June 30, 2009. By extending this contract the university incurs an additional cost savings and is provided a Becton Dickinson Probtect Analyzer at no charge. Original presidential approval was given on July 17, 2004 for FY05. The intent to award this contract as a sole source was advertised in the *Illinois Higher Education Procurement Bulletin*.

Recommendation: The university requests approval of a change order for FY05-FY09 as follows:

Becton Dickinson and Company - Sparks, MD

<i>Original Amount</i>	<i>\$ 70,000</i>
<i>Amendment</i>	<i>280,000</i>
<i>New Order Total</i>	<i>\$350,000</i>

APPOINTMENT OF VICE PRESIDENT FOR STUDENT AFFAIRS

After a national search, Dr. Brian O. Hemphill has been selected for appointment as Vice President for Student Affairs. Dr. Hemphill serves as Associate Vice Chancellor for Student Affairs/Dean of Students at the University of Arkansas, where he has been employed since 2001. He is responsible for the operation of the Office of the Dean of Students, which includes Community Standards and Student Ethics, Student Mediation and Conflict Resolution, First Year Experience, Greek Affairs, Commuter and Non-Traditional Student Services, Student Support Services, Pre-College Programs and Crisis Response Management. Prior positions include Associate Dean of Students, University of North Carolina at Wilmington; Assistant Dean of Students, Cornell College; Coordinator of Minority Recruitment and Retention, Iowa State University. Dr. Hemphill received his Ph.D. in Higher Education Administration from the University of Iowa, M.S. degree in Journalism and Mass Communication from Iowa State University of Sciences and Technology, and B.A. in Organizational Communication from St. Augustine's College.

Dr. Hemphill has made numerous presentations and received numerous honors and awards including Phi Beta Delta, Honor Society for International Scholars, University of Arkansas and Outstanding Young American, National Award. Dr. Hemphill is a member of several professional organizations and serves on university and national level committees.

Recommendation: The university requests Board of Trustees approval to appoint Dr. Brian Hemphill as Vice President for Student Affairs.

COLLECTIVE BARGAINING AGREEMENT

Northern Illinois University negotiates with ten collective bargaining organizations representing different employee groups. Salary increases and other terms/conditions of employment for bargaining unit members are subject to negotiation, and final agreements are submitted for approval to the Board of Trustees. Reopeners normally occur at the beginning of the fiscal year. The following collective bargaining agreement has been approved and ratified by the bargaining unit and is submitted to the Board of Trustees for approval.

- 1) *Bargaining Unit:*** International Union of Operating Engineers, Local 399 representing approximately 33 Heating Plant employees.

Scope of Negotiations: FY05 Salary Reopener

Tentative Agreement for Board Action: An agreement providing FY05 salary increases for Heating Plant employees. Terms and conditions of this agreement are consistent with University FY05 salary increment policies and guidelines.

Recommendation: The University requests Board of Trustees approval of the above-mentioned collective bargaining agreement.

President's Report No. 43

December 9, 2004

No item in this report for release prior to 9:00 a.m. Thursday, December 9, 2004.

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
9:00 a.m. – Thursday December 9, 2004
Board of Trustees Conference Room
315 Altgeld Hall**

9:00 a.m. Call to Order, Roll Call, Notice Verification, Meeting Agenda Approval, Review and Approval of Minutes, Reports of Board Committees and Board Liaisons, Recess to Executive Session
Executive Session – University Suite
Reconvene Board of Trustees Meeting – Clara Sperling Sky Room



1. Call to Order and Roll Call
2. Verification of Appropriate Notification of Public Meeting
3. Meeting Agenda Approval *Action ... 44*
4. Review and Approval of Minutes of June 17, 2004 and *Action*
Review and Approval of Minutes of September 23, 2004 *Action*
Minutes of December 9, 2004 Action ... 46
5. Chair's Comments/Announcements
6. Public Comment*
7. Reports of Board Committees and Board Liaisons
 - a. Executive Committee
 - b. Academic Affairs, Student Affairs and Personnel Committee
 - c. Finance, Facilities and Operations Committee
 - d. Legislation, Audit and External Affairs Committee
 - e. Illinois Board of Higher Education
 - f. University Civil Service Merit Board
 - g. Northern Illinois University Foundation
8. Executive Session
9. President's Report No. 43
 - a. Recommendations Directly from the President
 - (1) Collective Bargaining Agreements *Action ... 60*
 - (a) Collective Bargaining Agreement *Action ... 61*
 - (2) Residence Hall Ethernet Conduit - Capital Project Approval *Action ... 62*
 - (3) Lorado Taft Campus Wastewater Treatment Plant - Capital Project Approval *Action ... 63*
 - (4) Grant South Tutoring Center - Capital Project Approval *Action ... 64*

b. Reports Directly from the President

- (1) Quarterly Summary Report of Transactions in Excess of \$100,000 *Information*.....
- (2) Periodic Report on Investments..... *Information*.....
- (3) Semiannual Progress Report of Active Capital Projects with a Budget Over \$100,000 *Information*.....
- (4) Grant and Contract Awards *Information*.....
- (5) NIU Institute for Neutron Therapy *Information*.....
- (6) Fiscal Year 2004 External Support and Future Research Endeavors..... *Information*.....
- (7) Convocation Center Review of Second-Year Operations *Information*.....

10. Chair's Report No. 30

- a. Executive Session Minutes Release..... *Action*... 66
- b. Proposed Board of Trustees Meeting Dates for 2005 *Action*... 67
- c. Facility Renaming..... *Action*... 68
- d. Bowl Game Participation Expenses *Action*... 69

11. Other Matters

12. Next Meeting Date

13. Adjournment

*The Board and its committees comply with P.A. 91-0715 through its *Bylaws*, Article II, Section 5.B:

- 1. Consistent with Public Act 91-0715 and reasonable constraints determined by these *Bylaws* and the Chair, at each regular or special meeting of the Board or its committees that is open to the public, members of the public may request a brief time on the approved agenda of the meeting to address the Board on relevant matters within its jurisdiction.
- 2. Committees of the Board review University proposals for action and make adjustments and endorsements as appropriate for further consideration by the full Board. Public comments are generally most useful at meetings of Board committees, where proposals are first considered and the time for interaction most feasible.
- 3. To facilitate an orderly process, appearance requests must be registered on a Board-provided form and submitted to the Board's Parliamentarian at least 45 minutes before the meeting is scheduled to be called to order. To be recognized, the appearance request will include the name, address and position of the individual wishing to speak, the name of the organization or group represented, a concise summary of the presentation, and whether the requestor has appeared earlier on the topic before any other meeting of the Board. The Parliamentarian may confer with registered speakers to cooperatively assist the Chair of the meeting in assuring coordinated issue presentation and an efficient use of allocated time. The Parliamentarian will acquaint requestors with the generally acceptable rules of decorum for their presentations. In lieu of oral presentations, individuals may present brief written materials not to exceed five (5) pages to the Parliamentarian for distribution and consideration by the Board in advance of the meeting.
- 4. The Chair of the meeting will recognize duly registered individuals at the appropriate point during the meeting. Unduly repetitive comments may be discouraged and restricted by the Chair. To assure an orderly and timely meeting the Chair may limit time allotments to five minutes or less, may delay or defer appearances when appropriate, and defer or refer questions received from presenters for answers if available.

Anyone needing special accommodations to participate in the NIU Board of Trustees meetings should contact Ellen Andersen, Director of Special Events, at (815)753-1999, as soon as possible, normally at least a week before the scheduled Board meeting.

Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
December 9, 2004

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Gary Skoien at approximately 9:15 a.m. in the Board of Trustees Conference Room, Room 315, in Altgeld Hall. Recording Secretary Sharon Mimms conducted a roll call of Trustees. Members present were Trustees Robert Boey, George Moser, Myron Siegel, Barbara Giorgi Vella, Student Trustee Eric Johnson and Chair Skoien. Trustee Manuel Sanchez joined the meeting in progress via teleconference. 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

After discussion with President Peters and review of the printed agenda before us, Chair Skoien said, 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 43, Action Items 9.a.(1), (2), (3) and (4), and our receipt of Information Items 9.b.(1), (2), (3) and (4) to that Consent Agenda. Chair Skoien asked for a motion to approve the revised meeting agenda. Student Trustee Johnson made a motion to approve the meeting agenda as amended. Trustee Siegel seconded the motion. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

It was moved by Trustee Vella and seconded by Trustee Boey to approve the minutes of the June 17, 2004 regular Board of Trustees Meeting and the September 23, 2004 regular Board of Trustees Meeting. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

As usual, Chair Skoien said, we have a full agenda today, but I would like to take just a few minutes to comment on some items of interest. First of all, I know I speak for all of my colleagues on the Board when I say that we are impressed with the beauty of Altgeld Hall and the wonderful space that has been provided for the Trustees. We have been an independent Board for about nine years, and this is the first time we have had a place to call our own, so to speak. Beyond that, the entire building is just beautiful – such a wonderful monument to education and to the history of this university! Of course, it is more than a monument; it is a working building with an amazing number of different functions housed in it. I would like to congratulate the NIU staff. Actually, I am involved in a lot of buildings and construction and development, and I thought about that when I was thinking about this building. Also, I took a trip to Egypt once with my wife to look at the Pyramids, and the thing that was most impressive about what they had done there was not the architecture or the engineering. It was the fact that it was done over so many years. Those projects took 200 years, 100 years, 150 years, and there was continuity. The impressive thing here, Eddie, is the fact that this thing kept going and going and going, and it took five or six years. But in any event, Dr. Williams, you and your staff did a terrific job. It is an absolutely beautiful

building. I know you encountered tremendous challenges. Any time you renovate an existing structure, particularly as old as this structure, the things you uncover and discover are always what you do not anticipate. So thanks for all your great work.

The last time we all met, we approved the first of a two-part salary program that we hoped would begin to make up for ground we lost during our state's recent budget crisis. We were delighted to see the first three percent of the salary increase made retroactive to the beginning of the fiscal year, and of course we have been crossing our fingers about the university's ability to come forth with the final one percent increment in January. This morning I am pleased to report that President Peters and his staff were able to carry through on the additional percentage, and our faculty and staff will see that reflected in their January paychecks. We are always, as a Board, thankful for all the hard work and effort of all the staff. We would like to have done more. We are committed to improving the salary for all classes of employees at NIU, and I pledge that we will continue working, along with John, Kathy and Eddie, on your behalf in Springfield and elsewhere to improve NIU's financial health and its ability to move NIU salaries into the top levels among Illinois universities.

Speaking of statewide initiatives, this next project goes beyond our state and into the larger Midwest region. I know you all share my excitement at hearing more about a program that received a good deal of attention this week: The NIU Institute for Neutron Therapy at FermiLab. What a great partnership we have forged between NIU and Fermi, and what great promise this holds for our research, our other medical programs, and of course for those patients who now have access to another cancer treatment option in our region. I look forward to hearing more about this from the Institute's new director, Dr. Diaz, and I want to thank all the NIU staff involved in making the institute a reality and getting us off to such a good start with such positive publicity throughout the region.

Finally, I would like to say a few words about our young men in red and black. I am talking about our football Huskies, of course, and their long-overdue trip to a bowl game. These fellows and their coaches have really made us proud this year. They have shown us that NIU can sustain a successful program in the most demanding sport in intercollegiate athletics. They have conducted themselves with dignity both on and off the field. I know we have talked about this before as Board members; but I think there is probably nothing more important than the way these young men have conducted themselves. I have never seen an instant where I was not proud to be associated with them, and I think I speak for the whole Board and for their coach and coaches. They have played with a level of enthusiasm that is contagious.

Not so long ago, NIU worried about selling enough football tickets to meet NCAA standards for Division I-A status. Now we worry whether we will be able to get our families and friends good seats for games that are practically sold out every week. We all know that the team deserved a bowl bid last year, and they deserve every bit of credit we can give them for earning a bowl invitation this year. John and I were just talking about this a few minutes ago. To get asked back to bowl games, the number of people that show up from a particular school is important. So I think it is really terrific, and it is a tough time of year, but if you can encourage family, friends and the like to get out there to California, I promise it will be a little bit warmer than it will be in DeKalb. So let's fill that charter plane and bring as much red and black to Spartan Stadium as we can. The Huskies own this year's Silicon Valley Bowl, and we need to get there to cheer them on. Go Huskies!

I would like to welcome the University Advisory Committee (UAC) representatives who may be here this morning: Dr. Paul Stoddard, Dr. Xueshu Song, Dr. Ferald Bryan, Dr. Joseph "Buck" Stephen, Ms. Shey Lowman and Ms. Donna Smith. Shey Lowman, President of the Supportive Professional Staff Council, stated that she and Donna Smith, President of the Operating Staff Council, on behalf of all staff, wanted to thank the Board for their support of the salary increments implemented this year. We want the Board and the administration to know that these increments have made a huge difference in staff morale, she said. During these very difficult economic times, it has been a comfort and has allowed us to do our jobs knowing that the staff and the administration have supported us in every way they possibly can.

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 Board meeting.

REPORTS OF BOARD COMMITTEES AND BOARD LIAISONS

Executive Committee

There was no report from the Executive Committee.

Academic Affairs, Student Affairs and Personnel Committee

There was no report from the Academic Affairs, Student Affairs and Personnel Committee.

Finance, Facilities and Operations Committee

There was no report from the Finance, Facilities and Operations Committee.

Legislation, Audit and External Affairs Committee

To our faculty and staff, who are so appreciative of the Board's work, Trustee Siegel said, we are appreciative of your work and your help in reaching our objectives too. So thank you all for helping us.

Committee Chair Siegel asked Kathy Buettner, Associate Vice President and Executive Director for External Affairs and Economic Development, to give a brief report on Illinois's state budget and new federal legislation issues.

The President, Dr. Williams and I traveled to Springfield during the last couple of days of the Veto Session, Mr. Buettner reported. We met with many of the state's leaders in both parties as well as with the IBHE about the realities for the FY06 budget statewide and then brought it down to the higher education level. We came away somewhat disheartened because we had thought that the budget was going to be slightly better, at least beginning the year than where we are in reality. And since then, there have been some developments that I just want to briefly touch on.

Summarizing the conversations we had with both sides of the aisle and the leadership, Ms Buettner said, it appears that we are going to be starting FY06 as a state with a deficit of about \$1 to \$1.5 billion, depending on how it is calculated. There is bipartisan agreement that there will be a significant deficit to overcome before we even start the FY06 budget process. Subsequent to that, the state chamber had a victory in the ruling by the court a week or two ago in a legal battle in which the chamber challenged a particular fee that was part of the fee package the Governor passed about a year and a half ago. If that ruling were to be applied statewide to all fees, it would jeopardize another \$300 million in potential revenue sources for the state. In addition, we found out that the capital bill for FY05 is unlikely to be put together and structured even in a smaller scale piece of legislation in January. With two days left of the current session, it appears that we may go without a capital bill for the state in FY05. There is, again, significant disagreement amongst both parties and the Governor's Office as to where we need to be in FY06 for our capital bill. So things are not moving as quickly as any of us – administration, faculty, staff and students – would like to see to solve the state's capital needs.

Turning to the federal issues, Ms. Buettner said, I just wanted to bring the Board up to date since we have not had an LAEA meeting in the last month or two. There is a proposal that is pending in Washington involving our IPED's Student Unit Record Collection. Several years ago this Board was very involved in the legislation on the Taxpayer Relief Act and the burden that placed on the universities when they had to turn in Student Taxpayer Identification Numbers to the federal government. This is a very similar issue. Every college and university, public and private, across the country submits data annually based on enrollment and other statistical categories. The proposal now pending in Washington that may

actually translate into the Higher Education Reauthorization Act next year would require us not only to transmit that statistical data but to transmit it by individual student social security number. Individual students could then be tracked for issues over and above financial aid. Obviously this is a privacy issue for our students, not to mention the fact that it is very expensive to do this for every college and university, public and private. That is an issue that has surfaced in the last couple of weeks and is something that we will be working closely on with our Illinois delegation.

I also wanted to draw the Board's attention to the fact that there has been language inserted into the final FY05 Federal Omnibus Budget Act that passed over Thanksgiving, Ms. Buettner said. The new language, authored by Senator Byrd of West Virginia, requires all education institutions receiving federal aid – that is about 98 percent of the higher education institutions in the country – to offer an instructional program on the U.S. Constitution every year on the anniversary of its signing, September 17. The Department of Education has not ruled how they are going to interpret this as yet. However, there is significant concern about the Department of Education being involved in the development of national standards and curriculum issues. That permission or provision is not afforded them by Congress right now. So that is a big concern to our national groups representing the higher education field nationally. The other issue is the conference agreement on the Labor HHS Education Appropriations Bill, Ms. Buettner said. The conference report did not include language that prohibited the Department of Education from revising the Federal Student Needs Analysis Formula using the state tax calculations. The bottom line is that they have to fix this quickly in the next Congress. The national groups have told us this could affect over 80,000 students who could either lose or diminish their eligibility for Pell Grants.

There was significant support for NIU research projects in the Omnibus Bill, and for that we are very grateful to our Illinois delegation. All Omnibus Bill spending that is allocated for nondefense and non-Homeland Security discretionary programs will have an automatic .8 percent reduction as part of the conference agreement. The Pell Grants are going to remain unchanged at \$4,000.

The final thing I wanted to report, Ms. Buettner said, is that Congress successfully passed a bill that basically will protect patents resulting from collaboration between the universities and industry, which is something we have been working on here in our office significantly with our WestTec people and Dr. Bose. There was apparently some concern when a new patent bill was passed that basically would protect us from legal challenge when we deal with issues of intellectual property growing out of joint scientific research between public universities, private universities and industry.

Illinois Board of Higher Education

IBHE Liaison Vella deferred to President Peters for this report. The Illinois Board of Higher Education met this past Tuesday in Chicago, the President said. Items of concern to the Board included IBHE approval of NIU's request to offer a Masters of Education in Region 10, where we are going to offer a bilingual program at Malcolm X College. Also, Dr. Rathindra Bose, our Vice President for Research, was appointed to the new Diversity Task Force that the IBHE has impaneled. The next meeting of the IBHE Board is scheduled for February 1 in Springfield.

Universities Civil Service Merit Board

There was no report from the Universities Civil Service Merit Board.

Northern Illinois University Foundation

NIU Foundation Liaison Boey deferred to Mallory Simpson, President of the Foundation, for this report.

We have had a terrific fall, Ms. Simpson said. Our inaugural Red and Black event on October 1 was a tremendous success with over 375 people joining us for the evening. Of those, 150 were attending their first NIU Foundation event. That same evening, at the Foundation's annual meeting, two new directors were elected – Ken Ruck, who has degrees from the College of Engineering and the College of Business

and is managing partner of a hedge fund; and Jeff Yordin, who has a political science degree and has been chief operating officer of American Pharmaceuticals.

Our gift totals for the fall also have been very good, Ms. Simpson continued. Overall gifts were at \$2.8 million, an increase of nearly 55 percent over the same time last year. Those totals do not always hold throughout the year, but it is a great start – an 85 percent increase in cash gifts. The number and amount of new endowed scholarships has grown this year. We are at \$200,000 in endowed scholarships compared to \$25,000 last year. During the general phase of the Alumni and Visitors Center campaign, we have raised about \$170,000 through the sale of our bricks, benches and trees. About 45 percent of that, nearly 1,000 people, are first-time donors to the university, which is tremendous.

And, as you know, a historic moment occurred on October 16 with the groundbreaking for the Alumni and Visitors Center, Ms. Simpson said. This is the first new building ever funded through a campaign. And thanks to the tremendous collaborative efforts of Eddie Williams, Pat Bell, Ken Davidson, Foundation Controller Jean Jagodzinski and Foundation Board member Bill Nicholas, the contracts and financing were finalized and construction has begun. At the end of November, we crossed the 90 percent mark in reaching our minimum fundraising goal for the Barsema Alumni and Visitors Center.

We have had a number of major commitments since your last Board Meeting, Ms. Simpson reported. Castle Bank has committed \$50,000. National Bank and Trust Company of Sycamore has committed \$100,000. Herb Aldine, a Foundation Board member and owner of a major marina in Michigan, has committed \$100,000. And as President Peters announced at this State of the University address, Trustee Bob Boey and his wife Doris have donated a gift of \$100,000. Manny Sanchez and his wife, Pat, have also committed \$100,000. Both of those qualify them for Circle of the Seal donor recognition. I cannot tell you, Ms. Simpson emphasized, from the perspective of the Foundation, the board and our volunteers and donors to that project, how much that leadership giving has meant to the momentum of our campaign. So thank you so very much. In addition to these gifts to the Barsema Alumni and Visitors Center, we have received the following commitments recently. Verizon Foundation has committed \$50,000 to the College of Engineering and Engineering Technology for a partnership program with local schools to attract minorities into engineering and technology disciplines. From an accountancy alum, Bill Taylor, a senior partner with Deloitte and Touche, and his wife Diane, we received \$130,000 to create two full scholarships for students transferring from a community college. And part of his gift will be matched by Deloitte and Touche. So that is a new hundred thousand dollar endowment in addition to an expendable fund.

Lastly, Ms. Simpson said, as with everyone in this room, we look forward to the opportunity our football team, Coach Novak, President Peters and Jim Phillips have provided us for some very special major donor cultivation in San Jose. Go Huskies!

That was a great report, Chair Skoien commented. If there was ever any doubt about this Board, what Manny and Bob have done clearly shows the commitment and dedication of this Board to NIU. And I think we should give them all a round of applause for their contributions.

EXECUTIVE SESSION

Chair Skoien asked for a motion to close the public meeting to conduct an executive session to discuss the following subjects authorized by the Illinois Open Meetings Act: personnel matters as generally described under §2(c)(1) and (3) of the Open Meetings Act, collective bargaining matters as generally described under §2(c)(2) of the Open Meetings Act, litigation and risk management matters as generally described under §2(c)(11) and (12) of the Open Meetings Act, property matters as generally described under §2(c)(5) and (6) of the Open Meetings Act, and Executive Session Minutes matters are generally described under §2(c)(21) of the Open Meetings Act. Trustee Moser so moved, seconded by Trustee Siegel. A roll call vote of the Trustees to recess to Executive Session was unanimous.

BOARD OF TRUSTEES MEETING RECONVENED

Chair Skoien reconvened the public meeting of the Board of Trustees at approximately 11:52 a.m.

CONSENT AGENDA APPROVAL

Chair Skoien asked for a motion to approve the items placed on the consent agenda earlier in the meeting. They include President's Report Number 43, Action Items 9.a(1), (2), (3) and (4), and Information Items 9.b.(1), (2), (3) and (4). Trustee Siegel so moved, seconded by Trustee Vella. The motion was approved.

Trustee Siegel made a motion to move Agenda Items 10.b., 10.c. and 10.d. forward so they could be dealt with immediately. Trustee Vella seconded the motion. The motion was approved.

CHAIR'S REPORT NO. 30

Agenda Item 10.b. – Proposed Board of Trustees Meeting Dates for 2005

We have a proposed schedule for regular meetings of the full Board of Trustees for the coming calendar year, Chair Skoien said. This proposal will enable us to meet our statutory obligation and conduct a regular meeting in each quarter of the year. May I please have your perspectives on the practicality of the proposed schedule before you. Of the two December dates, Chair Skoien stated that December 1 was preferred. The Trustees unanimously accepted the proposed dates for BOT Meetings in 2005.

Agenda Item 10.c. – Facility Renaming

The Board *Regulations* place authority and responsibility for approval of naming university facilities in the hands of the Board of Trustees. With the concurrence of the individual involved, Chair Skoien announced, we have a recommendation to rename a university facility located in downtown DeKalb after former NIU President, Dr. William Monat. A resolution that would accomplish the renaming has been distributed to each Trustee for review. The Chair asked for a motion to approve the resolution. Trustee Moser so moved, seconded by Trustee Siegel.

I would like to congratulate Bill, Trustee Siegel said. I have worked with you a long time. I am happy that we can do this and that you are here to enjoy it. Congratulations.

Let me add to the congratulations, Trustee Boey said. I will never forget the first time we met. You were in the Dick Tracy raincoat with a hat walking into the first potential engineering building in Sycamore, IL. We were looking for a facility as quickly as possible, because the legislature had finally agreed to let NIU have an engineering program. But we needed a facility right away, and I happened to have my own engineering facility in Sycamore. Bill Monat wanted to see it but did not want anybody else to know he was coming to see it. So, Bill had on his famous fedora and raincoat. I took one look at this, and said who am I dealing with? But since then, the friendship has long flourished between us. And I am delighted we can do this. Congratulations, Bill.

Chair Skoien asked Dr. Monat to step up to the podium with him while he read the following resolution.

RESOLUTION

WHEREAS William Monat has faithfully served Northern Illinois University and the cause of public higher education in the State of Illinois for more than 20 years; and

WHEREAS Dr. Monat contributed significantly to NIU's reputation for excellence in areas such as political science and public administration during his service as department chair and later as Provost; and

WHEREAS William Monat guided Northern Illinois University through a period of strong growth and development as President from 1978 until 1984; and

WHEREAS he was instrumental in the creation of the NIU College of Law and the NIU College of Engineering and Engineering Technology; and

WHEREAS Dr. Monat in his capacity as university president strengthened the voices of numerous underrepresented groups by creation of bodies such presidential commissions on the status of women and minorities, and creation of academic and support centers for African Americans and Latinos; and

WHEREAS he helped facilitate such student life enhancements as construction of the Student Recreation Center and the Martin Luther King, Jr. Memorial Commons; and

WHEREAS President William Monat presided over significant expansion of NIU academic offerings, including new undergraduate programs in meteorology and business systems and new Ph.D. programs in geology, biological sciences and mathematics; and

WHEREAS he established the Presidential Research Professors award to recognize and honor sustained excellence in faculty scholarship and research; and

WHEREAS William Monat went on to serve this university and all of Illinois higher education as Chancellor of the former Board of Regents; and

WHEREAS Dr. William Monat continues to offer his wise counsel and unfaltering support to a new generation of NIU leaders;

NOW, THEREFORE, LET IT BE RESOLVED that the Board of Trustees of Northern Illinois University extends its grateful and tangible appreciation to Dr. Monat through this declaration of new identity for university property: From this day forth, the NIU property at Third and Locust Streets in downtown DeKalb shall be known as the William R. Monat Building.

Adopted in a regular meeting assembled this 9th day of **December, 2004**.

**BOARD OF TRUSTEES OF
NORTHERN ILLINOIS UNIVERSITY**

Gary J. Skoien
Chair

George M. Moser
Attest: Secretary



Congratulations.

Dr. Monat's comments were as follows:

I must say, as you read that, I could not believe all this has happened. Also, when President Peters called me yesterday to see what my reaction would be, I was almost dumbfounded, because I did not think this happened until a person died. So you cannot believe how happy I was to wake up this morning. I do want to comment briefly on the building, however. This was a target of opportunity. When Jim Norris was dean of Liberal Arts, he created an office of Social Science Research to pull together all of our externally funded social science research activities, but he desperately needed a place to put those programs which were located in various places all

over campus and in rental and lease space. So I want to acknowledge Jim Norris's contribution to this. But I also want to recognize the contribution of Tom Rosenow. He was a local developer who came to us and said, I will buy this building for you. We will remodel it to your specifications on budget and on time, and then lease it to you. And Tom was true to his word. It was on budget, on time. And I will never forget, we had a reception at a Board of Regents meeting, and I invited the total Board to this reception in the lobby of the new Social Science Research Institute. Some of the Board members were chagrined because they did not think it could be done. I do appreciate this. Thank you.

Agenda Item 10.d. – Bowl Game Expenses

As indicated in Agenda Item 10.d. before you, Chair Skoien said, the university has requested Board of Trustees approval for all necessary and appropriate expenses related to NIU's participation in the Silicon Valley Football Classic Bowl Game to be held in San Jose, CA on December 30, 2004, included but not limited to the following: travel and ground transportation, lodging, rentals, insurance, dining, broadcast services, commodities, equipment and supplies. In addition, to effectively and timely address the demands and requirements resulting from an extremely tight schedule and other anticipated Bowl obligations, the university also has requested Board approval to authorize the President, or his designee, to reasonably agree to all transactions necessary related to the Silicon Valley Football Classic Bowl game event. May I have a motion to approve authorization of the President or his designee to undertake all transactions necessary in relation to this Bowl and expenditure authority for satisfaction of such obligations reporting any individual transactions and obligations in excess of \$100,000 in the normal course at a subsequent meeting of the Board. Trustee Sanchez so moved, seconded by Trustee Boey. The motion was approved.

PRESIDENT'S REPORT NO. 43

I want to add my congratulations to Bill Monat, who is a great friend to me and a great university citizen, President Peters said. I was just delighted to do this. I received many letters of encouragement and nomination to name this building after Bill Monat. And, perhaps the most persistent one was Jim Bannovitz, the former head of our wonderful MPA program who, I know, will be delighted when he hears this. We will commemorate the building when you get back from a sunny winter in Florida, Bill, and we will have a nice celebration. So thanks to you and to Jo for what you have done for NIU and all of Illinois higher education. You are really a remarkable example, and we are pleased that you have remained in our community. Thank you very much.

Now I certainly appreciate our chair's earlier comments regarding our salary increment program. We have worked very hard to get to Phase II of this year's increment. And as of January, we will be able to say that our employees received the largest increments of any public university in the state this year. That is in no small part a result of the efforts of Dr. Williams and his staff in Finance and Facilities; our Provost, Ivan Legg and Frederick Schwantes and his office; and many others that worked hard to make this possible. Thanks to all of you, and thank you to all of our employees.

Compliments are also in order this morning for several key members of our staff who have engineered a very successful kickoff this week of our Neutron Therapy Program. You are going to be hearing from them a bit later. We had about 75 scientists, physicians and members of the news media at NIU Naperville Monday to hear our announcement about the new program. We were on *Chicago Tonight*, and it is always a treat when our people are on that program. I want to single out Kathy Buettner, Dr. Anne Kaplan, Dr. A.Z. Diaz, Dr. Arlene Lennox and Melanie Magara for their great work in getting this program up and running. Cancer patients who receive life-saving treatment at this facility or who benefit from research are the true beneficiaries of this unique partnership. At the IBHE Presidents and Chancellor's Meeting, outgoing president Jim Stukel of the UI came up and shook my hand and said, "What a great achievement." And you know what I was thinking, that he was going to talk about the Bowl Game. But he said, "This neutron therapy program sounds extremely exciting." So, among the higher education community, this has been well received and is a big deal.

We are going to hear a brief report today from Dr. Rathindra Bose about the current state and future direction of our research program. We hear regularly about individual projects, but sometimes I think it is hard to detect a pattern or overall direction in our overarching research missions. I believe Dr. Bose is making progress and bringing a great deal of cohesion to our research program, and I look forward to hearing his brief report.

Finally, I want to add my congratulations to Coach Novak and the young men of the football team and to our Athletic Director, Jim Phillips, who did such a great job getting us to a bowl. We are certainly proud of our team. Later on today, we will be announcing a Huskie Bowl charter package on an NIU plane that will include the trip, two days and a Bowl ticket. You can also find this information on the NIU web site. Please tell your friends and neighbors about the charter.

Also, this Friday, from 6:00 p.m. to 9:00 p.m., Altgeld Hall, festively decorated for the holidays, will be open to the community. There will be some holiday music and refreshments. And for those who park in the visitor's parking lot, they will be delivered to the front door in a horse-drawn carriage à la turn-of-the-century Altgeld. So if you have neighbors in DeKalb who have not seen Altgeld, please tell them to come by.

UNIVERSITY RECOMMENDATIONS FORWARDED BY THE BOARD COMMITTEES

Now, let us move on to our meeting. All of the action items in the President's Report are on the Consent Agenda, President Peters said, as are the first four of the University Reports directly from the President.

Agenda Item 9.a.(1) – Collective Bargaining Agreements

Agenda Item 9.a.(1)(a) – Collective Bargaining Agreement

Agenda Item 9.a.(2) – Residence hall Ethernet Conduit – Capital Project Approval

Agenda Item 9.a.(3) – Lorado Taft Campus Wastewater Treatment Plant – Capital Project Approval

Agenda Item 9.a.(4) – Grant South Tutoring Center – Capital Project Approval

Consent Agenda Items.

UNIVERSITY REPORTS FORWARDED FROM THE BOARD COMMITTEES

Agenda Item 9.b.(1) – Quarterly Summary Report of Transactions in Excess of \$100,000

Agenda Item 9.b.(2) – Periodic Report on Investments

Agenda Item 9.b.(3) – Semiannual Progress Report of Active Capital Projects with a Budget Over \$100,000

Agenda Item 9.b.(4) – Grant and Contract Awards

Consent Agenda Items.

Agenda Item 9.b.(5) – NIU Institute for Neutron Therapy

Let me say a few words and introduce the people who will make this presentation, Dr. Peters said. This partnership has its roots in a working relationship that dates back many years between us and FermiLab. But I have to say that the Institute for Neutron Therapy really formalizes this and makes it very deep. Most of you know that FermiLab has hosted a Neutron Therapy program for several different medical providers over the years. More than a year and half ago, the program was shut down when their latest hospital partner found its financial demands too taxing to continue the program. Because of NIU's involvement with FermiLab, and because we have scientists in a variety of areas involved in cancer research, we heard and answered Fermi's call for an academic partner: a research university interested in both active patient treatment and clinical research to enhance the whole field of neutron therapy. So it seemed like a great match to us. But we knew we would need several years of startup funding to keep the doors open to develop a self-supporting program. That is when we approached federal officials in Washington and found a strong supporter in our alumnus, House Speaker Dennis Hastert. Denny wanted

to join us this past Monday for the big announcement, but as you know, Congress was called back into session. So he sat down with Kathy Buettner and Melanie Magara last Friday and recorded this video message.

Hello, this is Denny Hastert. I'm sorry I can't be with you today for this tremendous announcement, but I wanted to lend my congratulations on an important and successful partnership. All of us know people who are struggling with cancer; all of us have lost friends and loved ones to this disease. And all of us hope that research will lead to a cure. Neutron therapy isn't new. For some types of cancers, it's been proven to be very effective – and even more effective than other types of treatments. We need to do more research to understand its full potential. And that will only happen through partnerships between major research universities like NIU and major laboratories like FermiLab. The NIU Institute for Neutron Therapy at FermiLab not only revives an important treatment facility, it also furthers the entire field of cancer research. Even nonscientists know that cancer isn't a single disease, and its cure isn't going to be found in one single treatment. Congratulations NIU and FermiLab. And God bless all of you who are involved in this important work. Thank you.

Now let us thank Denny Hastert, President Peters said. So far, we have about \$2 million in hand in federal earmarks to keep this program going with the promise of some more as we move to a self-sustaining situation. I want to ask Dr. Arlene Lennox to stand and be recognized, because Dr. Lennox, for many years, was the heart and soul of this program and kept it together working for Fermi, but she also had a relationship with NIU. Dr. Lennox, you are in our family now, he said, and I have come to appreciate what you have done.

It is now my pleasure to introduce the new medical director of the neutron therapy program. When we were approached, we knew we were going to need a couple of things. First, we knew that the program needed a strong on-site physician both to encourage referrals from other doctors in the region and to maintain the stability of the program. Secondly, we wanted an on-site physician to help us revive the research component of the neutron therapy program. In order to do clinically significant research, we had to be able to follow the progress of patients as only a physician would be allowed to do. We asked the question, what sort of a radiation oncologist should we get? And one name kept coming up. That was A.Z. Diaz. Dr. Diaz is both a nuclear engineer and a medical doctor; his background in neutron therapy extends from coast to coast. And we are happy to have him working with us.

Thank you, President Peters, Dr. Diaz said, and thank you distinguished Board members for giving me this opportunity to share my enthusiasm for this wonderful new program you have made possible. I want to begin with two simple points. First, neutron therapy is not experimental. It is proven cancer treatment that has been around for more than 50 years. Second, neutron therapy is not a treatment of last resort for patients who have run out of all other options. For certain kinds of cancer, neutron therapy should be the first option – the treatment of choice. In the medical profession, the gold standard, if you will, the highest level of certainty we can express about a new treatment is a positive finding in what we call Phase 3 Randomized Clinical Trials. Neutron therapy has been found to be effective – in many cases, more effective than any other type of therapy for the following tumors: locally advanced prostate cancer, salivary gland cancer, sarcomas or bone cancers, and certain locally advanced tumors of the head and neck region. Most of us understand that cancer treatment today usually falls into one of four categories: surgery, chemotherapy, immunotherapy or radiation. Well, neutron therapy is a form of radiation. But it is many times more powerful than conventional radiation. As a result, patients treated with neutron therapy typically need only about 12 treatments compared with 30 to 40 treatments in conventional radiation. This in itself may improve the quality of life of these patients. All radiation treatments attempt to destroy the DNA in cancer cells. But what we have found is that standard radiation usually damages a part of those cancerous strands allowing them to regenerate during downtimes when radiation is not being delivered. Neutron therapy totally destroys the DNA strands of cancer cells and changes the chemistry of the nucleus, prohibiting the cells from repairing themselves and spreading to other parts of the body.

In your packets and on the display in the hallway, Dr. Diaz said, there are photos of an actual CAT scan showing the invasion into a prostate of an advanced fast-growing cancer. After just seven treatments, the second photo clearly shows that the tumor has been destroyed. That is an example of the amazing potential of this type of therapy. One question I have been asked repeatedly this week – and you may have the same question in your minds – is why is neutron therapy, if it is so effective, why is it we have not heard more about it? Well, first of all, there are only three places in the country that provide neutron therapy – the University of Washington in Seattle, Wayne State in Detroit and FermiLab here in Chicagoland. Secondly, there have been serious issues surrounding reimbursement for the treatments. I am happy to say that NIU has taken a real lead nationally in getting changes made to that system. Finally, I think that neutron therapy is less well known than it probably should be simply because we have not done a very good job of telling its story to the medical community. That is going to be a big part of my job here at the NIU Institute for Neutron Therapy (INT). In order to convince area physicians to refer patients to this facility, we have to be able to show them that the treatment works as a first option. That means we will be concentrating on attracting patients with relatively good survival odds who are referred by those physicians. This is the only way we can further the neutron therapy field. I will personally be visiting area doctors with that message. This center's affiliation with a major research university like NIU also facilitates the renewal of a viable research program in this area, and that is so important to keeping the therapy alive and vital. We have many scientists here at NIU who are involved in the related research fields. And that can only further our cause. So, thank you Trustees, for allowing us to go forward with this project. A year from now, I hope to stand before you with some success stories and a great prognosis for the future of the NIU Institute for Neutron Therapy at FermiLab. Thank you.

CHAIR'S REPORT NO. 30 (continued)

Agenda Item 10.a. – Executive Session Minutes Release

Since I have to leave and I am worried about having a quorum if Trustee Sanchez should drop from the teleconference line, Chair Skoien said, I would like to move to the Open Meetings Act approval. The Open Meetings Act requires public bodies to review the minutes of their executive sessions on a semiannual basis and determine what parts of such minutes they should make available to the public because they no longer require confidential treatment. I recommend that the Board approve release from confidentiality of the specified sections of the Executive Session Minutes on Action Item 10.a. Those sections that are still subject to confidentiality together with sections from subsequent meetings will be considered again in six months. The Chair asked for a motion to approve the Executive Session Minutes Release. Trustee Vella so moved, seconded by Trustee Boey. The motion was approved.

Before I leave, Chair Skoien said, I want to wish everybody a Happy Hanukkah, a Merry Christmas, a happy Kwanzaa, a Happy New Year and everything else. This is a great place, a great group, and I want to thank everybody for all they have done over the past year.

Vice Chair Vella chaired the meeting from this point.

PRESIDENT'S REPORT NO. 43 (continued)

Agenda Item 9.b.(6) – FY04 External Support and Future Research Endeavors

President Peters asked for a brief report from Dr. Rathindra Bose, Vice President for Research, on external support and future research endeavors. It is my distinct pleasure to bring to your attention a remarkable achievement through the combined efforts of the faculty of Northern Illinois University. We received over \$49 million in federal funding last year. That is a nine percent increase over Fiscal Year 2003. This is a remarkable achievement by the faculty, partly because their teaching load has increased and in spite of the many other activities going on at the university. Despite those activities, they kept on track and brought in more money than in previous years. I also want to congratulate the deans and the department chairs who have encouraged their faculty to stay on course despite their high teaching loads.

As we celebrate the success of the total funding, I would like to share a few slides with you. Funding divided by college shows that LAS has the highest total followed by the College of Education. And the other colleges are making significant progress. In the first six months of the year, the College of Health and Human Sciences and the College of Engineering made tremendous progress, and we are ahead of last year by around \$6 million.

As is typical for most universities, the source of the funds we receive is approximately fifty-two percent from federal agencies and 25 percent from the state. We are down by about seven percent in state support.

As we celebrate these tremendous successes of the faculty, I want to briefly report to you what is happening in the nation and how we can take advantage of federal funding and advance our mission at Northern Illinois University.

President Bush has an advisory board called PCAST. Their latest focus is where this federal money should be spent by all agencies. These agencies include NIA (National Institute on Aging), NSF (National Science Foundation), DOE (Department of Energy) and DOD (Department of Defense), so the money will be going to a variety of funding agencies, focusing especially in these areas. There are emerging opportunities for us and the rest of the nation in biotechnology. Homeland security is another issue, and convergent technology is coming along. Mathematics, science and engineering education are now taking so much precedence over everything else that every funding agency has been given instructions to carefully evaluate proposals that include a teaching component with research.

In the area of nanotechnology, Dr. Bose said, Dr. Diaz talked about neutron therapy, but neutron therapy is not going to be just treatment of the patient. We have a vision to take neutron therapy and develop biological research, new clinical trials, social research, nursing areas, and many other ways so we can use that as the incubator to bring research support and to also generate new ideas and a new research profile for the university. I am glad Dr. Diaz came on board. Nanotechnology is not pie in the sky. Toyota Motor Corporation now uses nanotechnology to put a single atom layer of paint on the Camry, the best selling car in the market. An article in the *Chronicle of Higher Education* stated that every university must have a center, and Northern Illinois is not too far behind.

Some applications we have seen, and some the aerospace industries have already picked up to make space shuttles and airplanes light, yet very durable. This is one of the applications on the frontier. We are looking at the next generation of cars that will have platinum and gold catalysts that can use hydrogen gas as the fuel for running the vehicles. This is a \$1 billion research investment that President Bush has funded. We are looking at nanotechnology in cancer research. Just last month, the National Cancer Institute released \$144 million to integrate nanotechnology in cancer research. Northern Illinois is a nanoscience and engineering institute, which you heard President Peters mention in his State of the University Address. These are the components we will be focusing on, not just graduate and undergraduate education, but research, the development of a skilled work force, and the creation of new technology.

University research plays a big roll in the economic development of the country. In 2003, 4,000 spin-off companies were created by universities. They employed over 1.1 million employees with sales of about \$232 billion from a variety of industries.

This accomplishment cannot be achieved without the help of my tremendous partner, Kathy Buettner, and staff member Cathy Cradduck, who have been tremendously helpful. Despite our shortage in staff support, Linda Schwarz and her staff, Gail Mitchell, Jenny Tompkins and Pat Hanzely, have been rolling these proposals out for us. I am also privileged to have a personal assistant, Dr. Sandy Arntz, who even spends some Saturdays and Sundays helping me get these proposals out.

Agenda Item 9.b.(7) – Convocation Center Review of Second-Year Operations

President Peters asked Bob Albanese, Associate Vice President for Finance and Facilities Operations and John Gordon, Director of the Convocation Center, to give a report on the second-year operations of the convocation center.

Only at NIU could we discuss nanotechnology and neutron therapy, Bob Albanese said, and on the other end, discuss *Big Bird* and *The Cable Guy*. This is a great place to work. The convocation center opened its doors in August 2002. During year one, we hosted 175 events, and last year we hosted 199 events. In Fiscal Year '04, total revenues went from \$5.1 million to \$6.1 million, a 20 percent increase. Ticket sales alone were again over \$1 million. Rental income doubled from \$465,000 to \$927,000. This was primarily due to our success in renting the facility for major concerts, religious groups, political groups and national band tour rehearsals, which has turned out to be a very lucrative niche in this market. On the expense side, we are able to reduce event labor costs while assuming a full debt service payment of \$1.6 million.

Overall, Mr. Albanese said, in the first year of operation, we budgeted a breakeven operation with no contribution to long-term reserves. But by the end of year one, we were able to transfer \$900,000 to reserves for long-term capital projects. Last year, Fiscal Year 2004, we were able to transfer \$976,000 to these reserve accounts, a remarkable achievement since year two in venues like the convocation center usually does not match the opening year. At this point, I want to ask John Gordon to review this year's operations.

Mr. Gordon began by expressing his appreciation for the guidance and support of President Peters, Dr. Williams and Bob Albanese over the last few years. And, even though they are not able to be here today because they are working at an event, he said, I especially want to thank our staff, who are relentless in the hours they put in and are really the success behind a lot of what we do.

Just to very quickly tell you where we are in our first almost six months, Mr. Gordon said, we are up already on the number of events. We are projecting that we will probably go over 200 events this year. Our revenues are up right now. That can change depending on what our spring looks like, which is really dependent on a lot of key concerts that we are working on right now. One of the highlights we have had thus far this year includes another sold-out show with Big and Rich back in November. We were in the *New York Times*, *The Washington Post* and several other major papers in connection with that show. Agents and managers flew in from all over the United States just to watch this particular concert because it was the first time they have ever put two like shows together like this. On November 5, the *New York Times* comment was, "In DeKalb, Illinois, Northern Illinois University is the country music capital of the world." So that was kind of an honor bestowed on us for one night. One thing we really try to push here is a lot of diversity in our events. We did a Bob Dylan show. We had a *Sesame Street* that was very successful; our gross was up this year from last. We also did rehearsals here for the now defunct tour for Jay-Z and R Kelly for 15 days, which was very taxing on our staff as well. We had the News Boys, Young Buck, Lloyd Banks and Little Scrappy concerts. We also had a student hit, Incubus, which we partnered with CAB on that was another successful show which almost sold out for us. Then the highlight of this year, so far, has been our Denny Hastert event and the honor of having not only Denny Hastert here for a repeat event, but having the Vice President of the United States available to speak as well. That was a very intense four or five days. Thank you to the Police Department, especially, for their assistance in guiding us through all the exciting times we had that week.

In the future, Mr. Gordon continued, I think one of the things we will try to do is continuous contractual events. We just inked the Farm Show for five more years. The high school state wrestling dual meets for Illinois will be held here as part of a three-year contract. And the high school hoop shootout that was held in the Metro Center for years is going to be a repeat event here at the convocation center as well. It is those kinds of things that we are always trying to garner, more events and repeat events, which helps us to stay consistent with our revenues.

NEXT MEETING DATE

Vice Chair Vella announced that the next meeting of the Board of Trustees is scheduled for Thursday, March 24, 2005 in DeKalb.

ADJOURNMENT

There being no Other Matters, Vice Chair Vella asked for a motion to adjourn. Trustee Boey so moved, seconded by Trustee Sanchez. The motion was approved. The meeting was adjourned at approximately 11:47 a.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

COLLECTIVE BARGAINING AGREEMENTS

Northern Illinois University negotiates with ten collective bargaining organizations representing different employee groups. Salary increases and other terms/conditions of employment for bargaining unit members are subject to negotiation, and final agreements are submitted for approval to the Board of Trustees. Reopeners normally occur at the beginning of the fiscal year. As these agreements are completed, the Finance, Facilities and Operations Committee is notified. The following collective bargaining agreements have been tentatively approved, ratified by the bargaining units and are submitted to the Board of Trustees for approval.

- 1) ***Bargaining Unit:*** General Chauffeurs and Helpers, Teamsters Local 330, representing approximately six Automotive Mechanics and Motor Vehicle Operator/Mechanics.

Scope of Negotiations: FY05 Salary Reopener.

Tentative Agreement for Board Action: An agreement providing FY05 salary increases for Automotive Mechanics and Motor Vehicle Operator/Mechanics.

- 2) ***Bargaining Unit:*** International Union of Operating Engineers, Local 399, representing approximately 33 Heating Plant employees.

Scope of Negotiations: FY05 Salary Reopener Agreement and one-year extension of the full Agreement to June 30, 2008.

Tentative Agreement for Board Action: An agreement providing FY05 salary increases for Heating Plant employees. Terms and conditions of this agreement are consistent with University FY05 salary increment policies and guidelines.

Recommendation: The university requests Board of Trustees approval of the above-mentioned collective bargaining agreements.

COLLECTIVE BARGAINING AGREEMENTS

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- 1) ***Bargaining Unit:*** American Federation of State County and Municipal Employees, Local #963, representing approximately 44 Kitchen Helpers.

Scope of Negotiations: Full Agreement.

Tentative Agreement for Board Action: An agreement incorporating the Kitchen Helper classification within the scope of the existing NIU/AFSCME Building/Food Service Worker agreement. The collective bargaining agreement extends through June 30, 2006.

- 2) ***Bargaining Unit:*** International Union of Operating Engineers, Local #150, representing approximately 19 Grounds maintenance staff members.

Scope of Negotiations: Full Agreement.

Tentative Agreement for Board Action: A full agreement extending through June 30, 2008.

Recommendation: Terms of conditions of these agreements are consistent with University FY05 salary increment policies and guidelines. The university requests Board of Trustees approval of these collective bargaining agreements.

**RESIDENCE HALL ETHERNET CONDUIT
Capital Project Approval**

Summary: The communications infrastructure in the residence halls has not been upgraded to current standards since their original construction. For a one-time-per-room telephone connection, the present wiring is adequate. However, to support high-speed Internet access and future voice, data and video requirements, an upgrade is required. A temporary high-speed Internet access system was installed five years ago, utilizing a proprietary system that will not be supported after December 2006. Thus, an upgrade to switched Ethernet wiring is essential for retaining high-speed access for residents. In addition, current building code requires audio/visual coaxial cable to be installed in conduits. Significant savings can be realized by pulling Ethernet and coaxial cable simultaneously with an end result that residence halls would be up to date for voice, data and video transmission. These systems are already installed in the Stevenson and Grant Complexes. This project will complete the upgrade in the remaining residential facilities of Lincoln Hall, Douglas Hall, Neptune Complex and University Apartments.

Completion of the upgrade requires installation of conduit and junction boxes in all residential rooms. Each wing of the residence halls will have a main distribution frame (MDF) wiring room and each residential room will be directly wired to the MDF. Conduits will be routed through floors and walls as necessary to route the appropriate cabling to all rooms. Conduit installation will disturb a minimal amount of asbestos containing materials, primarily floor tiles, as holes are cored to run conduits from floor to floor and into individual rooms. Junction boxes will be placed as necessary for distribution and at point-of-use locations in resident's rooms. Included will be the purchase of sufficient coaxial audio/visual cable to parallel communications channels in all locations.

Plans and specifications for bidding conduit installation will be prepared by in-house staff of Architectural/Engineering Services. The work will be bid separately by building to allow the most flexibility of installation dates and contractor labor force.

Recommendation: The university requests Board of Trustees authorization of a project budget of \$683,400 for installation of a conduit in Lincoln and Douglas Halls, the Neptune Complex and University Apartments. The university further requests authorization to bid, contract and issue work orders necessary for conduit installation based on plans and specifications for the desired work. Project costs will be paid from revenue bond residence hall funds.

**LORADO TAFT CAMPUS WASTEWATER TREATMENT PLANT
Capital Project Approval**

Summary: The wastewater treatment plant (WWTP) service the Lorado Taft Campus in Oregon, Illinois was constructed in 1971. Ongoing maintenance and occasional major repairs have allowed the plant to continue operating within environmental limits since that time, but the system has reached the end of its useful life. On October 28, 2003, the Illinois Environmental Protection Agency (IEPA) directed a Violation Notice to the Lorado Taft Campus. Responding to Violation Notice, on December 1, 2003, the Director of Lorado Taft Field Campus cited operational changes and repairs made to satisfy the immediate requirements of the Violation Notice. That correspondence also posited the stat of long-term planning to address the age and capacity of the treatment plant.

Accordingly, the university employed the firm of Arc Design Resources, Rockford, under the small contract provision of the Qualifications-Based Selection Act. The charge to Arc Design Resources was to analyze the WWTP flow rates, periodic fluctuations and mechanical system to propose alternative long-term solutions for wastewater treatment. Three approaches were proposed and costs estimated 1) rehabilitation of the existing system, 2) replacement of the existing system with similar technology, and 3) replacement of the existing system with in-ground modular components. The third option has the advantages of being the most cost-effective and providing the most flexibility in the construction phase because it can be installed while the existing treatment plant is in operation.

Based on those advantages, the decision was made to proceed with installation of an in-ground modular system. Because of their analysis of the needs of the system and their direct communication with the IEPA on behalf of the university, the university believes it to be in the best interest of the state to continue employment of the firm of Arc Design Resources to prepare plans and specifications for the purchase and installation of the new system as well as construction observation during the installation phase.

Recommendation: The university requests Board of Trustees authorization of a project budget of \$307,600 for replacement of the wastewater treatment plant at Lorado Taft Campus. The university further requests authorization to employ Arc Design Resources for professional services to design and bid the work. In addition, authorization is requested to contract for construction and issue work orders necessary for purchase and installation of wastewater treatment equipment and facilities to comply with applicable IEPA requirements. Project costs will be paid from Lorado Taft Campus local funds.

**GRANT SOUTH TUTORING CENTER
Capital Project Approval**

Summary: In 1997, ACCESS acquired the responsibility of coordinating tutoring for the NIU campus. In 2002-03, the number of students served grew to 1,121 with 4,826 contracts and over 7,000 hours of tutoring – record numbers of contacts for the program. Present records and projections indicate that ACCESS will break the record again this year. To accommodate the increasing student demand, Student Housing and Dining Services has agreed to commit a larger space in Grant Complex. Because Grant Complex is primarily for first-year students, focusing on providing visible tutoring services to students within Grant Complex would be beneficial. Providing a larger space in Grant is advantageous because it is accessible to students from Grant, students from other residential sites, as well as off-campus students. ACCESS's largest single group of students who use our facilities come from off-campus, and the adjacent commuter parking would assist in providing convenient and easy access to the Tutoring Center. The new space is located in the basement of the Grant South residence hall and is currently being used as a fitness center for the residents of the Grant Complex. ACCESS has agreed to close the two existing tutoring centers in Grant North and Grant South and merge the existing staff, programs and activities to the new centralized tutoring center. ACCESS will use the designated space, which consists of a 3,712 square foot large main area, and four adjacent rooms totaling approximately 5,310 square feet. The area has been designed so that changes can be made easily to accommodate increased demand, different usage patterns and changes in processes.

The renovation of the main area and adjacent rooms will include the installation of a suspended ceiling system with upgraded lighting appropriate for reading, new air supply registers, return air ceiling panels, ceiling fans, and calibrated temperature thermostats to manage temperature for heating, cooling and appropriate air circulation. All walls, doors and heating register surfaces will be painted, and carpeting will be installed in all areas. Ethernet, telephone, electrical and television connections will be installed. Also, an alarm system will be installed on all six door entrances which will be connected to the Department of Public Safety. Included in the main room will be a reception area, six to eight cubicles of varying sizes, a waiting area, a general tutoring area and four computer workstations. The remaining rooms will be configured as follows: 1) a group training room with Smart Classroom capabilities; 2) a kitchenette/staff/storage room; 3) a computer-assisted instruction/on-line tutoring room; 4) a SI/Study group room; and 5) updating bathrooms to be ADA compliant. In addition, furniture and equipment will be purchased for use throughout the main area and adjacent rooms.

The renovation will be performed by NIU Physical Plant, Media Services and Materials Management staff.

Recommendation: The university requests Board of Trustees authorization of a project budget of \$387,940 for the renovation of Grant South Tutoring Center. The university further requests authorization to bid, contract and issue work orders for all labor, material and equipment necessary to complete the above project. Project costs will be paid from revenue bond residence hall funds.

**Chair's Report
No. 30**

December 9, 2004

EXECUTIVE SESSION MINUTES RELEASE

Summary: The Illinois Open Meetings Act, as amended, requires public bodies to review minutes of their executive sessions on a semiannual basis and determine what parts of such minutes they should make available to the public because they no longer require confidential treatment to either protect the public interest or the privacy of an individual. Accordingly, this item is proposed for complying with this legal requirement by taking action upon the duly approved Executive Session Minutes of January, 1996 through September, 2004 of either the full Board of Trustees or standing committees of the Board which have not previously been released from confidentiality.

Upon review and advice of the Board's Parliamentarian and General Counsel, the following sections of executive session minutes for the relevant period are proffered for release from confidentiality:

December 4, 2003 - Executive Session of the NIU Board of Trustees

2. Property Matter

March 18, 2004 - Executive Session of the NIU Board of Trustees

- 1.c. Property Matter
2. Personnel Matter

June 17, 2004 - Executive Session of the NIU Board of Trustees

1. Review and Approval of Executive Session Minutes, March 18, 2004
2. Personnel Matters
- 3.a. Property Matter

September 23, 2004 - Executive Session of the NIU Board of Trustees

1. Review and Approval of Executive Session Minutes, June 17, 2004
2. Collective Bargaining Matter
- 3.b. Property Matter
4. Personnel Matter

Recommendation: The Chair recommends that the Board approve the release from confidentiality of the specified sections of executive session minutes as reviewed and advised above. Those sections, if any, which are still subject to confidentiality, together with sections from subsequent meetings, will be considered again in approximately six months.

PROPOSED BOARD OF TRUSTEES MEETING DATES FOR 2005

Following the general pattern of meeting dates for previous years and input from Board members, the following choices are offered for consideration by the Board.

March 24	(4th Thursday)
June 16	(3rd Thursday)
September 15	(3rd Thursday)
December 1 or 8	(1st Thursday / 2nd Thursday)

The Northern Illinois University Law and Article III of the *Bylaws of the Board of Trustees of Northern Illinois University* state that the Board shall convene at least once each quarter. These dates would meet those requirements.

**FACILITY RENAMING
- RESOLUTION -**

WHEREAS William Monat has faithfully served Northern Illinois University and the cause of public higher education in the State of Illinois for more than 20 years; and

WHEREAS Dr. Monat contributed significantly to NIU's reputation for excellence in areas such as political science and public administration during his service as department chair and later as Provost; and

WHEREAS William Monat guided Northern Illinois University through a period of strong growth and development as President from 1978 until 1984; and

WHEREAS he was instrumental in the creation of the NIU College of Law and the NIU College of Engineering and Engineering Technology; and

WHEREAS Dr. Monat in his capacity as university president strengthened the voices of numerous underrepresented groups by creation of bodies such presidential commissions on the status of women and minorities, and creation of academic and support centers for African Americans and Latinos; and

WHEREAS he helped facilitate such student life enhancements as construction of the Student Recreation Center and the Martin Luther King, Jr. Memorial Commons; and

WHEREAS President William Monat presided over significant expansion of NIU academic offerings, including new undergraduate programs in meteorology and business systems and new Ph.D. programs in geology, biological sciences and mathematical sciences; and

WHEREAS he established the Presidential Research Professors award to recognize and honor sustained excellence in faculty scholarship and research; and

WHEREAS William Monat went on to serve this university and all of Illinois higher education as Chancellor of the former Board of Regents; and

WHEREAS Dr. William Monat continues to offer his wise counsel and unfaltering support to a new generation of NIU leaders;

NOW, THEREFORE, LET IT BE RESOLVED that the Board of Trustees of Northern Illinois University extends its grateful and tangible appreciation to Dr. Monat through this declaration of new identity for university property: From this day forth, the NIU property at Third and Locust Streets in downtown DeKalb shall be known as the William R. Monat Building.

Adopted in a regular meeting assembled this **9th** day of **December, 2004**.

**BOARD OF TRUSTEES OF
NORTHERN ILLINOIS UNIVERSITY**

Gary J. Skoien, Chair

Attest: George A. Moser, Secretary



BOWL GAME PARTICIPATION EXPENSES

Summary: The university has requested Board of Trustees approval for all necessary and appropriate expenses related to NIU's participation in the Silicon Valley Football Classic Bowl game to be held in San Jose, California on December 30, 2004, including (but not limited to) the following: travel/ground transportation, lodging, rentals, insurance, dining, broadcast services, commodities, equipment and supplies. In addition, to effectively and timely address the demands and requirements resulting from an extremely tight schedule and other unanticipated Bowl obligations, the university also has requested Board approval to authorize the President or his designee to reasonably agree to all transactions necessary in relation to the Silicon Valley Football Classic Bowl game event.

Recommendation: Board of Trustees approval for (1) authorization of the President or his designee to undertake all transactions necessary in relation to the Silicon Valley Football Classic Bowl, and (2) expenditure authority for satisfaction of such obligations, reporting any individual transactions and obligations in excess of \$100,000 in normal course at a subsequent meeting of the Board.



Special Meeting of the Board of Trustees

February 16, 2005

No item in this report for release prior to 2:00 p.m. Wednesday, February 16, 2005.

A G E N D A

**SPECIAL MEETING
of the
BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
2:00 p.m. – Wednesday - February 16, 2005
Board of Trustees Conference Room**

2:00 p.m. Call to Order, Roll Call, Notice Verification, Meeting Agenda Approval, Chair's Comments, Public Comment, President's Report



1. Call to Order and Roll Call
2. Verification of Appropriate Notification of Public Meeting
3. Meeting Agenda Approval *Action*..... 71
Minutes of February 16, 2005 72
4. Chair's Comments/Announcements
5. Public Comment*
6. President's Report No. 44
 - a. Property Acquisition *Action*..... 79
 - b. Depository Account *Action*..... 80
7. Other Matters
8. Next Meeting Date
9. Adjournment

*The Board and its committees comply with P.A. 91-0715 through its *Bylaws*, Article II, Section 5.B:

1. Consistent with Public Act 91-0715 and reasonable constraints determined by these *Bylaws* and the Chair, at each regular or special meeting of the Board or its committees that is open to the public, members of the public may request a brief time on the approved agenda of the meeting to address the Board on relevant matters within its jurisdiction.
2. Committees of the Board review University proposals for action and make adjustments and endorsements as appropriate for further consideration by the full Board. Public comments are generally most useful at meetings of Board committees, where proposals are first considered and the time for interaction most feasible.
3. To facilitate an orderly process, appearance requests must be registered on a Board-provided form and submitted to the Board's Parliamentarian at least 45 minutes before the meeting is scheduled to be called to order. To be recognized, the appearance request will include the name, address and position of the individual wishing to speak, the name of the organization or group represented, a concise summary of the presentation, and whether the requestor has appeared earlier on the topic before any other meeting of the Board. The Parliamentarian may confer with registered speakers to cooperatively assist the Chair of the meeting in assuring coordinated issue presentation and an efficient use of allocated time. The Parliamentarian will acquaint requestors with the generally acceptable rules of decorum for their presentations. In lieu of oral presentations, individuals may present brief written materials not to exceed five (5) pages to the Parliamentarian for distribution and consideration by the Board in advance of the meeting.
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Anyone needing special accommodations to participate in the NIU Board of Trustees meetings should contact Ellen Andersen, Director of Special Events, at (815)753-1999, as soon as possible, normally at least a week before the scheduled Board meeting.

Minutes of a
Special Meeting
of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
February 16, 2005

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Vice Chair Barbara Giorgi Vella at 2:00 p.m. in the Board of Trustees Conference Room, Altgeld Hall Room 315. Recording Secretary Mimms conducted a roll call of Trustees. Members present were Trustees Robert Boey and Student Trustee Eric Johnson. Present via teleconference were Trustee Myron Siegel and Vice Chair Barbara Giorgi Vella. Trustee Manuel Sanchez joined the meeting in progress via teleconference. Not present were Trustee George Moser and Chair Gary Skoien. 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

After discussion with President Peters and a review of the printed Agenda before us, Acting Chair Vella said, I am requesting a motion to approve the proposed meeting agenda. Trustee Boey made a motion to approve the meeting agenda. Trustee Siegel seconded the motion. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

I appreciate all of you making the effort to join us today, Acting Chair Vella said. The business of the university does not always fit neatly into our regular meeting schedule, especially when that business involves an exciting new opportunity. That is certainly the case with our meeting today. We have two items before us this afternoon. One involves the financing of our new neutron therapy clinic at FermiLab, which I understand has begun seeing patients. We have made great strides in getting an infrastructure in place there to support this important program.

The second item is anything but routine and represents what I think is an exciting and integral part of the NIU culture. We have an opportunity to do something wonderful for our students and our community, and we have found a way to do it that involves a number of different partners. At President Peters' State of the University Address this year, he alluded to some plans involving greater NIU involvement in programs dealing with health and wellness. We took a first step in that direction with the neutron therapy venture. Now we are being asked to consider a second health sciences-related initiative. This one builds on the strength of well-respected existing NIU programs and opens the door for expansion of partnerships between the university and other community and regional organizations. I know that President Peters and his staff are anxious to present both of these items.

And now I want to welcome University Advisory Committee representatives who may be present this afternoon: Dr. Paul Stoddard, Dr. Xueshu Song, Dr. Ferald Bryan, Dr. Joseph Stephens, Ms. Shey Lowman and Ms. Donna Smith. Dr. Stoddard expressed the gratification of the university faculty and staff that the university is pursuing these types of goals which, he said, look to be very exciting opportunities for everyone involved.

PUBLIC COMMENT

The Vice 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 no timely requests had been received for public comment at that Board meeting.

PRESIDENT'S REPORT NO. 33

As Trustee Vella mentioned, President Peters said, we have two items to present for your consideration today, and it is somewhat coincidental that both are related to health programs at NIU. The first item is somewhat routine and has to do with our ongoing efforts to establish an administrative and financial infrastructure for the NIU Institute for Neutron Therapy at FermiLab. The item, which Kathy Buettner will present to you in a few minutes, deals with establishing an additional depository for university funds associated with the neutron therapy program.

The second and, perhaps, much more interesting item for most of our audience today involves a proposal with some very far-reaching consequences for NIU and many of its programs. While members of the Board are well aware of the background of this project, I would like to ask that they indulge me just briefly as I fill in some background for our audience and members of the media who are present. All of you have heard me say many times that all of our planning at NIU is guided by the needs of our region. Among the many regional needs we are addressing, few loom as large as those associated with health and family wellness issues. Our response has been to step up many of our programs, both in terms of educating new providers and in terms of expanding services to the public. Last year we put together a plan that would allow some of our most popular and high-demand clinical health programs to expand and to work more effectively across college and departmental lines to provide seamless patient services. To accomplish this, we sought federal funding for the project. Turning to our dear friend and alum, NIU Congressman Denny Hastert, for assistance, we developed an appropriations plan to meet congressional deadlines and requirements and university goals to expand and enhance these much sought after health programs, and we began to firm up those plans.

While that planning was underway, Monsanto corporate officials put the DeKalb Genetics property on Sycamore Road on Route 23 up for sale. Initial inquiries indicated they were looking for a buyer of that property who would maintain the facility's history as an entity dedicated to public health and well-being. It became clear to us very quickly that Monsanto was sincerely interested in making this work, and negotiations proceeded quickly and successfully to the point that we are here today, asking for an approval of purchase, which Dr. Williams will detail for you momentarily.

As I mentioned, concurrent with our Monsanto negotiations, we were also working with our own Congressman, Speaker Denny Hastert, and his staff, to align congressional appropriations NIU received in FY04 and FY05 for the enhancement and expansion of health, wellness and literacy programs with the renovation needs of the Monsanto facility. In the end, everything lined up just right. We negotiated a very advantageous purchase price, we received substantial federal funding, and we have created an "anchor program" to begin the creation of a health and wellness center.

Today, we are going to be asking the Board to approve the purchase of the Monsanto DeKalb Genetics property and furnishings for \$6 million. The university will finance \$4 million of that amount for the purchase of the actual buildings and property, while the existing furnishings and equipment inside will be paid for with \$2 million from our federal appropriations. Monsanto agreed to leave the facility furnished with primarily brand new, top quality office furnishings and equipment. It is really quite impressive. This will help NIU immensely as we begin to program the space over the next year.

In total, I am thrilled to be able to announce that NIU has received, again with the help of our good friend and Congressman Denny Hastert, \$8.4 million in federal appropriations which will remodel the building, purchase the existing furnishings and purchase specialized health-related equipment for the new facility. All told, this is a \$12.4 million project, with more than two-thirds of the funding coming from federal appropriations.

The facility we intend to establish will be called the NIU Family Health, Wellness and Literacy Center, anchored by the NIU Speech, Language and Hearing Clinic; the NIU Physical Therapy Clinic; and the NIU Reading Clinic.

The conceptual framework for this project is holistic, that is, we are creating a seamless web of services for families that recognizes the interconnectedness of issues affecting physical health, family dynamics and the academic success needed for individuals to reach their full potential. The location of this facility is in the heart of the DeKalb-Sycamore health corridor. And that is a huge advantage. Within blocks of the Monsanto facility are more than fifteen physician office complexes, rehab centers, clinics and diagnostic facilities, as well as Kishwaukee Hospital and Ben Gordon Mental Health Center.

If this purchase is approved today, it is our hope that we can expand our many partnerships with local providers. The location is certainly convenient for clients, and we believe that this will bring additional dollars into our community from patients traveling across the surrounding areas.

And one more thing I would like to add about this proposed facility. While I have focused primarily on service to community, I do not want to overlook the tremendous opportunities presented to our students. The academic programs in which these clinics operate will be able to greatly enhance the supervised, hands-on learning experiences of both undergraduate and graduate students.

I have tried to provide a brief overview about a process that has been underway for many months and involves a complex set of partners. With that, I would like to return to the specific proposal at hand and ask Dr. Eddie Williams to explain the proposal for which we are asking your approval.

Trustee Sanchez was recognized at this point having entered the meeting via teleconference.

Agenda Item 6.a. – Property Acquisition

I am very honored to bring to you the agreement that would allow Northern Illinois University to acquire this very valuable property, Dr. Williams said. President Peters has given you a very concise and detailed explanation of our strategy. The property itself includes two buildings, one completed in 1989 and the other in 1999. The site includes approximately 23 acres of land. The main building is 110,000 gross square feet. The second building, described as a wet laboratory building, which is how Monsanto used that facility, is approximately 32,000 gross square feet. The site also includes a parking lot which will accommodate over 355 cars.

In negotiating with Monsanto, based upon the direction we received from the Board of Trustees, Dr. Williams said, we were able to enter into discussions regarding not only the building, the facilities and the site itself, but also discussions about the furnishings and the equipment in the buildings. The main building contains six smart conference rooms and those are equipped for full audio-visual as well as computer instruction and presentation. It also has one major classroom that was used for large meetings. Again, this has been totally equipped with state-of-the-art audio-visual and computer instructional equipment. Thus we are pleased to be able to purchase the equipment and furnishings from Monsanto as well.

As the President indicated, Dr. Williams said, the specifics of the agreement call for a total \$6 million acquisition cost. That acquisition cost includes the cost of the land, the buildings, the fixtures, equipment and furnishings. This particular amount can be divided into two parts: for the land and the building, a \$4 million acquisition cost; and for the furnishings, equipment and fixtures, an additional \$2 million. With

regard to the terms of the agreement, which I know the Board is very much interested in hearing, there will be a \$2 million payment at closing. The \$4 million balance would be due and payable 12 months after the closing date. This gives us an opportunity for financing that \$4 million balance that remains. Two million dollars will come from a federal grant for the purchase of equipment and furnishings. The university will then finance the balance. We have already investigated how that would be done so that the Board would know at this point that we are very comfortable in moving forward with the project having a strategy in place for financing the \$4 million. In general, I would say that the remaining balance will be supported through generated revenues, bank financing and the potential for bond revenue funds through an offering and the restructuring of our existing debt. So that the Board would be comfortable with the fact that we have ongoing commitments we can definitely depend on for funding this portion of the debt, he said, we also wanted to explore terms and conditions the university could afford. And I thank Trustee Bob Boey for working with me on this aspect of this deal. Perhaps Trustee Boey can give the Board a better perspective of what we were able to accomplish.

We do have a commitment for standby financing for the full \$4 million, in case we need it, one year from closing at very favorable rates, Trustee Boey said, and, as a result, very affordable debt servicing. In my mind, there is no question about the affordability and the revenue generating sides of it. I am very comfortable. This whole financial structure is remarkable. Given the property we are talking about, it is a win-win situation for the university. There are all sorts of positive results from this acquisition.

I want to again express my appreciation to Trustee Boey for bringing a voice of calm and reason in the midst of these negotiations for helping convince the financial institution to be very favorable to the university in its terms Dr. Williams said.

One last statement Dr. Williams said, as the President indicated, three-fourths of this whole financial package is being covered through federal funding, which means that NIU does have some exposure. But, the good news is we feel very comfortable that our exposure on this is certainly doable. In terms of our analysis of costs, cash flow, debt service requirements, operating costs and other types of financial modeling that would affect this facility, we are very comfortable in saying that we have the wherewithal within our own operation to handle all of the costs and other financial implications that would be associated with this acquisition. And we give the Board that assurance at this point in time.

This is a very unique opportunity that would be foolhardy for us to pass up, Trustee Siegel commented. And we should commend President Peters, Dr. Williams and Kathy Buettner for all of their efforts in putting this together for the university on such tremendously favorable terms.

On behalf of the Board of Trustees, Acting Chair Vella said, I would like to acknowledge all the efforts of Dr. Williams, President Peters and Kathy Buettner in bringing this exciting opportunity to us. And I want to go on record for all of us in thanking Representative Hastert for facilitating the purchase.

In answer to a query from Acting Chair Vella, Ms. Buettner said that the \$2 million was appropriated in the FY04 federal budget. We are now in the process of working with the agency to get the paperwork cleared so that we may receive the check Ms. Buettner said.

I would just like to echo your comments, Trustee Sanchez said. When this first came up as a possibility, I was thinking maybe it was a fantasy. And thanks to all of the hard work of everybody you have mentioned and the help from the Speaker and everyone else, it looks like the fantasy is in fact going to take place. I am very excited for NIU, and I am very excited for our Board and for this school. I think it is a wonderful way to start the first quarter of 2005.

I echo the thanks to Speaker Hastert, Trustee Boey added. He also is a big factor in this planning. So, thanks go to him, as you rightfully put it, on behalf of the Board of Trustees. The facility we are buying is a remarkable one. That property is one of the best kept secrets in DeKalb County in regard to its furnishings, its equipment and its condition, not to mention its location. I think the university would be the one missing linkage that would tie everything together. As you all know there is a new hospital right

across the street almost. And with the original campus that the hospital is vacating, there will be room for doctors clinics in there in addition to what is already present on Sycamore Road. This entire facility and this region of DeKalb County is going to become a very unique health servicing center. That is exciting in my mind, and I cannot think of a better way to do it than what is happening right now on Sycamore Road.

Parliamentarian Ken Davidson recommended that the vote be done by roll call at the point where the question is called. Acting Chair Vella asked for a motion to approve the property acquisition as presented by President Peters and Dr. Williams. Trustee Boey so moved, seconded by Student Trustee Johnson. The roll call vote was as follows.

Trustee Boey	Yes	Trustee Siegel	Yes
Trustee Sanchez	Yes	Student Trustee Johnson	Yes
Vice Chair Vella	Yes		

The motion was approved.

Thank you, very much, President Peters said, this is truly a remarkable project. I want to thank the good people that run our clinics and Dean Richmond, Dean Sorenson and the Reading Clinic. This, in large part, is a result of their good work when it caught the imagination of Speaker Hastert and many of us. Now we will be able to expand and give your good work tremendous visibility. There is someone who could not be here today and that is Jerry Carter, who was the principal individual at Monsanto who worked with us. He is the local person, and he has had a difficult job essentially taking apart a wonderful institution. And he did it with extreme professionalism and charm. And, if Jerry Carter were here, we would thank him. I would second that immensely, Trustee Boey said. I know Jerry Carter, and Monsanto, as a corporation, has certainly shown their willingness to work with the university.

Agenda Item 6.b. – Depository Account

President Peters asked Kathy Buettner to brief the Board on the issue of establishing a depository for Northern Illinois University's neutron therapy program.

As the President indicated earlier in the meeting, Ms. Buettner said, the university has begun treating patients at the Neutron Therapy facility at FermiLab. As we have been gearing up to the point where we are able to treat patients, we have explored extensively the field of radiation oncology billing which is very specialized. The university does not have a medical school, nor does it have a tremendous amount of experience in radiation oncology billing. So we found a firm in Texas specializing only in radiation oncology billing that was highly recommended by several proton and neutron facilities throughout the country. We contracted with that firm to handle our billing for Medicare and private insurance. As a result of that, given the electronic transfer provisions that are almost required now under the Medicare law, we are requesting approval from the Board to open a depository account with Compass Bank in Austin, Texas, which is the bank of choice for Revenue Cycle Billing Services. This account will strictly be used for patient revenues that are generated from the neutron therapy program and nothing else. President Peters moved for approval of the depository account by the Board.

Acting Chair Vella asked for a motion to approve the depository account for the neutron therapy program. Trustee Sanchez so moved, seconded by Trustee Boey. A roll call vote of the Trustees was as follows.

Trustee Boey	Yes	Trustee Siegel	Yes
Trustee Sanchez	Yes	Student Trustee Johnson	Yes
Vice Chair Vella	Yes		

The motion was approved.

Thank you everyone for a wonderful vote of support today, Acting Chair Vella said. And I know we are all thrilled about what is going to happen.

NEXT MEETING DATE

Acting Chair Vella noted that the next full Board meeting is scheduled for Thursday, March 24, on the main campus in DeKalb.

ADJOURNMENT

There being no Other Matters, Acting Chair Vella asked for a motion to adjourn. Trustee Sanchez so moved, seconded by Trustee Siegel. The motion was approved.

The meeting was adjourned at 2:34 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

President's Report No. 44

February 16, 2005

PROPERTY ACQUISITION

Summary: At the December 9, 2004 meeting of the Board of Trustees, the Board authorized the university to enter into negotiations for the possible purchase of real property commonly described as the "Monsanto/DeKalb Genetics Property" located at 3100 Sycamore Road, DeKalb, Illinois from DeKalb Genetics Corporation. This property is strategically important for the creation of the Northern Illinois University Family Health, Wellness and Literacy Center, an enhancement of three main programs in the Colleges of Health & Human Sciences and Education. Specifically, the university can relocate and expand services for its Speech and Hearing, Physical Therapy and Reading Clinics to the Sycamore Road facility, thereby enhancing research collaborations between the three clinical faculties, and expand opportunities and services for students and the community client base served by the clinical faculty and staff. As a result, the university has now successfully negotiated a purchase agreement with the owners that includes a base acquisition price for the building and land of \$4 million and a purchase price of \$2 million for all the furnishings, fixtures and equipment contained therein. The property and building will be acquired through a combination of bank financing and funds generated through revenue bonds and debt restructuring. The furnishings and equipment will be purchased through federal appropriation funds. The financing will be supported by generated revenues and existing local operating funds.

Recommendation: The university requests Board of Trustees approval to enter into a purchase and sale agreement for the Monsanto/DeKalb Genetics property under the terms and conditions as generally described above. The university also requests Board authorization, after review from the General Counsel, for the Chair or Vice Chair of the Board and the Board Treasurer to execute all documents and other instruments necessary to carry out this acquisition.

DEPOSITARY ACCOUNT

Summary: Northern Illinois University requests approval to open a depositary account with Compass Bank in Austin, Texas. The new account will be used as a depositary for funds received in conjunction with the NIU Institute for Neutron Therapy.

The establishment of an account with Compass Bank will provide the university with a depositary account to facilitate the receipt of patient and/or insurance payments. The university is working with Revenue Cycle Billing Services, Inc., a third-party billing company located in Austin, Texas that specializes in radiation oncology medical billings and collections. Revenue Cycle Billing Services, Inc. will provide the NIU Institute of Neutron Therapy with comprehensive accounts receivable management, analysis and reporting.

Recommendation: The university requests Board of Trustees approval of Compass Bank in Austin, Texas as a designated depositary, with authorized signature granted to (1) Executive Vice President of Business and Finance and Chief of Operations Eddie Williams, (2) Associate Vice President, Finance and Facilities Robert Albanese and (3) Director of Treasury Operations Tamara Farley.

President's Report No. 45

March 24, 2005

No item in this report for release prior to 9:00 a.m. Thursday, March 24, 2005.

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
9:00 a.m. – Thursday – March 24, 2005
Board of Trustees Conference Room
Altgeld Hall – Room 315**

9:00 a.m. Call to Order, Roll Call, Notice Verification, Meeting Agenda Approval, Review and Approval of Minutes, Reports of Board Committees and Board Liaisons, Recess to Executive Session
Executive Session – Altgeld Hall
Reconvene Board of Trustees Meeting – Board of Trustees Conference Room



1. Call to Order and Roll Call
2. Verification of Appropriate Notification of Public Meeting
3. Meeting Agenda Approval *Action*.....82
4. Review and Approval of Minutes of December 9, 2004 *Action*
Minutes of March 24, 2005 85
5. Chair's Comments/Announcements
6. Public Comment*
7. Reports of Board Committees and Board Liaisons
 - a. Executive Committee
 - b. Academic Affairs, Student Affairs and Personnel Committee
 - c. Finance, Facilities and Operations Committee
 - d. Legislation, Audit and External Affairs Committee
 - e. Illinois Board of Higher Education
 - f. University Civil Service Merit Board
 - g. Northern Illinois University Foundation
8. Executive Session
9. President's Report No. 45
 - a. University Recommendations Forwarded by the Board Committees
 - (1) Fiscal Year 2006 Student Fee Recommendations *Action*... 98
 - (2) Fiscal Year 2006 Room and Board Rate Recommendations..... *Action*. 103
 - (3) Fiscal Year 2006 Student Accident and Sickness Insurance Contract *Action*. 105
 - (4) Fiscal Year 2006 Mass Transit Contract Renewal..... *Action*. 106

(5) Fiscal Year 2006 Athletic Sports Camp Housing and Meal Expenditure	<i>Action</i> . 107
(6) Fiscal Year 2006 International Programs Division Contracts Renewal	<i>Action</i> . 108
(7) Fiscal Year 2006 <i>Northern Star</i> Contract Renewal	<i>Action</i> . 109
(8) Fiscal Year 2006 Waste Management Contract Renewal	<i>Action</i> . 110
(9) Fiscal Year 2006 Document Services Copier and Controller System Contract Renewal	<i>Action</i> . 111
(10) Fiscal Year 2006 Copy Paper ITS Document Services and Materials Management	<i>Action</i> . 112
(11) Fiscal Year 2005 Amendment to NIU Foundation Professional Services Contract	<i>Action</i> . 113
(12) Department of Geology and Environmental Geosciences Magnetic Sector ICP Mass Spectrometer	<i>Action</i> . 114
(13) Department of Geology and Environmental Geosciences Mass Spectrometers	<i>Action</i> . 115
(14) Department of Geology and Environmental Geosciences Sub-Ice ROV System	<i>Action</i> . 116
(15) Barsema Alumni and Visitors Center Fixtures and Equipment	<i>Action</i> . 117
(16) Residence Hall Ethernet Conduit Change in Capital Project Approval	<i>Action</i> . 118
(17) Collective Bargaining Agreement	<i>Action</i> . 119
(18) Information Technology Services Computer Laboratory Equipment	<i>Action</i> . 120
(19) Recommendations for Faculty and Supportive Professional Staff Sabbatical Leaves for the 2005-2006 Academic Year	<i>Action</i> . 121
(20) Request for Degree Authority at Regional Sites	<i>Action</i> . 123
(21) Request for New Specializations	<i>Action</i> . 124
(22) Request for a New Minor	<i>Action</i> . 126
(23) Request to Delete an Emphasis and a Specialization	<i>Action</i> . 127
 b. University Reports Forwarded from the Board Committees	
(1) Fiscal Year 2005-2006 Budget Update	<i>Information</i>
(2) Fiscal Year 2006 Legislative Update	<i>Information</i>
(3) Fiscal Year 2005 Increment Summary Report	<i>Information</i>
(4) Bowl Game Charter Air Services	<i>Information</i>
(5) Quarterly Summary Report of Transactions in Excess of \$100,000	<i>Information</i>
(6) Periodic Report on Investments	<i>Information</i>
(7) Oral English Proficiency Annual Report 2003-2004	<i>Information</i>
(8) Annual IBHE Report on Underrepresented Groups 2003-2004	<i>Information</i>
(9) Substantive Legislation	<i>Information</i>
(10) Fiscal Year 2006 Budget Update	<i>Information</i>

- (11) Fiscal Year 2004 Compliance Audit Report.....*Information*.....
- (12) Pension Reform Update*Information*.....
- c. Items Directly from the President
 - (1) Grant and Contract Awards*Information*.....
- 10. Chair's Report No. 31
 - a. External Professional Services for University Legal Services *Action*. 129
- 11. Other Matters
- 12. Next Meeting Date
- 13. Adjournment

*The Board and its committees comply with P.A. 91-0715 through its *Bylaws*, Article II, Section 5.B:

1. Consistent with Public Act 91-0715 and reasonable constraints determined by these *Bylaws* and the Chair, at each regular or special meeting of the Board or its committees that is open to the public, members of the public may request a brief time on the approved agenda of the meeting to address the Board on relevant matters within its jurisdiction.
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Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
March 24, 2005

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Gary Skoien at approximately 9:09 a.m. in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Sharon Mimms conducted a roll call of Trustees. Members present were Trustees Robert Boey, George Moser, Manuel Sanchez, Barbara Giorgi Vella, Student Trustee Eric Johnson and Chair Skoien. Not present was Trustee Myron Siegel. 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

After discussion with President Peters and review of the printed agenda before us, Chair Skoien said, 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 45, Action Items 9.a.(6), (7), (8), (9), (10), (11), (15), (16), (17), (18), (20), (21), (22), and (23), our receipt of Information Items 9.b.(1), (2), (3), (4), (5), (6), (7), (8), (9), (10) and (12), and 9.c.(1), and Chair's Report No. 31, Action Item 10.a. to that Consent Agenda. The Chair asked for a motion to approve the revised meeting agenda as proposed. Trustee Sanchez made a motion to approve the meeting agenda as amended. Trustee Moser seconded the motion. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

It was moved by Trustee Boey and seconded by Student Trustee Johnson to approve the minutes of the December 9, 2004 Board Meeting. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Thank you for attending our second full Board meeting of the calendar year, Chair Skoien said. As usual, we have a full agenda today and I would like to make a few brief comments about some of the items.

First, I would like to go on record with expressions of appreciation from this Board to all the faculty and staff at NIU who continue to provide high quality education, conduct important research and extend university expertise into our service region in spite of the very serious budget restraints that have become a fact of life for us in recent years. We are going to hear reports on budget issues this morning, and I think it is important for us to preface those discussions with recognition of the work that goes on, each and every day, in the classrooms, the labs, offices and other workspaces of this university here in DeKalb; at our centers in Naperville, Rockford, Hoffman Estates and Oregon; and in locations throughout the Chicagoland region where NIU people work. We are grateful for your patience and perseverance, and we continue to work as a governing board to find ways to support you and your work.

One of the issues we will be discussing this morning is the adoption of a new schedule for student fees for the coming fiscal year. Again, I would like to compliment Dr. Peters, Dr. Williams and their staffs for

creating and nurturing a fee process that is extremely participatory. Student members of the fee committee have extensive access to information about costs, revenues and other variables, and that allows them to make fully-informed decisions about how to support various campus services like the bus system and campus health services. Once again this year, that process has ended with recommendations that student leaders tell us are both reasonable and far-sighted, and that certainly helps inform our decisions here as Trustees.

Another issue we will vote on today is that of faculty sabbaticals. My colleagues and I have learned a great deal over the past years about the sabbatical process and have become very strong supporters. We have heard presentations here about new work, new research directions, new curricula and instructional innovations, and incredible public service undertaken during sabbaticals that have made us true believers in the value of that process.

A number of the items we will be voting on today have already been discussed in detail at committee meetings, but I would like to mention just a few. Three purchases we will be asked to approve today are related to some very high-profile work that NIU scientists will be doing in Antarctica. Professors Ross Powell and Reed Scherer are part of an international team that will be drilling through glaciers, taking million-year-old core samples and peering through a submarine camera for clues to the mystery of global climate change. That is a very exciting project, and one that we will be hearing a great deal about in months and years to come. Looking at some of our more routine purchase requests, I note that two are noteworthy only because they have become so routine. One is a request for funding for Ethernet updates in several of our residence halls. The other is for purchase of new computers for several student computer labs. I mention these items because they represent NIU's ongoing commitment to keeping current in terms of technology – no small challenge given our budget situation and the rapid changes in computing needs. It is an effort that requires constant attention, and I am pleased to see that we are looking at these technology upgrade requests at nearly every Board meeting.

Finally, I want to point out an information item near the end of our agenda having to do with salaries. While all of us at this table try our best to express gratitude for the work of our faculty and staff, nothing says "thank you" like a raise. Since the state budget crisis began four years ago, it has been difficult to put dollars behind our thanks, but Dr. Peters and his staff have made salary competitiveness a priority, and the report on page 45 shows what we were able to do this year in support of that priority: an average salary increase of 4.0 percent for staff and about 4.3 percent for faculty. That was one of the highest percentages in the state. And while we always wish we could do more, I am very proud of what we were able to accomplish this year. So thank you again, Dr. Peters, Dr. Williams and, again, thank you, faculty and staff.

Chair Skoien welcomed the University Advisory Committee (UAC) representatives: Dr. Paul Stoddard, Dr. Xueshu Song, Dr. Ferald Bryan, Dr. Joseph Stephen, Ms. Shey Lowman, and Ms. Donna Smith. He invited Dr. Stoddard to make comments. In the committee meetings, Dr. Stoddard said, I addressed fees and the Geology Department purchases to which you have already referred, and both comments were positive. I would like to take this opportunity to give a heartfelt thanks to the Board for their support of the sabbatical program. In these times, many faculty programs seem to be coming under attack. Having the firm support of this Board is greatly appreciated by the faculty for a program that we all agree is essential for the further growth of the faculty.

Ms. Shey Lowman spoke on behalf of the Supportive Professional Staff and the Operating Staff. I want to thank the Board for its continuing support, Ms. Lowman said, and for all the support that you have given us on salaries and other benefits. We are all very concerned about the proposed pension changes. Five of us, representing all of the NIU constituencies, testified last week at the public hearing on the Governor's proposed budget held at Kishwaukee College. I believe we must communicate with the Governor and our legislators that the majority of the 2,500 staff on this campus are people making \$20,000 to \$30,000 a year, and a secure pension is extremely important to them. The pension proposals will be hurting the rank and file staff the most, and these are the people who keep the university running

on a day to day basis. We look forward to the continuing support of the Board, and thank you very much.

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.

REPORTS OF BOARD COMMITTEES AND BOARD LIAISONS

Executive Committee

There was no report from the Executive Committee.

Academic Affairs, Student Affairs and Personnel Committee

Committee Chair Bob Boey reported that the Academic Affairs, Student Affairs and Personnel Committee met on Thursday, March 3. At that meeting, he said, the Committee considered and endorsed the following action items: Sabbatical Leaves for Faculty and Supportive Professional Staff; a Request for Degree Authority at a Regional Site, Region 3, West Suburban; a Request for New Specializations within the Ed.D. in Curriculum and Instruction; a Request for a New Minor in Computer Science; and a Request to Delete an Emphasis Within the B.S. in Physics and to Delete a Specialization Within the Ed.D. in Curriculum and Instruction. The sabbatical is probably the most misunderstood program among communities outside the university. We committee members certainly endorse and support and continue to learn about the strength of this program in quality time, research and strategic thinking. And each year we learn something new. This year, we asked why some faculty take one semester while others take two semesters. The simple answer was that whether the individual takes one semester or two, s/he is paid for only one semester. Any qualified faculty member can take two semesters, but that means s/he would have to use a grant or some other source of funding for the second semester.

The Committee also heard reports on the following information items: the Annual Oral English Proficiency Report for 2003 and 2004 and the Annual IBHE Report on Underrepresented Groups for 2003 and 2004.

Finance, Facilities and Operations Committee

Committee Chair Barbara Giorgi Vella reported that the Finance, Facilities and Operations Committee also met on Thursday, March 3. At that meeting, she said, the Committee considered and approved recommendations for student fees and room and board rates for the upcoming academic year. The recommendations were developed through a consultative process and are reflective of the budget challenges the university faces in Fiscal Year 2005-06. Thus, we bring the following items for your consideration and endorsement: contracts and contract renewals for Fiscal Year 2005: Student Accident and Sickness Insurance; Mass Transit; International Programs Travel; *Northern* Star Printing; Waste Management; Copier Services; NIU Foundation Professional Services; Information Technology Services and Computer Lab Equipment. We ask authorization of the following expenditures: Athletic Sports Campus Housing and Meals; Mass Spectrometers Sub-Ice ROV System; Barsema Alumni and Visitors Center Fixtures and Equipment; Residence Hall Ethernet Conduit Project; and a Collective Bargaining Agreement. We bring the following reports as well: Fiscal year 2005-06 Budget Update; Fiscal Year 2005 Increment Summary Report; Bowl Game Charter Air Services; Quarterly Summary Report of Transactions in Excess of \$100,000; a Periodic Report on Investments; and the Oracle/PeopleSoft Update.

Legislation, Audit and External Affairs Committee

Committee Vice Chair George Moser reported that the Legislation, Audit and External Affairs Committee met in Hoffman Estates on March 18. Kathy Buettner and Ken Zehnder provided reports on the status of state and federal legislation pending in Congress and in Springfield. The General Assembly report is

included in today's report as Agenda Item 9.b.(9). Ms. Buettner reported that pending legislation, House Bill 476, could significantly impair NIU's future ability to name facilities, scholarships or endowed chairs that are the result of private fundraising efforts. Both Chair Siegel and I cosigned a letter to Speaker Michael Madigan that will be sent today registering our concerns with this legislation as Chair and Vice Chair of the Legislation Committee. The report on the FY06 state budget is Agenda Item 9.b.(10). The Governor's FY06 budget includes \$2.2 billion in state general funds support for higher education operations and grants. However, when excluding the State Universities Retirement System, the Governor's proposed budget decreases general funds support for higher education by almost \$5 million. While the IBHE's recommended budget provided universities with just under a one percent increase for FY06, the Governor's budget recommends a flat base for 2006. NIU is supporting the IBHE's FY06 budget recommendation now before the legislature. Since no capital budget was approved by the General Assembly for FY05, no planning funds for the Stevens Building renovation and addition were included in the Governor's proposed budget for FY06. These are ranked numbers 12 and 21 on the IBHE capital projects list – the same as they were last year.

Dr. Cunningham provided our Committee with an in-depth overview of the pension reforms proposed by the Governor that are under consideration in the General Assembly. Secretary Mimms will provide each Board member with a copy of the information provided to the LAEA Committee Members. The Committee remains very concerned by those proposed pension reforms and will work with faculty and staff to register our concerns with the General Assembly leadership.

The Committee heard an impressive presentation from Drs. Bose and Kimball on the creation of the new Nanoscience Institute at NIU. We were pleased with the efforts of the College of Engineering and Engineering Technology and the College of Liberal Arts and Sciences to collaborate on this research and hope it will provide the impetus for an interdisciplinary Ph.D. for the College of Engineering in the future.

The Committee commended Keith Jackson and Sharon Downen for an excellent FY04 compliance audit, which showed no exceptions, which is very good. That audit will be discussed later as part of President Peters' report to the Board.

Illinois Board of Higher Education

Board Liaison Vella deferred to President Peters for the IBHE report. The last meeting of the Illinois Board of Higher Education was held on February 1 at University of Illinois-Springfield, Dr. Peters reported. There were two items of interest to the Board. One was a general discussion of the IBHE FY06 budget recommendations. The second issue was a report on the textbook rental study. The report was very thorough and spoke to the importance of that issue, yet indicated that there were many problems with a textbook rental system, particularly the huge start-up costs. So the IBHE is going to continue to look at that issue. The next meeting of the IBHE, Dr. Peters said, is scheduled for April 4 in Springfield.

Universities Civil Service Merit Board

Board Liaison Vella reported that she was unable to attend that meeting, but she could give a report on the meeting's outcome. The Universities Civil Service Merit Board met on January 26, 2005. New officers were elected: Chair, Bruce Freefield, Governor's State University; Vice Chair, Majorie Sodeman, University of Illinois; and the Executive Committee includes John Simmons, Southern Illinois University, and Nancy Froelich, Illinois State University. One of the major tasks of the board is to review discharge cases. After lengthy discussion, two employees, one from Eastern Illinois University and one from Northeastern Illinois University, were reinstated after the board heard the evidence and reviewed the record. The next Merit Board meeting is scheduled for Wednesday, May 18, at the system office in Urbana.

Northern Illinois University Foundation

Board Liaison Robert Boey invited Foundation President Mallory Simpson to give the report. The Barsema Alumni and Visitors Center project is coming along very nicely, Ms. Simpson said. So before you leave campus today, we invite you to drive by and see the steel frame, which gives you a sense of the shape and size of the project. We are working diligently to raise the remaining approximately one-half million dollars for that project. We feel a sense of urgency because, as the building looks more completed, there is less incentive for our donors to step forward. We expect a few additional major donors will step forward to help complete this campus landmark. We have just come off a series of three days of Foundation committee and board meetings concluding with a major donor cultivation event hosted by one of our board members last Saturday. A growing emphasis of the work of the Foundation Board in the last year has been the active involvement of board members directly in the fundraising process. I have retained the assistance of a consultant from the Association of Governing Boards to help sharpen our board's focus on fundraising, she added. I think President Peters would agree that the engagement of the Foundation Board in development has never been stronger, and it is making a difference for us.

We are continuing to have an exceptional year in general as well as with particular fundraising priorities. To date we have total gifts of \$5.8 million, which is about a million ahead of our exceptional pace last year. Gifts received from individuals are 36 percent ahead of last year, largely attributed to our focused fundraising priorities. And with the success of the bricks and benches portion of the Alumni and Visitors Center campaign, gifts of \$1,000 and \$2,500 are dramatically increased this year, and that really helps make the base of the giving pyramid much more robust.

You have heard a lot in the last couple of years about gifts to building projects. However, we have also been working very hard to seek funds for endowed scholarships, endowed faculty positions and program support. I have made the mistake in the past of assuming that everyone knows what I am talking about when I talk about endowments, but it has become clear that is not the case. Endowments provide the financial bedrock of all colleges and universities and are one of the key measures of a university's vibrancy and potential. Strong endowments distinguish a strong university from a great university, and that is why President Peters has made building our endowments one of our top fundraising priorities. As you may know, endowments are funds that last in perpetuity. The principle is preserved and just a portion of the income is expended annually. Many of our alumni and friends are unfamiliar with endowments, how they work and the kind of impact they have. So we are working to raise awareness about what endowments mean to an institution and educating our constituencies.

Now, I have some great stories to tell you, Ms. Simpson said. In December, I told you about a \$100,000 endowed scholarship, the Taylor Endowment in Accountancy. To date, this year alone, we have raised \$1.5 million in new endowed gifts. A wonderful gift was made by the Centex Corporation in honor of retiring executive vice president Ray Smerge, an NIU alumnus. Dean Fred Kitterle recruited Mr. Smerge to his advisory board several years ago. Since then, Ray personally has made two \$25,000 gifts to the LA&S Program Initiatives Fund, which Dean Kitterle established to provide funding for undergraduate research and the support of unique learning opportunities. So when Centex personnel were trying to figure out what they could do to recognize their retiring executive vice president, they thought of NIU and Ray Smerge's high regard for Dean Kitterle's leadership. The corporation gave \$50,000 to NIU for an endowment in the Program Initiatives Fund in honor of his retirement. This is just one example of the great things that are happening across the institution with our deans and their advisory boards developing these personal relationships. So kudos to Dean Fred Kitterle and Nora Clark, who worked with him as a Development Officer.

As the result of the work of Dean Art Young and Development Officer Ging Smith, another endowed gift of \$75,000 was secured from DeKalb residents Tom and Nancy Roberts to support the Southeast Asian collections in the library, a really distinguished collection.

As usual, I have saved the best for last. In January, we received the second part of a gift that began last fall to create the largest endowed scholarship ever funded by a single living individual. The \$450,000

Elizabeth J. Schwantes Undergraduate Scholars Fund scholarship will provide full tuition, fees and books for three students annually – one each in Computer Science, Geography and Psychology. And I want to tell you a little bit about Elizabeth Schwantes. She is not an NIU alumna. She is a graduate of Lake Forest College and worked as a librarian. I had hoped Elizabeth could be here today, but she could not join us. She is a delightful woman, 93 years old, very sharp and great to be with. But she did ask me to share some thoughts with you. She made this gift to reflect the important role she feels higher education plays in today's world, helping to maintain a free and democratic society. She also made the gift to recognize the educational accomplishments and contributions of the Schwantes family, many of whom have NIU degrees or careers in the educational community, including NIU. The family views this as a way to thank and give back to a university community which has been so wonderful to many of them in helping develop their careers and professional growth. The departments designated for the scholarships represent some of the family connections. And, I think you will appreciate this since I have talked so often about these gifts to bricks and mortar during the past few years, Ms. Simpson said. The family views the scholarship endowment, and I quote, "Yielding figurative bricks upon which to build an education for our young adults." The family's hope is that this \$450,000 endowment will allow others to have similar growth experiences within this wonderful NIU community. What a great pacesetting gift. It will resonate for many generations to come as a wonderful legacy.

About a year ago, Trustee Boey said, I asked separately four members of the university the same question, "What is the single most important gift that would have the biggest impact on elevating NIU to the next level?" Among the people I asked were President Peters and Provost Legg. And separately, with no hesitancy, the answer was endowment and endowed chairs. And so, I am glad, John, that you have now focused on it. That is very important. I attended the Foundation Board meeting last week, and I am pleased to report to the Board that I have never seen a more energetic and more committed group of board of directors of the Foundation board focusing on fundraising. Truly they are a group of directors who have made the commitment in time and energy.

President Peters recognized Athletics Director Jim Phillips to make an introduction.

It gives me great pleasure to introduce one of our new leaders in the Department of Athletics, Mr. Phillips said. As you have heard me say before, we strive every day to provide our student athletes, all 426 of them, with a world class experience academically, socially and athletically. We are always striving to have great leaders within that unit, and we certainly have found ourselves with one recently.

I want to reintroduce someone to the NIU family. But first I want to give you a few of the accolades attributed to this lady that we are bringing up here. She came to NIU from the City of Chicago in 1985. She came from the west side of Chicago, attending Augustana and Austin; went to Notre Dame High School, an all girls school on Belmont and Austin; and was recruited to come here and started in NIU's CHANCE program. Through the five years that she was at NIU, she finished first in points, in rebounds, in scoring and in field goal percentage and received all the accolades you could ask for athletically. But more importantly, she was the NIU Outstanding Communications Studies Major in 1990. She was Academic All American in 1990; team captain, not for one year, not for two years, but for three years in 1988, 1989 and 1990; the NIU Commencement Student Marshall in 1990; Outstanding NIU Student of the Year in 1990; NIU Student Leadership award winner in 1990; and Olympic sports festival participant in 1990. But the thing of which we are most proud, she is a 1990 NIU graduate. Let me introduce without any further ado, a great woman who will lead Huskie Women's Basketball absolutely in the right direction, Ms. Carol Owens.

Ms. Owens remarks were as follows:

Thank you President Peters, all the Trustees and everyone here for this opportunity, Ms. Owens said. I want to take this time to let you know how happy I am to be back here at NIU. This was a place where I developed as a person, a student and an athlete. Those things are important. When I am here permanently, I want to give back to the student athletes what people here at NIU have given me. And I am so appreciative of that. I had a lot of opportunities to move on

earlier during my stay at Notre Dame, but I think this was the place for me. This was the right fit. I wanted to be back with people who really had the same passion about the student athletes that I did and about the students and the university. I believe President Peters is a great leader, and that was a huge consideration in my thought processes about where I wanted to go. So I really appreciate his support along with Jim Phillips'.

I have known Jim Phillips for about four years, and we are definitely on the same page in terms of the things that we want to do. We both feel that the student athletes are very important. And I want to be a part of that experience. One of my goals is to let these young ladies have a great experience here like I did. It was not just about basketball; it was about the other people that helped me be who I am today. I appreciate everyone's support and just the warm feeling I got last week when I came back to NIU. It is going to be a great experience and a great situation. I hope you are able to come and take a look at our team or come to practice or just speak to our young ladies, which would be great for them. I will not hold you any longer, but I really appreciate you allowing me this time to speak, and I just cannot tell you how excited I am to be back here in DeKalb.

A few years ago I was invited to give a speech at the well-known CHANCE graduating luncheon, Trustee Boey commented. Not knowing much about the CHANCE program, I called Leroy Mitchell and said, "Reverend Mitchell, help me and give me a better understanding of the CHANCE program." And he said, "Trustee Boey, there's only one sentence you need to know. 'They ain't supposed to be here.'" It struck me, and I certainly understood after doing some research that "They ain't supposed to be here" truly is the last chance for many of those young people. Yet, the program has produced some very successful names in NIU graduates. And Carol, you are a typical example. Welcome back.

As some of you know, Trustee Sanchez said, I was disappointed not to be able to attend the Legislation, Audit and External Affairs Committee Meeting because for the past nine weeks, until last Friday night, I have been engaged in a trial that has just disrupted my life. And one of the biggest disappointments I had during those nine weeks was not being able to go to Carol's announcement at the celebration at Ditka's. So it is a pleasure to have Jim bring her here today for the whole community to celebrate. When you hear this story about the CHANCE program and what it means, this is just another example of NIU's leadership, making a statement not just regionally but nationally that "Hey, there is a different experience here, and we're not just talking the talk, we're walking the walk." So welcome to the community, Carol, we are really privileged to have you here. And thanks to Jim, John and everybody who was involved with it. I think it is great.

Well, I think that sums it up for the Board, Chair Skoien said. We are delighted to have you here, Carol. Congratulations, Jim, on bringing her back. It sounds very exciting, and we are all thrilled with it. Welcome back.

EXECUTIVE SESSION

Chair Skoien asked for a motion to close the public meeting to conduct an executive session to discuss the following subjects authorized by the Illinois Open Meetings Act: personnel matters as generally described under §2(c)(1) and (3) of the Open Meetings Act, litigation and risk management matters as generally described under §2(c)(11) and (12) of the Open Meetings Act, property matters as generally described under §2(c)(5) and (6) of the Open Meetings Act, Executive Session Minutes matters are generally described under §2(c)(21) of the Open Meetings Act. Trustee Sanchez so moved, seconded by Trustee Moser. A roll call vote of the Trustees to recess to Executive Session was unanimous.

BOARD OF TRUSTEES MEETING RECONVENED

Chair Skoien reconvened the public meeting of the Board of Trustees at approximately 11:30 a.m. Members present were Trustees Robert Boey, Manuel Sanchez, Student Trustee Eric Johnson, Trustee Barbara Giorgi Vella and Chair Skoien.

CONSENT AGENDA APPROVAL

Chair Skoien asked for a motion to approve the items placed on the consent agenda earlier in the meeting. They include President's Report No. 45 Action Items 9.a.(6), (7), (8), (9), (10), (11), (15), (16), (17), (18), (20), (21), (22) and (23) and Information Items 9.b.(1), (2), (3), (4), (5), (6), (7), (8), (9), (10) and (12) and 9.c.(1) and Chair's Report No. 31 Action Item 10.a. Trustee Sanchez so moved, seconded by Student Trustee Johnson. The motion was approved.

PRESIDENT'S REPORT NO. 33

I know our time is limited this afternoon, President Peters said, so I will keep my remarks brief. We heard quite a bit about the Fiscal Year 2006 budget earlier this morning. Clearly NIU is supporting the IBHE proposal that includes a modest increase for public universities this year, while a flat budget last year was an improvement over the previous two years. We have lost upwards of \$40 million since Fiscal Year 2002. In the appropriations committee hearing for the house two weeks ago, Representative Kevin Joyce said to me, "Mr. President, your people are doing such good things at NIU, if we could help you to make more progress, how much money would you need?" Believing in the power of ten as I do, I immediately said, restore us to Fiscal Year 2002, which is \$30-\$40 million. And, I said, we do not need it all in one year – two or even three years will do. But we have been hurt significantly by those reductions. We believe the state can and should make a statement this year to support higher education, even if it is a small one. We need that. As a practical matter, flat budgets are really budget reductions, especially if we are going into an inflationary time since our fixed costs increase each year. So we remain hopeful that this year we will have a unified higher education position in Springfield. By "unified" I mean everyone – parents, students, universities, trustees, employee groups. A unified effort will help highlight the fact that we are all starting off with state funding levels that take us back five years or more.

That said, we continue to seek funding for important projects wherever we can find it. Yesterday, I attended an event here in DeKalb at which House Speaker Dennis Hastert announced the first installment of what we hope will be about \$14.5 million in federal funding for our West Campus road project. It is at \$7 million right now, but it is being negotiated in conference committee. The Speaker told us he has a commitment for about half that amount, and he is optimistic about getting the remaining funds before the end of the year. So, once again, we have reason to be grateful for the wonderful relationship we enjoy in Washington.

This morning we introduced Carol Owens back to the campus. And I want to add my congratulations to Jim Philips on luring her back. People all around campus have been talking about Carol this past week, and I have been interested to hear so many similar comments from different people. They talk about Coach Owens as being part of a very proud history at NIU, and they refer to her hire as a homecoming. Those are very warm and welcoming words for a new coach to hear. And we are glad to have her back.

Finally, I want to take note of another type of history being celebrated at NIU this month. March is Women's History Month. Yesterday I was honored to host a breakfast, which honored women who have made a difference in NIU. Amy Levin, head of our Women's Studies Program attended as well as Sharon Howard and others, and we had a great lively discussion. I am very proud of the progress that we have made in Women's Studies and on women's issues, and we have rededicated ourselves to that task.

UNIVERSITY RECOMMENDATIONS FORWARDED BY THE BOARD COMMITTEES

Agenda Item 9.a.(1) – Fiscal Year 2006 Student Fee Recommendations

This is the time of year where we approve the 2006 Student Fee Recommendations, which is Item 9.a.(1) on page 14 of your report. Page 15 shows a history of the various student fee recommendations that are before you. Our general approach, this year, was to try to keep the fees to under three percent for those that are controllable or as low as possible. There are a couple of items on the list that have to be negotiated with vendors. We have an amazing participatory process where every student group and every other group of employees, gets a chance to make the case for increases through this budgeting process that lasts several months. By the time it comes to me at the end of the process, I am assured that every one of these issues has had a good airing. I ask some more questions, and they come back to me with their final recommendations.

I wanted to point out that one large item, which is an uncontrollable, was a renegotiation of our health insurance. We negotiated a rate with a carrier last year that was very favorable. This year we heard that was going to go up between 50 to 60 percent. At that point, we negotiated with another carrier and were able to get a more favorable rate at a 23.6 percent increase. Students can opt out of this if they have an individual policy through employment or through their parents and show proof of insurability. You can see that our activity fees are pretty much generated for the students and their use. We are at the five and seven percent level for undergraduate, graduate and professional. Since the athletics fee had not been raised for several years, we are requesting a 4.47 percent increase. It went up slightly last year, and we are requesting an increase this year. The bus fee that pays the contract for Huskie Bus is negotiated as is health service. We are asking for no increases in grants-in-aid, student-to-student grants, law or graduate colloquium. Therefore, I move this package of student fee recommendations for your approval.

There is not a business person in this room who does not know the spiraling cost of healthcare, Trustee Sanchez said. But for the healthcare provisions, the net percentage increase here would be incredibly modest. That is something we all have to recognize. We cannot control that vendor. I applaud everybody who worked so closely – staff, management, students – to keep this as modest as it is, notwithstanding the incredibly demanding healthcare increase that we are all facing. President Peters alluded to this earlier, Chair Skoien said, but I remember that last year we had a lower increase than most of us on the Board were used to. So, when you look at the two years, this is probably still a pretty good deal, because I know it is outrageous at my company.

Chair Skoien asked for a motion to approve the Fiscal Year 2006 Student Fee Recommendations. Trustee Vella so moved, seconded by Trustee Sanchez. The motion was approved.

Agenda Item 9.a.(2) – Fiscal Year 2006 Room and Board Rate Recommendations

Room and Board Rate Recommendations are set annually across all of our various housing units, President Peters said. These changes represent a 6.27 percent net increase in standard room and board rates. The spreadsheet on page 19 lists the rates and increases for all of our room and board offerings. There is no increase this year in the dining plans, which is pretty remarkable given the inflationary costs associated with food service and preparation.

In our Academic Affairs, Student Affairs and Personnel Committee meeting, Trustee Boey said, we noted that taking the typical residence hall at the titanium board rate and adding it up, it comes to about \$11,800 for tuition, room and board. That is a remarkable number in today's times, to get a four-year, full-quality program. That is something to be proud of. Also, President Peters added, I believe our residence hall rates, if not the lowest, are among the lowest among the state universities.

In regard to President Peter's comment about the low cost of NIU's room and board, Trustees Sanchez said, I want to add that 30 years ago when I housed myself at Grant Towers, that was one of the appeals three decades ago as well. Three-plus decades ago NIU had the lowest rates in the state for

dormitory room and board. And here we are in the next couple of generations still in a leadership role with respect to that significant expenditure. The challenge for our RHA people, Bob Albanese and Dr. Williams is that we are in the Chicago pricing area, President Peters said, yet we are able to keep it low.

Chair Skoien asked for a motion to approve the Fiscal Year 2006 Room and Board Rate Recommendations. Trustee Sanchez so moved, seconded by Trustee Vella. The motion was approved.

Agenda Item 9.a.(3) – Fiscal Year 2006 Student Accident and Sickness Insurance Contract

The Student Accident and Sickness Insurance Contract is a negotiated contract, Dr. Peters said. You have just approved the rates, and I move it for your approval. Chair Skoien asked for a motion to approve the FY06 Student Accident and Sickness Insurance Contract. Trustee Vella so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 9.a.(4) – Fiscal Year 2006 Mass Transit Contract

The Huskie Bus Contract rates were also approved in the student fees. Chair Skoien asked for a motion to approve the FY06 Mass Transit Contract. Trustee Vella so moved, seconded by Trustee Sanchez. The motion was approved.

Agenda Item 9.a.(5) – Fiscal Year 2006 Athletic Sports Camp Housing and Meal Expenditure

Athletic Sports Camp Housing and Meal Expenditures is a pass-through, the President said, and I move it for your approval. Chair Skoien asked for a motion to approve to approve the FY06 Athletic Sports Camp Housing and Meal Expenditure. Trustee Sanchez so moved, seconded by Student Trustee Johnson. The motion was approved.

Agenda Item 9.a.(6) – Fiscal Year 2006 International Programs Division Contracts Renewal

Agenda Item 9.a.(7) – Fiscal Year 2006 Northern Star Contract Renewal

Agenda Item 9.a.(8) – Fiscal Year 2006 Waste Management Contract Renewal

Agenda Item 9.a.(9) – Fiscal Year 2006 Document Services Copier and Controller System Contract Renewal

Agenda Item 9.a.(10) – Fiscal Year 2006 Copy Paper ITS Document Services and Materials Management

Agenda Item 9.a.(11) – Fiscal Year 2005 Amendment to NIU Foundation Professional Services Contract

Consent Agenda items.

Agenda Item 9.a.(12) – Department of Geology and Environmental Geosciences Magnetic Sector ICP (Inductively Coupled Plasma) Mass Spectrometer

Agenda Item 9.a.(13) – Department of Geology and Environmental Geosciences Mass Spectrometers

Agenda Item 9.a.(14) – Department of Geology and Environmental Geosciences Sub-Ice ROV (Remotely Operated Vehicle) System

Next we have three items that I propose we take together, the President said. They are expenditures in the Department of Geology and Environmental Geosciences for the following equipment: a Magnetic Sector ICP Spectrometer, two other mass spectrometers and our little submarine. The Academic Affairs, Student Affairs and Personnel Committee had a report on this wonderful venture from our professors. Again, in large measure, these expenditures, are provided from earmark funds from Speaker Hastert's office. Chair Skoien asked for a motion to approve the three Department of Geology and Environmental Geosciences requests. Trustee Boey so moved, seconded by Trustee Sanchez. The motion was approved.

- Agenda Item 9.a.(15) – Barsema alumni and Visitors Center Fixtures and Equipment**
- Agenda Item 9.a.(16) – Residence Hall Ethernet Conduit Change in Capital Project Approval**
- Agenda Item 9.a.(17) – Collective Bargaining Agreement**
- Agenda Item 9.a.(18) – Information Technology Services Computer Laboratory Equipment**

Consent Agenda items.

Agenda Item 9.a.(19) – Recommendations for Faculty and Supportive Professional Staff Sabbatical Leaves for the 2005-2006 Academic Year

The annual approval of the sabbatical leaves, which we heard about this morning, President Peters said, is the last item we have for your approval. Chair Skoien asked for a motion to approve the Recommendations for Faculty and Supportive Professional Staff Sabbatical Leaves for the 2005-2006 Academic Year. Trustee Sanchez so moved, seconded by Trustee Vella. The motion was approved.

- Agenda Item 9.a.(20) – Request for Degree Authority at Regional Sites**
- Agenda Item 9.a.(21) – Request for New Specializations**
- Agenda Item 9.a.(22) – Request for a New Minor**
- Agenda Item 9.a.(23) – Request to delete an Emphasis and a Specialization**

Consent Agenda items.

UNIVERSITY REPORTS FORWARDED FROM THE BOARD COMMITTEES

- Agenda Item 9.b.(1) – Fiscal Year 2005-06 Budget Update**
- Agenda Item 9.b.(2) – Fiscal Year 2006 Legislative Update**
- Agenda Item 9.b.(3) – Fiscal Year 2005 Increment Summary Report**
- Agenda Item 9.b.(4) – Bowl Game Charter Air Services**
- Agenda Item 9.b.(5) – Quarterly Summary Report of Transactions in Excess of \$100,000**
- Agenda Item 9.b.(6) – Periodic Report on Investments**
- Agenda Item 9.b.(7) – Oral English Proficiency Annual Report 2003-2004**
- Agenda Item 9.b.(8) – Annual IBHE Report on Underrepresented Groups 2003-2004**
- Agenda Item 9.b.(9) – Substantive Legislation**
- Agenda Item 9.b.(10) – Fiscal Year 2006 Budget Update**

Consent Agenda Items.

Agenda Item 9.b.(11) – Fiscal Year 2004 Compliance Audit Report

Trustee Moser mentioned this morning that the 2004 Financial Audit and Compliance examination at NIU is now complete, President Peters said, and we received no – zero – material findings. I have just received word that the Legislative Audit Commission has accepted that report and put it on their consent agenda, which means we do not have to appear. Thank you to all of our auditors and managers of our funds. Good job.

Agenda Item 9.a.(12) – Pension Reform Update

Consent Agenda item.

ITEMS DIRECTLY FROM THE PRESIDENT

Agenda Item 9.c.(1) – Summary of Grant and Contract Awards

Consent Agenda item.

CHAIR'S REPORT NO. 31

Agenda Item 10.a. – External Professional Services for University Legal Services

Consent Agenda Item.

Chair Skoien recognized Mrs. Barbara Peters, who was also present at the meeting, and expressed the Board's delight at having her there.

Agenda Item 10.b. – President's Salary Increase and Term Extension

The Chair recognized Trustee Barbara Giorgi Vella. I have some comments I wish to make, Trustee Vella said, and then I will make a motion.

I would like to take this time to request consideration of a motion that would appropriately recognize the Board of Trustees interests and reward the success and merit of President John Peters during his nearly five years of service to this Board, she said. It is clear to me and all the Board members that President Peters has continued to evidence the desire, energy, ability and commitment the Board of Trustees expects and wants to further its institutional goals. The successes attributed to his inspiration, skills and leadership are significant and several. Simply stated, the vision, tireless devotion and professionalism of Dr. Peters have consistently benefited Northern Illinois University, its students, its community of scholars and staff, the general citizenry of Illinois, the business community and the entire region that we serve. We Trustees value the progress made under President Peters and want to assure his availability to further our strategic initiatives. In that context, consistent with the average increment level the Board authorized for the university, I move that Dr. Peters' base salary rate, commencing as of July 1, 2004, be increased by three percent and as of January 1, 2005, be increased by one percent, all payable in proportionate monthly installments subject to applicable conditions, deductions, reductions and contributions for local, state and federal taxes and all relevant approved employer benefit retention and support programs and authorize administrative implementation by the Chair, appropriate Board officers and university staff. Further, in future years, unless conditions should change, it is our intention, and I move, that the President be included in any approved increment programs at the time others are included.

Part two of my motion is that the Board of Trustees authorize its General Counsel and Parliamentarian to develop for approval of its Chair, a formal mechanism to automatically extend the term of the President's appointment beyond its current expiration of June 30, 2010, an additional year at a time until otherwise determined (a) by the Board Chair in consultation with the Trustees or (b) the President with written notice of such nonextension determination to be given to the other no later than March 31 of the calendar year preceding the then current appointment expiration date.

Your motion appears to have substantial merit, Chair Skoien said. I know I speak for the whole Board in saying how important valuable, quality leadership is and how difficult it is to find and retain. Trustees, may I have a second to Trustee Vella's two-element motion to approve: (1) consistent with the average increment level the Board authorized for the university, Dr. Peters' base annual salary rate commencing as of July 1, 2004 be increased by three percent and as of January 1, 2005, be increased by one percent, all payable in proportionate monthly installments subject to applicable conditions, deductions, reductions and contributions for local, state and federal taxes and all relevant approved employer benefit, retention and support programs, and authorize administrative implementation by the Chair, appropriate Board officers and University staff. Further, in future years unless conditions should change, it is our intention that the President be included in any approved increment programs at the time others are included; (2) that the Board of Trustees authorize its General Counsel and Parliamentarian to develop for approval of its Chair a formal mechanism to automatically extend the term of the President's appointment beyond its current expiration of June 30, 2010, an additional year at a time until otherwise determined by (a) the Board Chair in consultation with Trustees or (b) the President, with written notice of such nonextension determination to be given to the other no later than March 31 of the calendar year preceding the then-current appointment expiration date.

The Board seconded and voted unanimously to approve the increase for President Peters and the extension of his appointment term.

President Peters' remarks were as follows:

I want to thank Trustee Vella for the motion and all of the Board members for the second. I am humbled by your vote of confidence. But all of the progress we have been able to make over the past few years really comes down to one thing and that is the NIU spirit. It is the spirit of faculty who stretch the boundaries of knowledge in the minds of our students. It is the spirit of our staff who do everything it takes to keep the university running, and that is a big job. It is the spirit of our alumni who are so proud of their NIU degrees and credit Northern with their success and, now, with their financial support. Most of all, when I think of the NIU spirit, I think of our students whose open minds and hearts make a career in higher education the best job anyone could ever have.

You heard me say this before, but I want to repeat it again today. There is something very special about NIU. Barbara, and I am speaking for her, and I have felt that from the first time we set foot on this campus. And our sense of that uniqueness grows with each passing year. I cannot believe It is going to be five years. We both feel that NIU offers an exceptional educational experience, and we share a concern about that experience being out of reach for a growing number of very promising and qualified students. Each year at commencement, I encourage our graduates to give back to their alma mater by making the NIU experience available to those who come after them. So, this morning, Barbara and I want to share some news about how we have decided to give back. Today we are announcing that we have established an endowment to fund student scholarships at NIU. You heard Mallory Simpson say how important endowments are. It is going to be called something like the John and Barbara Peters Student Endowment for Public Service. It is going to provide funds for students who are pursuing careers in healthcare, education, government, law, social sciences – any of the fields we think of as serving the public interest. We chose to focus on those areas because we feel that they really match the core values of NIU, a commitment to social justice and a sense of duty in looking out for the welfare of our fellow citizens. We believe in those values. Now, I do not mean that I echo those values as NIU's President, which I do. I mean that John and Barbara Peters, farm kids from Strongsville, Ohio, who owe their lives and betterment to the transforming power of public university educations – me in education and political science and Barbara as an executive in the insurance industry. We believe in NIU and everything it stands for. So, thank you Trustees and thank you, NIU, for this honor.

NEXT MEETING DATE

The next meeting of the Board of Trustees is scheduled for Thursday, June 16, in DeKalb.

ADJOURNMENT

There being no Other Matters, Chair Skoien adjourned the meeting without objection at approximately 11:58 a.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

FISCAL YEAR 2006 STUDENT FEE RECOMMENDATIONS

Summary: The university has several activities, programs, services and operations that are supported to various degrees by the assessment of student fees. The following table provides a summary of proposed FY06 rates resulting from recommendations received and evaluated by the President. These recommendations are developed through a representative process involving subcommittees (consisting of student representatives and staff) for each major fee category. The subcommittees are responsible for evaluating and subsequently developing the fee recommendation forwarded to the President. The average aggregate increase reflected in the table is 8.95 percent; however, this calculation includes a 23.60 percent increase in the Student Health Insurance contract based on negotiations with the insurance carrier given the current market and claim experience. **Excluding this fee, the increases recommended for approval represent a maximum average of 2.83 percent.** An executive summary is provided to detail each fee area and the recommended fee rate.

Recommendation: The university requests approval of the recommended FY06 student fee rates as presented.

**FISCAL YEAR 2006 FEE RECOMMENDATIONS PER CREDIT HOUR COSTS
(Including Pre-Approved Fee)**

FEE	CURRENT FEE		RECOMMENDED INCREASE/DECREASE Per Credit Hour	PROPOSED FEE		PERCENT INCREASE/ DECREASE
	Per Credit Hour	@12 Credit Hours or More		Per Credit Hour	@12 Credit Hours or More	
ACTIVITY						
Undergraduate	3.23	38.76	0.16	3.39	40.70	5.00%
Graduate	1.38	16.56	0.10	1.48	17.72	7.00%
Professional	2.09	25.08	0.15	2.24	26.84	7.00%
ATHLETICS	12.30	147.60	0.55	12.85	154.20	4.47%
BOND REVENUE	26.61	319.32	0.83	27.44	329.28	3.12%
<i>Bond Facilities</i>	<i>22.41</i>	<i>268.92</i>	<i>0.93</i>	<i>23.34</i>	<i>280.08</i>	<i>4.15%</i>
<i>West Campus</i>	<i>4.20</i>	<i>50.40</i>	<i>-0.10</i>	<i>4.10</i>	<i>49.20</i>	<i>-2.38%</i>
BUS	5.41	64.92	0.38	5.79	69.48	7.02%
HEALTH INSURANCE (Full-Time Students Only)	--	233.70	4.60	--	288.85	23.60%
HEALTH SERVICE	7.21	86.52	0.23	7.44	89.28	3.19%
GRANTS-IN-AID	0.50	6.00	0	0.50	6.00	0.00%
STUDENT-TO- STUDENT GRANT	0.50	6.00	0	0.50	6.00	0.00%
LAW	2.08	24.96	0	2.08	24.96	0.00%
GRADUATE COLLOQUIUM	1.63	19.56	0	1.63	19.56	0.00%
TOTAL IF REGISTERED FOR 12 OR MORE SEMESTER CREDIT HOURS						
		2004-05 Per Semester		2005-06 Per Semester		Amount/Percent Increase or (Decrease)
UNDERGRADUATE		\$902.82		\$983.79		\$80.97 8.97%
GRADUATE		\$894.18		\$974.37		\$80.19 8.97%
PROFESSIONAL		\$908.10		\$988.89		\$80.79 8.90%

FY06 STUDENT FEE RATES Executive Summary

Recommended fee increases apply to undergraduate, graduate and professional students. This distinction has been noted in those instances where fees differ among the groups. Health Insurance and Student-to-Student Grants are flat fees; all other fees are assessed at a per credit hour rate through the first 12 credit hours. The Health Insurance Fee is assessed to all students enrolled in nine or more semester hours, but is refundable upon proof of comparable health insurance. References to annual fee increases assume enrollment in at least 12 credit hours per semester and enrollment for the academic year – that is, during both the fall and spring semesters – but not summer session.

Activity Fee

The Student Association recommends allocations from collected Activity Fees, which are used to support student organizations, activities and programs including concerts, films, speakers, etc. The fees collected from undergraduate, graduate and professional students vary. **The Student Activity Fee Review Committee is recommending a \$.16 increase from \$3.23 to \$3.39 per semester credit hour for undergraduate students; a \$.10 increase from \$1.38 to \$1.48 per semester credit hour for graduate students; and a \$.15 increase from \$2.09 to \$2.24 per semester credit hour for professional students.** The increases, ranging from 5.00 percent to 7.00 percent, are needed to support allocations and supplemental funding to student organizations.

Athletic Fee

Intercollegiate Athletics maintains sixteen sports (7 men's and 9 women's) at the NCAA Division 1-A level. The Athletic Fee is the primary source of fiscal support for Intercollegiate Athletics. In order to address Fiscal Year 2005 salary increases and general operating cost increases for Fiscal Year 2006, **an Athletic Fee increase of \$0.55 (from \$12.30 to \$12.85) per credit hour, 4.47 percent, is recommended.**

Revenue Bond Fees

Revenue Bond Fees are used to support facilities and operations that have been established through the issue of revenue bonds. The recommended FY06 bond fee rates, along with prudent budget management, would provide for 3.00 percent general price increases, 10.00 percent increase in utilities expenses, minor operating cost increases for individual units, and provisions for contributions to both the debt service and replacement reserves. In addition, this fee increase supports salary increments received during the current fiscal year. Included in the Revenue Bond fee is the 1996 Bond Series fee. The 1996 Bond Series (West Campus Improvements) bond fee structure was established in 1997 and initiated in FY98 at an initial rate of \$1.50 per credit hour. The approved structure provided a specific schedule for 1996 Bond Series fees through calendar year 2022, which began decreasing in FY03; therefore, a decrease of \$0.10, from \$4.20 to \$4.10 per credit hour, is included in the overall bond fee package. The recommendation for each Revenue Bond fee is as follows:

Holmes Student Center – An increase of \$0.56, from \$8.92 to \$9.48 per credit hour is recommended.

Recreation Center – An increase of \$0.11, from \$3.60 to \$3.71 per credit hour is recommended.

Evans Field House – An increase of \$0.08, from \$1.69 to \$1.77 per credit hour is recommended.

Huskie Stadium – An increase of \$0.11, from \$1.78 to \$1.89 per credit hour is recommended.

Convocation Center – An increase of \$0.07, from \$6.42 to \$6.49 per credit hour is recommended.

FY96 Bond Series (West Campus Improvements) – The previously approved fee decrease of \$0.10, from \$4.20 to \$4.10, per credit hour is included.

The FY06 recommended bond fee package is an increase of \$0.83, from \$26.61 to \$27.44, per credit hour, a 3.12 percent increase.

Student Bus Service Fee

The Bus Fee supports the university's Huskie Line bus and Freedom Mobile paratransit services. All fee-paying students are eligible to utilize Huskie buses without being charged fares. **The Bus Fee Review Committee is recommending a \$0.38 increase from \$5.41 to \$5.79 per semester credit hour per academic semester and a \$0.13 increase from \$1.80 to \$1.93 per semester credit hour for the summer session.** The increases, ranging from 7.02 percent to 7.22 percent, are needed to fund an increase in contractual obligations due to the replacement of two buses each year with new buses for the duration of the contract.

Health Insurance Fee

The student health insurance plan provides comprehensive medical insurance for students and their dependents. The Health Insurance fee is a flat fee, which provides coverage for all students registered for nine or more credit hours of on-campus instruction, unless proof of comparable health insurance coverage is provided. It should be noted that Spring Semester enrollment in the plan includes summer coverage regardless of whether the student is registered for summer session instruction. This coverage assures year-round health insurance coverage for participating students. **The Student Health Insurance Fee Review Committee is recommending acceptance of the proposal offered by Academic Health Plans (managing Underwriter), with UniCare Insurance Company as the carrier and HCH Administrators as the claims payer for a \$55.15 per semester increase in the Health Insurance Fee. The recommended 23.60 percent increase results in a change from \$233.70 to \$288.85 per semester.** The quote includes a \$1,000,000 lifetime maximum for students (only) and includes the DeKalb Purchasing Group (DCPG) as the local participating provider network. All other benefits remain the same.

Health Service Fee

The Health Service Fee supports the University Health Service, which provides comprehensive ambulatory health care and health education for students while the university is in session. **The Health Fee Review Committee is recommending a \$0.23 increase from \$7.21 to \$7.44 per semester credit hour.** This 3.19 percent increase is needed primarily to support operational cost increases (primarily salary increases) and equipment purchases.

Grants-in-Aid Fee

The Grants-in-Aid Fee supports the University Scholar and Academic Finalist Awards Program, a scholarship-based financial aid program. It is the only major academically focused scholarship program available at Northern Illinois University for outstanding incoming new freshmen and community college transfers. **Currently the Grants-in-Aid fee is \$.50 per semester credit hour. The Student Financial Aid Office is not recommending an increase of this fee.**

Student-to-Student Grant

Revenue collected from the Student-to-Student Grant Fee is matched by the State of Illinois and supports a need-based financial aid program for economically disadvantaged students. The fee is assessed only to undergraduate students registered for twelve or more credit hours of on-campus instruction and is refundable upon request. **The fee is presently at the ISAC statutory maximum of \$6.00 per semester. At this time, the Student Financial Aid Office is not recommending an increase of this fee.**

Law Fee

The Law Fee supports activities of the Student Bar Association and is assessed to College of Law students only. Currently, the fee is \$2.08 per semester credit hour. **The College of Law is not recommending an increase of this fee.**

Graduate Colloquium Fee

The Graduate Colloquium Fee supports programs offered as part of the Graduate Colloquium Series. This fee is assessed to graduate students only. **Currently, the Graduate Colloquium Fee is \$1.63 per credit hour. No increase is recommended.**

FISCAL YEAR 2006 ROOM AND BOARD RATE RECOMMENDATIONS

Summary: The collection of room and board from students living in university residence halls supports Student Housing and Dining Services operations and related Revenue Bond obligations. Room rate recommendations for FY06 address increased utility costs, salary increments, minimum wages, and increased debt service payments for residence hall improvements. Room and board rate recommendations do not reflect any significant program changes. The Room and Board Rate Review Committee is recommending an increase in room rates averaging 8.93 percent and no increase in board rates. **When combined, these changes represent a 6.27 percent net affect in standard room and board rates.** The Committee is also recommending an average 5.00 percent increase in University Apartment rates with no required board plan buy-in. A summary is provided to detail each residence hall room rate and board plan with their corresponding increases.

Recommendation: The university requests approval of the recommended FY06 room and board rates and University Apartment rates as presented.

FY06 RESIDENCE HALL ROOM AND BOARD RATES

Room and board fees provide funds to support the operation of campus residence halls. Increases recommended in room and board rates are required to offset various cost increases including utilities, salary increments and minimum wages. Recommended room rates reflect an average increase of 8.93 percent for all residence halls. Board rates reflect a zero percent increase for the minimum buy-in plan. With the combination package of the increased room and board rates (using the minimum Dining Dollars Plan), the overall net affect is a 6.27 percent increase in rates for FY06.

<u>RESIDENCE HALL</u>	<u>FY05</u>	<u>FY06</u>	<u>\$ INCREASE</u>	<u>% CHANGE</u>
Grant Double	\$1,590	\$1,892	\$302	19.0%
Grant Single	2,545	2,647	102	4.0
Stevenson Double	2,045	2,209	164	8.0
Stevenson Single	2,605	2,709	104	4.0
Stevenson Suite w/o Bathroom	2,130	2,428	298	14.0
Stevenson Suite w/Bathroom	2,482	2,606	124	5.0
Low Rise Double - Neptune	1,595	1,898	303	19.0
Low Rise Double – Lincoln/Douglas	1,565	1,862	297	19.0
Low Rise Single	2,524	2,625	101	4.0
Low Rise Triple	1,535	1,689	154	10.0
Low Rise Suite	2,175	2,262	87	4.0
Apartments				
Small Studio (per month)	502	527	25	5.0
Large Studio (per month)	556	584	28	5.0
Winter Break Fee	100	100	0	0
Spring Break Fee	30	30	0	0
<u>Board Rates</u>				
Dining Dollar Plan–Gold (minimum buy-in)	880	880	0	0
Dining Dollar Plan–Platinum	1,280	1,280	0	0
Dining Dollar Plan–Titanium	1,600	1,600	0	0

**FISCAL YEAR 2006 STUDENT ACCIDENT AND
SICKNESS INSURANCE CONTRACT**

Summary: University Health Services provides group health insurance, funded by student fees, to students and their families. Under the existing contract renewal option, the student rates would have increased by a factor of 57 percent. Given the magnitude of this increase, the university conducted a new bidding process resulting in the currently proposed contract, which significantly reduces the increase in student rates. The semester rate of \$288.85 is included in the FY06 fee recommendations. Approximately 40 percent of our eligible students purchase this insurance. If they have proof of other comparable health insurance, students may waive their participation in this plan.

The recommended vendor was selected through competitive bidding. All renewals for a maximum ten-year term are at the discretion of the university and the vendor, with the rates determined through negotiations between the vendor and the Student Health Insurance Committee. Rates will change based on claims history for prior years and changes in policy terms. The proposal was opened on January 14, 2005.

Recommendation: The university requests Board of Trustees approval of expenditure authority for FY06 as follows:

Academic Health Plans - Colleyville, TX..... Not to exceed \$5,500,000

FISCAL YEAR 2006 MASS TRANSIT CONTRACT RENEWAL

Summary: The Student Mass Transit Board oversees the operations of a campus busing system that provides services on campus and to residential and business areas of DeKalb and Sycamore. The Student Bus Fee supports this contract. The terms and conditions are based upon pricing specified as the second year of a four-year renewal option from the sealed bid opened on December 19, 2002.

Recommendation: The university requests Board of Trustees approval of expenditure authority for FY06 as follows:

ATC Vancom of Illinois LP dba Huskie LP - Chicago, IL \$2,835,758

**FISCAL YEAR 2006 ATHLETIC SPORTS CAMP
HOUSING AND MEAL EXPENDITURE**

Summary: Intercollegiate Athletics operates summer sports camps for participants up to 18 years of age. Some campers are provided housing and meals, while others commute and receive only meal services. The camps, which are very popular among high schools in Illinois, are entirely self-funded from fees charged to campers for services provided.

Camps offered include boys' and girls' basketball, football, boys' and girls' soccer, softball, volleyball, wrestling, and athletic training. These camps begin the first week of June and are offered at various times throughout the summer, ending the third week of July.

These summer programs have been successful, and it is anticipated that attendance this summer will equal or exceed that of last year. This year, the Athletic Department will again utilize university residence halls, dining services, recreational facilities and meeting rooms for these activities.

Recommendation: The university requests Board of Trustees approval of expenditure authority for FY06 as follows:

Student Housing and Dining Services Not to exceed \$550,000

**FISCAL YEAR 2006 INTERNATIONAL PROGRAMS
DIVISION CONTRACTS RENEWAL**

Summary: Northern Illinois University's International Programs Division is given an annual authorization for expenditures for foreign study programs. All expenditures are made from payments received from the approximately 600 students expected to enroll in these programs. Costs include travel, overseas instructional and administrative services, room and board, and local tuition. Expenditures never exceed revenues. Once program enrollments are determined, payments are made immediately to secure and guarantee registration, accommodations and other program-related costs.

Due to the many variables, including the actual number of enrollees in each program, program choices and currency fluctuations, the amount of authorization needed for specific programs is unpredictable. Consequently, aggregate expenditure authority is requested, within which the International Programs Division can secure specific program and group arrangements. Under this authority, specific transactions will be processed in accordance with the Procurement Code and internal approval procedures. Overall, the university does not expect the program level to fluctuate significantly from FY05. All funds and disbursements remain subject to university accounting controls and management.

Recommendation: The university requests Board of Trustees approval of expenditure authority for FY06 as follows:

Various Vendors..... Not to Exceed \$3,000,000

FISCAL YEAR 2006 *NORTHERN STAR* CONTRACT RENEWAL

Summary: The *Northern Star* is a student-run newspaper employing approximately 150 students. Annually they produce 155 issues, averaging 16,000 copies each, Monday through Friday. The service area for the paper includes the campus community as well as the DeKalb and Sycamore areas. Student employees gain practical experience performing all the writing, editing, photography set-up, management, and advertising sales. Advertising revenue is approximately \$800,000 per year, and covers the cost of printing.

This is the fourth year of a five-year contract for printing the newspaper. The base contract amount is calculated using the number of issues and estimated size of each issue. The contract amount is the same as last year.

Recommendation: The university requests Board of Trustees approval of an order for the FY06 *Northern Star* contract renewal as follows:

Castle Printech - DeKalb, IL

Order Amount.....	241,000
Contingency	<u>49,000</u>
Total.....	Not to exceed \$290,000

FISCAL YEAR 2006 WASTE MANAGEMENT CONTRACT RENEWAL

Summary: Approval is required to renew the contract for waste collection; disposal of solid wastes and the recycling of paper, glass, metals and mixed recyclables serving all owned and leased facilities of NIU. The university wishes to renew this contract for an additional year based on the terms and conditions in the original sealed bid. This is the third year of a five-year renewal option. Pricing reflects a five percent increase over FY05.

Recommendation: The university requests Board of Trustees approval of an open order for FY06 as follows:

Waste Management West - Batavia, IL.....\$442,600

**FISCAL YEAR 2006 DOCUMENT SERVICES COPIER AND
CONTROLLER SYSTEM CONTRACT RENEWAL**

Summary: Document Services operates a campus copier program consisting of approximately 270 copiers of various configurations. The annual volume of copies is approximately 30 million. This program is provided under a lease agreement based on a flat rate per copy charge, which includes all equipment, toner and maintenance. Machines located in the libraries and other public areas are operated with a campus copier card controller system. Peripheral devices, such as fax boards and networking cards, are included in the contract. This is the fourth year of the contract, which offers optional annual renewals for a maximum of ten years.

Recommendation: The university requests Board of Trustees approval of expenditure authority for an open order for FY06 as follows:

Gordon Flesch Co. - Geneva, IL\$950,000

**FISCAL YEAR 2006 COPY PAPER
ITS DOCUMENT SERVICES AND MATERIALS MANAGEMENT**

Summary: The university recommends open orders for purchases of various printing papers, envelopes and supplies on an as-needed basis by Document Services and Materials Management for campus resale. Pricing will be based on the industry market pricing for each quarter. This is the first renewal of a six-year renewal option for a bid that was opened on March 16, 2004.

Recommendation: The university requests Board of Trustees approval of expenditure authority for FY06 as follows:

<i>Unisource - Addison, IL</i>	<i>\$830,000</i>
<i>Materials Management</i>	<i>\$400,000</i>
<i>ITS-Document Services</i>	<i>\$430,000</i>

**FISCAL YEAR 2005 AMENDMENT TO NIU FOUNDATION
PROFESSIONAL SERVICES CONTRACT**

Summary: The Northern Illinois University Foundation contract supports the fundraising services and activities provided by the Foundation on behalf of the university. This contractual agreement is in accordance with the Legislative Audit Commission Guidelines. The costs of fundraising services provided by the Foundation to the university has escalated significantly, as has the activity level in conjunction with the Barsema Alumni and Visitors Center campaign. The Foundation has requested an increase in the contract for the current fiscal year, which the university supports. The contract amount will be offset by the Foundation payment to the university for personal services, fringe benefits, facilities and program expenditures to meet the contract obligations.

Recommendation: The university requests approval of an increase to the FY05 contract for the Northern Illinois University Foundation in the amount of \$60,449.

DEPARTMENT OF GEOLOGY AND ENVIRONMENTAL GEOSCIENCES
MAGNETIC SECTOR ICP MASS SPECTROMETER

Summary: The Department of Geology and Environmental Geosciences seeks permission to purchase an Element 2 Mass Spectrometer including a standard sample inlet system. This item will be used in ongoing faculty research where measurement of element and isotope compositions in a wide range of materials is required. This is a state-of-the-art unit and will place NIU among leading institutions in the field of geochemistry. The recommended vendor was selected through the competitive bidding process. The bid was opened on January 27, 2005.

Recommendation: The university requests Board of Trustees approval of expenditure authority for FY05 as follows:

Thermo Finnigan, LLC - West Palm Beach, FL\$428,000

DEPARTMENT OF GEOLOGY AND ENVIRONMENTAL GEOSCIENCES
MASS SPECTROMETERS

Summary: The Department of Geology and Environmental Geosciences seeks permission to purchase one LCQ Advantage Max mass spectrometer and one Delta Plus Advantage Basic System mass spectrometer to be used in ongoing faculty grant research into geochemistry analysis of geological and biological materials. The recommended vendor was selected through the competitive bidding process. The bid was opened on February 1, 2005.

Recommendation: The university requests Board of Trustees approval of expenditure authority for FY05 as follows:

Thermo Finnigan - San Jose, CA\$370,000

DEPARTMENT OF GEOLOGY AND ENVIRONMENTAL GEOSCIENCES
SUB-ICE ROV SYSTEM

Summary: The Department of Geology and Environmental Geosciences seeks permission to purchase a Sub-Ice Remote Ocean Vehicle required for ongoing faculty grant research into the impact of global warming on the polar ice pack. The recommended vendor was selected through the competitive bidding process. The bid was opened on January 26, 2005.

Recommendation: The university requests Board of Trustees approval of expenditure authority for FY05 as follows:

DOER Marine - Alameda, CA.....\$700,000

BARSEMA ALUMNI AND VISITORS CENTER FIXTURES AND EQUIPMENT

Summary: The new Barsema Alumni and Visitors Center building project is on schedule to be completed for occupancy and use by Homecoming in October 2005. In consultation with the NIU Foundation, the project team of consultants working with the university has developed a comprehensive list of equipment needs. In order to purchase the necessary movable and fixed equipment for the facility at the lowest possible cost, as well as assure availability at the time of opening, the university needs to begin procurement activities by April 2005. Funding will be from a combination of existing Bond Revenue funds and solicited gifts and donations.

Recommendation: The university requests approval of expenditures as follows:

Various Vendors: Not to exceed \$649,550
Funding: Bond Revenue reserves and NIU Foundation

**RESIDENCE HALL ETHERNET CONDUIT
CHANGE IN CAPITAL PROJECT APPROVAL**

Summary: Board of Trustees approval for residence hall Ethernet conduit was granted December 9, 2004. A budget of \$683,400 to upgrade four residence halls (Lincoln, Douglas, Neptune Complex and University Apartments) was established. This project was originally conceived as Phase 1 of a two-phase project. Phase 1 was a construction contract to install all necessary conduits and junction boxes, considered the permanent capital improvement, to hold the Ethernet cable system. Phase 2 was to be an equipment contract to provide and install all necessary cable and equipment components for a complete cable system. The university anticipated seeking separate Board approval for this second phase to install the cable and equipment.

During development of plans and specifications for bid, the university investigated combining the installation of conduit and the cable network. It was determined that combining the two phases of the project under one contract would result in a substantial savings in construction time and labor costs. University Architectural and Engineering Services prepared plans and specifications to include the two phases under one contract.

On January 27, 2005 bids were received for two residence halls (Lincoln and Douglas). Each building was bid at \$311,952 for a total of \$623,904. This is within the Board of Trustees approval of \$683,400, however, it does not allow for the recommended average 10 percent construction contingency. Additionally this budget will complete only two of the desired four residence facilities. As a result, the university now seeks to have a budget that covers both phases of the work for all four residence halls.

Recommendation: The university requests Board of Trustees authorization of a Revised Project Scope for a complete Ethernet cable installation and equipment upgrade for four residence hall facilities (Lincoln, Douglas, Neptune Complex and University Apartments) and a Revised Budget of \$1,400,000. The university further requests authorization to bid, contract, and issue work orders necessary for a complete installation based on plans and specifications for the desired work. Further authorization is requested to proceed with contracts on Lincoln and Douglas for work to be completed this summer, and work on Neptune Complex and University Apartments to be completed in summer 2006. Project costs will be paid one-half from revenue bond residence hall funds and one-half from telecommunications local funds.

COLLECTIVE BARGAINING AGREEMENT

Northern Illinois University negotiates with ten collective bargaining organizations representing different employee groups. Salary increases and other terms/conditions of employment for bargaining unit members are subject to negotiation, and final agreements are submitted for approval to the Board of Trustees. The following collective bargaining agreement has been tentatively approved, ratified by the bargaining unit, and is submitted to the Board of Trustees for approval.

- 3) ***Bargaining Unit:*** International Union of Operating Engineers, Local #150, representing approximately nine Route Drivers in the Materials Management department.

Scope of Negotiations: Full Agreement.

Tentative Agreement for Board Action: A full agreement extending through June 30, 2009.

Recommendation: Terms and conditions of the agreement are consistent with University policies and guidelines. The university requests Board of Trustees approval of this collective bargaining agreement.

**INFORMATION TECHNOLOGY SERVICES
COMPUTER LABORATORY EQUIPMENT**

Summary: ITS seeks permission to purchase 196 computer systems complete with flat panel monitors to be used as replacements in existing student computer laboratories located across campus. The bid was opened on February 28, 2005.

Recommendation: The university requests Board of Trustees approval of expenditure authority for FY05 as follows:

Hewlett Packard Corporation – Omaha, NE.....\$275,000

**RECOMMENDATIONS FOR FACULTY AND SUPPORTIVE PROFESSIONAL STAFF
SABBATICAL LEAVES FOR THE 2005-2006 ACADEMIC YEAR**

The following individuals are being recommended to the President for sabbatical leave. The President is authorized to replace an individual who subsequently declines the leave with an individual from an approved rank alternate list. The President may also approve a request by an individual to change the period of the leave from one semester to another within the academic year.

<u>Faculty Member</u>	<u>Department/School</u>	<u>Semester</u>
COLLEGE OF BUSINESS		
1. Liu, Chang	Operations Mgmt. & Information Systems	Fall 2005
2. Briscoe, Jon P.*	Management	Spring 2006
COLLEGE OF EDUCATION		
1. Campbell, Cynthia	Educational Tech., Research & Assessment	Fall & Spring 2005-2006
2. Chandler, Lynette	Teaching and Learning	Spring 2006
3. Luetkehans, Lara	Educational Tech., Research & Assessment	Fall & Spring 2005-2006
4. Wolfe, Randi B.	Teaching and Learning	Fall 2005
COLLEGE OF ENGINEERING & ENGINEERING TECHNOLOGY		
1. Genis, Alan P.	Electrical Engineering	Fall & Spring 2005-2006
2. Majumdar, Pradip	Mechanical Engineering	Spring 2006
COLLEGE OF HEALTH & HUMAN SCIENCES		
1. Miller, J. Elizabeth	Family, Consumer & Nutrition Sciences	Fall 2005
2. Rabak-Wagener, Judith	Allied Health Professions	Fall 2005
COLLEGE OF LAW		
1. Cordes, Mark W.	Law	Spring 2006
2. Kuo, Susan	Law	Spring 2006
COLLEGE OF LIBERAL ARTS & SCIENCES		
1. Luo, Wei	Geography	Fall & Spring 2005-2006
2. Worobec, Christine D.	History	Fall & Spring 2005-2006
3. Johnson, Jeffrey	English	Fall & Spring 2005-2006
4. Bennardo, Giovanni*	Anthropology	Fall & Spring 2005-2006
5. Kisiel, Theodore	Philosophy	Fall 2005
6. Loubere, Paul	Geology & Environmental Geosciences	Fall 2005
7. Kyvig, David E.	History	Fall & Spring 2005-2006
8. Skowronski, John J.	Psychology	Fall 2005
9. Jones, Christopher M.	Political Science	Spring 2006
10. Birner, Betty	English	Fall & Spring 2005-06
11. Merino, Eloy E.*	Foreign Languages & Literatures	Spring 2006
12. Unger, Daniel H.	Political Science	Fall & Spring 2005-06

13. Bennett, Alexandra*	English	Fall & Spring 2005-06
14. Campbell III, Carl M.	Economics	Fall 2005
15. Rigg, Lesley S.	Geography	Spring 2006
16. Nissen, Christopher	Foreign Languages & Literatures	Fall 2005
17. Day, Michael	English	Fall 2005
18. Katz, Eliakim	Economics	Summers 2005-2006
19. Polansky, Alan M.	Statistics	Fall 2005
20. Thornton, Brian	Communication	Fall 2005
21. Peddle, Michael T.	Public Administration/CGS	Spring 2006
22. Djata, Sundiata	History	Spring 2006
23. Burrell, Barbara C.	Public Opinion Lab/Political Science	Spring 2006
24. Kipperman, Mark	English	Fall 2005
25. Ye, Zhuan	Mathematical Sciences	Fall 2005
26. Gandal, Keith	English	Fall 2005
27. Temple, Judy	Economics	Spring 2006
28. Morris, Michael	Foreign Languages & Literatures	Spring 2006
29. Schmidt, Gregory D.	Political Science	Fall & Spring 2005-2006
30. Harrison, William F.	Foreign Languages & Literatures	Fall 2005

COLLEGE OF VISUAL & PERFORMING ARTS

1. Kuo, Yih-Wen	Art	Fall 2005
2. Newsom, Randall	Theatre and Dance	Spring 2006
3. Schultz, Kurt	Art	Spring 2006
4. Koehler, William	Music	Spring 2006
5. Hartenhoff, Lori	Theatre and Dance	Spring 2006
6. Kahn, Kathryn	Art	Fall & Spring 2005-2006

UNIVERSITY LIBRARIES

1. Hurych, Jitka	Libraries	Fall 2005
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SUPPORTIVE PROFESSIONAL STAFF

No Applications.

Recommendation: The university requests Board of Trustees approval of the university's decisions to grant the above sabbatical leaves for 2005-2006.

* = Sabbatical leave is contingent upon receipt of tenure.

REQUEST FOR DEGREE AUTHORITY AT REGIONAL SITES

The university seeks approval from the Board of Trustees before forwarding requests for off-campus degree authority for academic programs to the Illinois Board of Higher Education. The IBHE now uses the boundaries of the regional consortia created for off-campus planning to define the area for degree authority.

M.S. in Industrial Management (Region 3: West Suburban)

Description: The Department of Technology within the College of Engineering and Engineering Technology proposes to offer the M.S. degree program in industrial management in Region 3 (West Suburban). The requirements for the completion of the degree program at off-campus sites in the region are the same as those required of students completing the degree on campus.

Rationale: The Department of Technology has a long-established master's degree program in industrial management that was developed with the working professional in mind. In addition, the department has worked with companies, alumni and business representatives to develop a graduate program that meets the needs of regional industry. To provide accessibility to quality education in the region, the department has developed an off-campus student base within the northern Illinois region. There has been an increasing number of safety and manufacturing professionals working and residing in the Naperville area who wish to earn a master's degree but are unable to commute to DeKalb to attend classes. Over the past three years, the department has offered courses at NIU Naperville to gauge the need for the program, and it has been determined that a good student population exists in the Naperville area. The proposed off-campus degree program is targeted to serve this audience of employed individuals who wish to advance their careers through attainment of a graduate degree that emphasizes applied technical managerial skills.

Costs: No new resources are required to deliver this degree program.

Recommendation: The university requests Board of Trustees approval of this request for off-campus degree authority for the M.S. in Industrial Management in Region 3.

REQUEST FOR NEW SPECIALIZATIONS

New subdivisions of existing undergraduate programs are called emphases, and new subdivisions of graduate programs are called specializations. The creation of both of these subdivisions requires the approval of the Board of Trustees. If the Board approves the addition of new emphases or specializations, the university will report them in the Annual Listing of Changes sent to the IBHE each June. These requests were endorsed by the Academic Affairs, Student Affairs and Personnel Committee at its March 3 meeting after receiving approval from the curriculum committees at the department, college and university levels and the concurrence of the Provost.

Specialization in Art Education (within the Ed.D. in Curriculum and Instruction)

Description: The School of Art in the College of Visual and Performing Arts and the Department of Teaching and Learning within the College of Education propose to offer a specialization in art education to broaden the scope and content of the Ed.D. in Curriculum and Instruction to specifically address needs related to art education.

Students electing this proposed specialization would be required to complete a total of 63 credit hours to complete the degree program in curriculum and instruction. The program consists of 21 hours of core course work in curriculum design, research methods, theories of learning and development, and the socio-cultural analysis of education. Additional requirements include course work within the specialization and electives approved by the faculty advisor and dissertation research.

Rationale: The proposed specialization is designed to meet the needs of students who are teachers, administrators or scholars in art education. Currently, 16 students enrolled in the Ed.D. degree program in curriculum and instruction have an art education cognate in their programs of study; three of these students are at the dissertation stage of the program. Three students have completed the degree with dissertation studies focusing on art education. Program, candidacy and dissertation committees for these students have been and would continue to be comprised of faculty teaching in curriculum and instruction in the College of Education and faculty from the School of Art. The creation of this specialization would benefit students by enabling them to pursue in-depth study in art education and having completion of the requirements of the specialization noted on their transcripts.

Costs: No new resources are needed to implement this change. The creation of the new specialization reflects a reconfiguration of the choices currently available to students enrolled in the degree program in curriculum and instruction.

Specialization in Science, Social Studies and Environmental Education Integration (within the Ed.D. in Curriculum and Instruction)

Description: The Department of Teaching and Learning in the College of Education proposes to offer this specialization to broaden the scope and content of the Doctor of Education in Curriculum and Instruction to specifically address issues related to science, social studies and environmental education and the integration of these three fields of study into the curriculum.

Students electing this proposed specialization would be required to complete a total of 63 credit hours to complete the degree program in curriculum and instruction. The program consists of 21 hours of core course work in curriculum design, research methods, theories of learning and development, and the

socio-cultural analysis of education. Additional requirements include course work within the specialization and electives approved by the faculty advisor and dissertation research.

Rationale: The proposed specialization is designed to meet the needs of students for a conceptually coherent program in science, social studies and environmental education program for doctoral students. Similar offerings are available throughout the United States, but none is located in Illinois. This specialization would meet the professional development needs of educators to become leaders within their disciplines. A survey of dissertations completed in curriculum and instruction over the last ten years indicates that there is a strong interest in issues related to science, social studies and environmental education. Approximately 15 percent of the dissertations focused on topics related to these areas. The proposed specialization would provide students with focused course work to prepare them for their dissertation research and their careers, and the specialization would be noted on their transcripts.

Costs: No new resources are needed to implement this change. The creation of the new specialization reflects a reconfiguration of the choices currently available to students enrolled in the degree program in curriculum and instruction.

Recommendation: The university requests Board of Trustees approval of these requests to create a Specialization in Art Education within the Ed.D. in Curriculum and Instruction and a Specialization in Science, Social Studies and Environmental Education Integration within the Ed.D. in Curriculum and Instruction.

REQUEST FOR A NEW MINOR

New subdivisions of existing programs, including minors, require the approval of the Board of Trustees. Under the new state system created to streamline the processes for the development of academic programs, the approval of a minor by the NIU governing board will be reported to the IBHE in the university's Annual Listing of Changes sent to the IBHE each June. This request was endorsed by the Academic Affairs, Student Affairs and Personnel Committee at its March 3 meeting after receiving the approval of the department, the college and the Undergraduate Coordinating Council and the concurrence of the Provost.

Minor in Computer Science

Description: The Department of Computer Science was forced to eliminate its minor in 1984 because of the excessive demand for its undergraduate and graduate programs. But the leveling off of demand for the department's undergraduate programs provides the department with the opportunity to restore what was once a valuable and popular curricular option for students enrolled at NIU.

Students enrolling in the minor would be required to complete 19-23 semester hours of course work including college algebra and four designated courses in computer programming and the UNIX system, as well as one additional course in computer science numbered 400 or above.

Rationale: Offering a minor in computer science is consistent with the university's mission and *The Illinois Commitment*. Specifically, NIU's mission includes the goal of providing opportunities for students to become more competent in analytical thought, informed judgment and effective communication. *The Illinois Commitment* calls for the university to help a progressive society keep pace with technological advances. The existence of a minor in computer science would provide NIU students with an attractive way to meet these goals. It is envisioned that students enrolled in the university's programs such as accountancy, finance, operations management and information systems, mathematics, economics, political science, psychology, sociology, engineering and others would find a minor in computer science to be an important complement to their majors.

Costs: No additional funding is required to implement this minor. The courses needed to complete the minor are currently offered on a regular basis and have sufficient space for additional students who might seek the Minor in Computer Science.

Recommendation: The university requests Board of Trustees approval of this new Minor in Computer Science.

REQUEST TO DELETE AN EMPHASIS AND A SPECIALIZATION

Public university governing boards have the final authority to delete subdivisions of major programs. These requests were endorsed by the Academic Affairs, Student Affairs, and Personnel Committee at its March 3 meeting after receiving approval from curriculum committees at the department, college and university level and the concurrence of the Provost.

Emphasis in Acoustics (within the B.S. in Physics)

Description: The Department of Physics in the College of Liberal Arts and Sciences proposes to delete the emphasis in acoustics within the B.S. in Physics.

Rationale: A retirement leaves the department with no faculty member associated with the emphasis in acoustics. Enrollments in the emphasis have historically been low, and approximately five undergraduates will be affected by the deletion of the emphasis in fall 2005. These students have been contacted by the faculty advisor and have been advised that the emphasis in applied physics should be used as the basis to complete their B.S. degree. No students are expected to have their graduation dates affected by this change.

Costs: No financial impact is expected to occur due to the low enrollment in this emphasis.

Specialization in Elementary Education (within the Ed.D. in Curriculum and Instruction)

Description: The Department of Teaching and Learning in the College of Education proposes to delete the specialization in elementary education within the Ed.D. in Curriculum and Instruction.

Rationale: Demand for the specialization in elementary education is low, and no students have graduated with an Ed.D. in Curriculum and Instruction with a specialization in elementary education since 1997. The deletion of the specialization is not expected to impact any students currently enrolled in the degree program.

Costs: No financial impact is expected to occur with the deletion of the specialization.

Recommendation: The university requests Board of Trustees approval to delete the Emphasis in Acoustics within the B.S. in Physics and the Specialization in Elementary Education within the Ed.D. in Curriculum and Instruction.

Chair's Report No. 31

March 24, 2005

EXTERNAL PROFESSIONAL SERVICES FOR UNIVERSITY LEGAL SERVICES

Summary: An amendment is required to increase the open order used for ongoing specialized legal services provided by this vendor. Original presidential approval was given on October 13, 2004. This contract is exempt from all requirements of the Illinois Procurement Code.

Recommendation: The university requests Board of Trustees approval of a change order for FY05 as follows:

Jenner and Block, LLP - Chicago, IL

<i>Current Order</i>	<i>\$245,000</i>
<i>Amendment.....</i>	<i><u>145,000</u></i>
<i>New Order Total</i>	<i>\$390,000</i>

**President's Report
No. 46**

June 16, 2005

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
9:00 a.m. – Thursday – June 16, 2005
Board of Trustees Room
315 Altgeld Hall**

9:00 a.m. Call to Order, Roll Call, Notice Verification, Meeting Agenda Approval, Review and Approval of Minutes, Reports of Board Committees and Board Liaisons, Recess to Executive Session
Executive Session – Altgeld Hall
Reconvene Board of Trustees Meeting – Board of Trustees Room



1. Call to Order and Roll Call
2. Verification of Appropriate Notification of Public Meeting
3. Meeting Agenda Approval *Action*. 131
4. Review and Approval of Minutes of February 16, 2005 Special Meeting *Action*
Review and Approval of Minutes of March 24, 2005 *Action*
Minutes of June 16, 2005 133
5. Chair's Comments/Announcements
 - a. Election of FY06 Board Officers *Action*
6. Public Comment*
7. Reports of Board Committees and Board Liaisons
 - a. Executive Committee
 - b. Academic Affairs, Student Affairs and Personnel Committee
 - c. Finance, Facilities and Operations Committee
 - d. Legislation, Audit and External Affairs Committee
 - e. Illinois Board of Higher Education
 - f. University Civil Service Merit Board
 - g. Northern Illinois University Foundation
8. Executive Session
9. President's Report No. 46
 - a. University Recommendations Forwarded by the Board Committees
 - (1) Fiscal Year 2007 Budget Guidelines *Action*. 154
 - (2) Fiscal Year 2006 Internal Operating Budget and Guidelines *Action*. 156
 - (3) Fiscal Year 2006 Tuition Recommendations *Action*. 160
 - (4) Fiscal Year 2006 NIU Foundation Professional Services Contract *Action*. 162
 - (5) College of Engineering and Engineering Technology Research Survey *Action*. 163

- (6) Grant Towers Student Lounge Furniture and Equipment *Action*. 164
- (7) Recommendations for Faculty Promotions, Tenure, and Promotions
with Tenure for the 2005-2006 Academic Year *Action*. 165
- (8) Appointments with Rank and Tenure *Action*. 167
- (9) Appointment of the Dean of the College of Engineering and Engineering
Technology *Action*. 171
- (10) Appointment of the Acting Dean of the College of Liberal Arts and Sciences *Action*. 172
- (11) Appointment of the Interim Dean of the College of Business *Action*. 173
- b. University Reports Forwarded from the Board Committees
 - (1) Fiscal Years 2005 and 2006 Appropriated Budget Updates *Information*.....
 - (2) Student System Replacement Project Update *Information*.....
 - (3) 2004-2005 Program Review Summary *Information*.....
- c. Items Directly from the President
 - (1) Grant and Contract Awards *Information*.....
- 10. Chair's Report No. 32
 - a. Executive Session Minutes Release..... *Action*. 175
 - b. Resolution – Former Chair Gary J. Skoien *Action*. 176
 - c. Resolution – Student Trustee Eric J. Johnson *Action*. 177
- 11. Other Matters
- 12. Next Meeting Date
- 13. Adjournment

*The Board and its committees comply with P.A. 91-0715 through its *Bylaws*, Article II, Section 5.B:

1. Consistent with Public Act 91-0715 and reasonable constraints determined by these *Bylaws* and the Chair, at each regular or special meeting of the Board or its committees that is open to the public, members of the public may request a brief time on the approved agenda of the meeting to address the Board on relevant matters within its jurisdiction.
2. Committees of the Board review University proposals for action and make adjustments and endorsements as appropriate for further consideration by the full Board. Public comments are generally most useful at meetings of Board committees, where proposals are first considered and the time for interaction most feasible.
3. To facilitate an orderly process, appearance requests must be registered on a Board-provided form and submitted to the Board's Parliamentarian at least 45 minutes before the meeting is scheduled to be called to order. To be recognized, the appearance request will include the name, address and position of the individual wishing to speak, the name of the organization or group represented, a concise summary of the presentation, and whether the requestor has appeared earlier on the topic before any other meeting of the Board. The Parliamentarian may confer with registered speakers to cooperatively assist the Chair of the meeting in assuring coordinated issue presentation and an efficient use of allocated time. The Parliamentarian will acquaint requestors with the generally acceptable rules of decorum for their presentations. In lieu of oral presentations, individuals may present brief written materials not to exceed five (5) pages to the Parliamentarian for distribution and consideration by the Board in advance of the meeting.
4. The Chair of the meeting will recognize duly registered individuals at the appropriate point during the meeting. Unduly repetitive comments may be discouraged and restricted by the Chair. To assure an orderly and timely meeting the Chair may limit time allotments to five minutes or less, may delay or defer appearances when appropriate, and defer or refer questions received from presenters for answers if available.

Anyone needing special accommodations to participate in the NIU Board of Trustees meetings should contact Ellen Andersen, Director of Special Events, at (815)753-1999, as soon as possible, normally at least a week before the scheduled Board meeting.

Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
June 16, 2005

SWEARING-IN CEREMONY, BOARD OF TRUSTEES ROOM – 9:05 A.M.

Today I have the pleasure of introducing, for the first time, three new members of our Board, Vice Chair Vella said. In just a few minutes, they will take the oath of office and be officially sworn in, but first I would like to tell you a little bit about them.

Cherilyn Murer is a successful businesswoman, an attorney, a philanthropist and an active voice in the advancement of quality, cost-effective healthcare and higher education. Cherilyn is the president and CEO of the Murer Group, a legal healthcare consulting firm headquartered in Joliet. Cherilyn's firm represents hospitals and health systems throughout the United States providing strategic planning services and assistance in complying with complex state and federal regulations. She received a Juris Doctor degree with honors from NIU and has coupled her background in law with her previous operational experience as Director of Rehabilitative Medicine at Northwestern Memorial Hospital in Chicago. She is a sought-after lecturer and educator at numerous educational conferences sponsored by national and international health-care organizations. In addition, Cherilyn serves on the NIU College of Law's Board of Visitors and, in 2003, was selected to receive the College's distinguished alumnus award. She is also a member of the NIU Foundation Board of Directors and chairs that group's development committee.

Marc Strauss is a long-time DeKalb resident. He is general counsel for First Rockford Group, a real estate company involved in the development and leasing of commercial, industrial and office space as well as the development and sale of residential real estate. He was formerly a managing partner and attorney in law firms in Sycamore and Chicago. Marc attended Northwestern University where he earned a bachelor's degree, a master's in management and a law degree. He has been active on numerous boards, commissions and task force groups in DeKalb County and previously served as assistant city attorney for the City of Sycamore.

Andrew Nelms is our new Student Trustee for Fiscal Year 2006. Andrew will be sworn in today although his term does not begin officially until July 1. Andrew is a senior history major at NIU, has been involved in the Student Association since he first came to campus and has served the last two years as Speaker of the Student Senate. Andrew has helped champion such issues as improved student record software that minimizes the use of Social Security numbers, the adoption of an extended fall break, and making on-campus events possible for student organizations by establishing a special fund to subsidize the costs of security.

Andrew's experience in politics, however, extends far beyond the campus. Last summer he went to Washington, DC as a senior intern in the office of our own Congressman and House Speaker Denny Hastert. Andrew also ran his own successful campaign to become a DeKalb County Township trustee. Not surprisingly, after graduation, Andrew hopes to pursue a career in politics, either in Springfield or Washington, DC. We are delighted to have you join the Board this year, Andrew. Your service in student and community government and experience on campus has provided you with a depth of knowledge that will be a tremendous asset to the Board. This Board takes the opinions and counsel of the Student Trustee very seriously, and I want you to know we are looking forward to working with you next year.

In addition to the three new trustees who are joining the Board of Trustees, I am pleased to tell you that Myron Siegel and I have been reappointed by the Governor to six-year terms as well. Myron and I will be joining our new colleagues today to be sworn in for another six years.

We have the privilege today of being sworn in by Sixteenth Judicial Circuit Court Judge Robbin Stuckert, an NIU College of Law alumna and the winner of the Outstanding Public Service Award from the College of Law in 2004. Judge Stuckert received her B.A. degree from Northern Illinois University in 1987 and her J.D. degree from Northern Illinois University in 1990. She began her career as an associate attorney with a local law firm. She has also served as an Assistant State's Attorney with the office of the Ogle County State's Attorney. Judge Stuckert served in private practice in the DeKalb/Sycamore area from 1990 to 2001. She was appointed as an Associate Judge of the 16th Judicial Circuit Court in 2001. She was appointed by the Illinois Supreme Court as a Circuit Judge in 2003 and elected to that position in 2004. Judge Stuckert is a member of the Illinois Judges' Association and the DeKalb and Kane County Bar Associations. She and her husband, Michael, have three children.

Judge Stuckert made brief remarks as follows:

I was very honored and privileged to be asked today to administer the oath to the Trustees. As an undergraduate of Northern Illinois University and a graduate from the law school here at NIU as well, I am the product of the hard work and dedication that all of the administrators and educators, as well as the Board of Trustees, have given to this great institution and continued to serve. And I thank you all for your service today. It is an honor to be able to administer the oath.

In preparing to administer the oath of office, Judge Stuckert instructed Andrew Nelms to insert the words "Student Trustee" in his oath. All five Trustees repeated the following oath:

"I (name) do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Illinois and the laws thereof, and that I will faithfully discharge the duties of Trustee (Student Trustee) for the Board of Trustees of Northern Illinois University to the best of my ability."

Vice Chair Vella invited the newly installed Trustees to make brief comments.

Trustee Murer's comments were as follows:

This is a joyous occasion for me as a student, as a director on the Board of the Foundation, and now on the Board of Trustees, and it is a privilege to serve Northern Illinois University. I am honored to be part of it and to continue in this role. I have had an opportunity to work with the deans in different capacities, and that, I hope, brings a baseline of knowledge that supports the most important element of the university, which is academia. It is the academics of the university, and its people that make a university great. We are privileged to have the vision of Dr. John Peters to lead us. And I hope, as a Trustee, that over the next six years I will get to know each and everyone of you. Thank you.

Trustee Strauss's comments were as follows:

This is a great honor, and I am very excited about the opportunity that has been afforded me. I am also mindful of the fact that this opportunity comes with a great responsibility, not only to the people in this room but to all the other stakeholders of this fine institution. I want to assure you that it is my intention to do the very best I can to do the hard work with everybody here and with the other people who have been so gracious to me to improve upon what has already been done at this institution and to celebrate the accomplishments together. Thank you all, and I look forward to working with each and everyone of you.

Student Trustee Nelms' comments were as follows:

Thank you, Vice Chair Vella, for your kind words. I am humbled and pleased to have been elected by my peers to represent their interests on the Board of Trustees. I am eager to become

better acquainted with my fellow Board members and learn from their experience. Over the years, I have watched from a distance as the Board ably and successfully handled the issues before it. And our Trustees are known for their responsiveness to the interests of the students of Northern Illinois University. It is with great pride and a sense of duty to all the students of NIU that I join this Board as the Student Trustee.

Before I go any further, I would like to recognize a number of individuals who are here today. First and foremost, I would like to thank my family for their continued support and especially their patience over the years. Mom, Dad, I promise that soon I will be an alumnus of Northern Illinois University. Also, I would like to recognize a number of individuals who have helped me along the way. My mentor, James Barr, has counseled me and provided me with immeasurable knowledge over the years, all the while building an incredible bond of friendship. I am also grateful for the friendship of my immediate predecessor, Eric Johnson, who has, without a doubt, left his mark on this campus as a student and a community leader.

The NIU we know today is the culmination of more than a century of growth and progress. Originally, Altgeld Hall was the campus of Northern Illinois State Normal School. Today, it is the centerpiece of a 750 acre main campus with three branch campuses that meet the needs of the nearly 25,000 students who attend NIU. In 1895, it was the gift of \$10,000 from a local philanthropist, Jacob Haish, that allowed for the purchase of the initial library, which was housed here in Altgeld Hall on the second floor. Just recently, the Founders Memorial Library celebrated the acquisition of its two millionth volume catapulting us into the top three percent of academic libraries in the country. This is a quintessential example of the progress we have made as an institution in meeting the needs of the region and our students. As another tangible illustration of our success, students, faculty and the community have redefined Huskie pride by shattering attendance records at our sporting events. The reaction of the Board in response to the \$30 million reduction in state funding over the past three years serves as a prime example of our Trustees dedication to fulfilling NIU's core mission of providing quality education at a reasonable cost. Maintaining the high standard of research, instruction and outreach NIU provides while still insuring the affordability of an NIU degree was no easy task, but the Board held that core mission as paramount and has stayed true to it. Coupled with the stewardship of our eleventh chief executive, Dr. Peters, who is, I am certain, the only man who could convince the federal government to buy us a submarine, NIU is sure to be graduating individuals who will go on to become leaders in their field whether that be science, government or education for generations to come. It is because of this steady leadership that NIU boasts a number of nationally ranked programs and world-renowned faculty. I am excited to begin my work as Student Trustee to build on these successes. Thank you.

Trustee Siegel's comments were as follows:

It is great to be sentenced by the judge to six more years. Thank you, I could not have asked for a better sentence. This is my fourth appointment to the NIU governing board. As most of you know, I started out on the Board of Regents, and, in its 29-year history, I was the only NIU graduate to have ever served on that board. That is one of the reasons why we are so happy to have our own governing board. Once again it has been an honor to be reappointed and serve on this Board as I have done since 1994. When this term expires, it will be 17 years for me. But I could not have done this without the help and support of many people on and off this campus who have had the best interests of NIU at heart and, of course, my colleagues on the Board of Trustees. This time around, I was honored to have bipartisan support for my reappointment. There are so many to thank, but I want to especially thank the roughly 100 individual people around the NIU community who do not hold political titles or offices, who wrote letters of support to the Governor. I cannot tell you how much your support means to me, but I can say that I will continue to be available and accessible to all, and that I will continue to maintain the highest level of integrity and do the same job I have done for the past 11 years in representing NIU for the next six years.

Finally, I want to thank my family for their support. Aaron, who is no longer with us; my daughter Liz, who will graduate this December; my daughter, Alia, who just finished her freshman year at NIU; my daughter Ariel who will graduate high school next year; and to my friend Debra who is a world-renowned artist and who, when she is not painting, loves to participate in NIU events. Also, I appreciate the support of Don and Joan Scriven, former NIU faculty who have been like parents, friends and advisors for many years. Thank you.

Trustee Vella's comments were as follows:

I am pleased to be able to continue on this Board of Trustees for another six years. Later in the meeting, I will have other remarks. I am very proud of NIU and feel very privileged to serve here. I have a number of people I could thank, but I am not going to do that at this time. I do want to thank my husband, Frank, for his patience, love, help and support. Thank you very much.

Vice Chair Vella invited the other Trustees to make comments if they wished.

I would just like to say that I am certainly looking forward to working with such a fine board, Trustee Moser said. I know they realize the amount of work we have to do. It is a capable group, and I am looking forward to this term with them. Thank you.

Trustee Moser, I note with interest that with the addition of our new Board members, we now have five lawyers on the Board, Trustee Boey said. And I believe that is about the right balance, five against the two of us. I have had the pleasure from prior associations of knowing very well both Cherilyn Murer and Marc Strauss, and Andrew Nelms I have seen on many occasions. We are very fortunate in the kind of talent, skill and commitment that these people, who are willing to spend the many hours of hard work ahead, bring to this Board of Trustees. And to Eric Johnson, it has been a pleasure to see the many contributions you made as Student Trustee. But more important, I have seen you grow during this past year. I know that your future is very bright, and we wish you the very best. Welcome to Trustees Murer and Strauss and Student Trustee Nelms. Thank you.

On behalf of the entire NIU community, President Peters said, I welcome our new Trustees, Marc Strauss and Cherilyn Murer, and Andrew Nelms in July. And we welcome back for their reappointments Trustees Myron Siegel and Barbara Vella. I would like to introduce two people in the audience, Cherilyn Murer's spouse, Michael Murer, and Marc Strauss's spouse, our own Terri Smialek. Let me say to the NIU community that in my estimation, we have the best and most supportive governing board in Illinois public higher education.

I want to say, Trustee Sanchez said, how discomfited I am that I still have not met two of our new Trustees and look forward to meeting them. However, I am in Portland, Oregon and have to settle for saying welcome to the Board of Trustees. I very much look forward to getting to know the new Trustees soon. I also think that this continues a trend that started nine years ago in having a fabulously diverse and gender representative Board of Trustees. Again, I would just like to welcome you all and extend my congratulations to Barb and Myron on their reappointments, something that is very important to the university.

Thank all of you for attending this ceremony, Vice Chair Vella said. It is now concluded. I want to thank the judge for taking time from your busy day to do this for us; we really appreciate it. After a 10 minute break, we will convene our meeting.

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Vice Chair Barbara Giorgi Vella at 9:45 a.m. in the Board of Trustees Room, Room 315, Altgeld Hall at Northern Illinois University. Recording Secretary Sharon Mimms

conducted a roll call of Trustees. Members present were Trustees Robert Boey, George Moser, Cherilyn Murer, Myron Siegel, Marc Strauss, Student Trustee Eric Johnson and Vice Chair Barbara Giorgi Vella. Present via teleconference was Trustee Manuel 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

After discussion with President Peters and review of the printed revised agenda before us, Vice Chair Vella said, 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 46, Action Item 9.a.(6) and our receipt of Information Items 9.b.(3) and 9.c.(1) to that Consent Agenda. The Vice Chair asked for a motion to approve the revised meeting agenda as proposed. Trustee Strauss made a motion to approve the meeting agenda as amended. Trustee Moser seconded the motion. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

It was moved by Trustee Strauss and seconded by Trustee Murer to approve the minutes of the February 16 Special Board Meeting and the March 24, 2005 Regular Board Meeting. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Because of the length of the agenda, Vice Chair Vella said, I am not going to give my comments right now. I will refrain except to note that I am especially pleased that President Peters is bringing a salary increment package for NIU employees to the Board today for approval. As you know, competitive salaries for faculty and staff are one of our top priorities.

ELECTION OF FISCAL YEAR 2006 BOARD OFFICERS

The Vice Chair recognized Trustee Boey to nominate the Board's elected Board of Trustees officers for Fiscal Year 2006.

I would like to place into nomination the following slate of officers to be elected for Fiscal Year 2006, Trustee Boey stated:

Chair:	Barbara Giorgi Vella
Vice Chair:	Cherilyn Murer
Secretary:	Marc Strauss
Fourth Member of the Executive Committee:	Manny Sanchez
Universities Civil Service Merit Board Representative:	Marc Strauss

Allow me to add a few personal comments on this important occasion, Trustee Boey said. It is a great honor and privilege for me to nominate my colleague and good friend, Barb Vella, to chair this Board. Over the past four years, Trustee Vella has taken on some of the most daunting challenges this Board has faced. She has chaired the Finance Committee during the worst budget crisis in NIU's history. And she has chaired the Academic Affairs Committee during years of explosive growth and student demand. In all the issues that have come before us, Barb Vella has proven herself to be a strong, strategic thinker and a great consensus builder. The latter skill may be the most important requirement of all for the Chair's position. As Trustees, we all receive mounds of information to digest, and I have always been

impressed by how thoroughly Barbara Vella reviews these materials. She is extremely well prepared and always makes sure she understands the background of each and every issue on which she casts a vote. Barb's personal connections with this university run very deep. She is a graduate of our College of Law; her son is an NIU graduate; her late father, State Senator Zeke Giorgi, was a beloved friend to NIU; and her husband, Frank Vella, is a lawyer as well. Perhaps all those connections explain why Barb Vella embodies the very essence of a good leader for this Board. She has carefully studied and understands the complexity of NIU's service region and the changing nature of the student body. She understands that the political climate in which we operate now and will operate in the foreseeable future, requires NIU to become more self-supporting and less reliant on state funding. Above all else, Barb Vella places NIU and the welfare of the students ahead of all other considerations. For these and many other reasons, I am honored to nominate this slate of officers, headed by my esteemed colleague, Barbara Giorgi Vella. Thank you.

Trustee Sanchez seconded that motion. It is my distinct honor and privilege to second the nomination of this slate of officers, he said, and I am particularly taken by the fact that we now have the next generation of new officers about to be elected, about to take the leadership helm and about to continue the progress of this fabulous institution, our alma mater, Northern Illinois University. I wish I were there in person to demonstrate, as I tend to do in a very emotional way, how excited and elated I am to have the privilege of seconding this slate of officers. In particular, I deem it essential to take particular note of Barb Vella's chairship nomination. It is an historic moment for Northern Illinois University. From the beginning of NIU's Board of Trustees' start nine years ago, diversity and gender representation always distinguished NIU's Board of Trustees from all of the other boards of trustees in the state. Therefore, it is only natural that we should subsequently, in the year 2005, proudly be in a position where we are about to have the leadership of our first madam chair of our Board of Trustees. I believe that Governor Edgar, at the beginning of NIU's Board of Trustees, and subsequent governors realized how important the trustee's role is in every higher education institution. Selfishly, I focus strictly today on my alma mater, Northern Illinois University, and the pride that all of us must have in the faculty and staff, my fellow Trustees and the students of NIU in seeing this historic progression of leadership come to fruition. Myron, George, Bob and I knew nine years ago that we were being given the privilege, as Trustees, to lead a wonderful academic institution. Today, we witness the historic election of our first female chairperson of the NIU Board of Trustees. Barb, I think I speak for my fellow Trustees, including our new fellow Trustees – Cheryl, Marc and Andrew – in welcoming you, Madam Chair, as I proudly second your nomination as well as the nomination of the other members on the officers slate. Thank you.

The Vice Chair called the motion. The vote was unanimous for the proposed slate of Board of Trustees officers for Fiscal Year 2006.

Chair-Elect Vella made comments as follows:

First of all, I would like to thank the Board for their vote. I am very respectful of the trust they have placed in me. Let me say at the outset that I know I will need to fill some very big shoes – Gary Skoien, Manny Sanchez, George Moser, Bob Boey and Myron Siegel. They have all been good teachers and role models as Board Chairs and Trustees, and I hope to follow in their tradition.

What have I learned in my five and a half years about the operation of the Board? A unified Board is essential to a healthy university. In the past years, I have observed that an effective Board Chair listens to the other Trustees. I have also learned that it is important for Trustees to listen to each other. We can then agree or disagree. However, we have always tried to work toward a consensus. During my term, the Board has voted unanimously on practically all matters of substance. I am committed to a unified Board. I am committed to listening to my fellow Board members, keeping them informed and working to find common ground. I believe that all our Board members, old and new, are committed to NIU and putting their personal agendas aside; and I believe that a unified Board is essential to a strong university. I ask that my fellow Board members let me know when I am not listening to them, when we are not listening to each

other and when they are not informed. I will work to see that our Board continues to work in a unified manner.

I am committed to supporting our President. I believe it is the Board's role to develop the mission of the university, its long-range plans, oversee budgets, evaluate the quality of the programs and assess the effectiveness of our institutional operations. However, I believe that the Board delegates its authority to the President to implement these policies and plans. In the past, this Board looked to our President to exercise academic and administrative leadership. In President John Peters, I believe we have the kind of leadership that we require. Our most important job is the hiring of the president. Our second most important job is to support the President when he is doing what we asked him to do. I believe that our Board has held President Peters to a standard of excellence, and he has not let us down. I believe that a unified Board and a strong president make a strong institution. I am committed to seeing NIU grow both externally and internally. We can continue to do this if we are committed to a unified Board and a strong president. I am, and I know that my fellow Board members are.

Some of the activities which I see in the future include seeing the campus grow externally. Through the assistance of our legislative representatives, the university has an opportunity to expand and grow with the development of the Monsanto building, and I am eager to continue that process. At this time, the university is proposing to develop the site into a Family Health, Wellness and Literacy Center. This will provide teaching, research and service programs that will benefit the university and the northern Illinois region. In addition, there will be plans to develop the West Campus. I believe the Board is committed to promoting the growth of the campus.

I am committed to our work with the Foundation and its outreach to donors and alumni. I look forward to the opening of the Alumni and Visitors Center. I applaud the work of the Foundation and will work with them to promote this project. I know the Board is committed to assisting the Foundation in the development of endowed scholarships and endowed chairs. To quote Dr. Peters, "Endowment is the financial bedrock of every institution of higher learning and one of the key measures of a university's vibrancy and potential." I am committed to working to get our fair share from the State of Illinois. We know and understand there have been budget cuts and that higher education seems to be taking the brunt of these. Our college tuition has increased, and there have been increasing financial strains on our students. I know that the Board is committed to keeping costs down and to providing accessibility and accountability.

Finally, there comes a time when the chair presents her own specific vision or thoughts for the future. Let me say at the onset that I know and respect NIU's commitments to its students. I understand that we have programs in place to address the needs of our students in academic counseling, personal counseling, residential counseling and programs such as CHANCE (Counseling Help and Assistance Necessary for College Education). My own personal challenge to the university is to address our retention and dropout rates. Many institutions have become aware that we have students who are coming to us under-prepared. They are not ready for the academic challenges, they do not have the necessary financial stability and they do not have the necessary commitment to complete a four-year degree. And we all know they need that, but they need extra help. Their needs are greater and more complicated. They need assistance with finances. They need assistance with choosing their classes. More importantly, they need to understand why a college degree is important to them and to their futures. I see this as a challenge to the campus community as a whole. We do not need new programs necessarily, but we need to identify those students and develop an integrated model to address their issues. I believe that the help is here at NIU, but the under-prepared are not necessarily prepared to take advantage of this help. I am asking the assistance of the campus community – the community as a whole – to address these issues. I ask that we educate ourselves, the Board included, on all the programs that are available to our students to help them. I ask that we be ready, willing and able to offer assistance to our students. A university campus is a community working together to assist people in reaching their potential and helping them make a contribution. NIU is that kind

of campus for many of our students. We have to make it that kind of campus for all of our students, especially our under-prepared.

Thank you again for your confidence in me and all the nice words. And I look forward to working with all of you. And thank you for letting me share these thoughts with you.

Since last we met, Vice Chair Vella said, we have lost a valuable member of the NIU community, Dr. Fred Kitterle, Dean of the NIU College of Liberal Arts and Sciences and a champion of the undergraduate experience. Fred served as dean of Liberal Arts and Sciences, the university's largest college, for ten years. Fred worked to incorporate research into the undergraduate experience, established the Undergraduate Research Apprenticeship Program (URAP) which allows undergrads to obtain funding for research and work alongside faculty members. He also launched Focused Interest Groups (FIG's), which grouped general education students who are still exploring possible majors into small learning communities built around common academic themes. The NIU community mourns the loss of Fred Kitterle, and this Board extends its sympathy to his wife Janet, his daughter Kristine and his grandson Benjamin.

I want to welcome University Advisory Committee representatives who may be present this morning: Dr. Paul Stoddard, Dr. Joseph Stephen, Dr. Xueshu Song, Dr. Ferald Bryan, Ms. Shey Lowman and Ms. Donna Smith. Thank you for coming. Vice Chair Vella invited Dr. Stoddard to make comments.

I would like to echo the Vice Chair's comments regarding Dean Kitterle, Dr. Stoddard said. As a member of the College of LA&S, I know he brought many innovative ideas to the college and was definitely a champion of undergraduate education. And those ideas, hopefully, will be able to continue. Also, you alluded earlier to the salary increment that the Board will be voting on today. Considering the pension situation in Springfield, a salary increment at this time is a great reinforcement to the faculty and staff of NIU. It is tangible evidence that people do value our contributions. It will help keep us competitive in attracting talented new people here. And it will help maintain the positive morale on campus among faculty and staff.

I would like to thank the Trustees for their efforts in Springfield on behalf of NIU and higher education. We all know how dedicated all of you are to this institution, the students and the staff and faculty. I would like to join Dr. Stoddard in thanking you for your support of President Peters' longstanding commitment to making salaries for staff and faculty competitive and for considering this year's salary increments. We know how hard President Peters, Dr. Williams and the rest of the administration have worked to be able to offer increments. During these years of reduced or flat budgets, we greatly appreciate their efforts and your as well. Thank you. Dr. Stoddard added his congratulations to the newly elected Board officers, to Trustees Vella and Siegel on their reappointments, and to the new Trustees on their appointments.

PUBLIC COMMENT

The Vice 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.

MEETING AGENDA REVISION

A motion by Trustee Siegel to move Agenda Item 10.b. for immediate consideration by the Board was seconded by Student Trustee Johnson. The motion was approved.

Agenda Item 10.b. – Resolution – Former Chair Gary J. Skoien

Agenda Item 10.b. contains a resolution honoring Gary Skoien, our former chair, for his distinguished service to this Board, Vice Chair Vella said. Gary has been a great colleague and a Trustee of this Board

for over six years. He has served as our chair for the past two years, and I know that we have all relied upon his strong and valuable leadership as chair. On behalf of my colleagues, I request a motion to approve this Resolution honoring Gary Skoien's distinguished service to Northern Illinois University and to its Board of Trustees.

Serving with Gary has been a great pleasure, Trustee Moser said. Gary, we are going to miss you, very much, and I wish you the best in the future.

I want to say publicly what everybody knows privately, Trustee Sanchez said, and that is that Gary is owed a great debt of gratitude for his fabulous commitment to NIU and most recently for his leadership as Chair of our Board. It is the kind of leadership that I know, Madam Chair, you will continue as well. He has not publicly received the kind of accolades that he is worthy of for the fabulous commitment he has made throughout his tenure as a Trustee of NIU. So, I am delighted to speak as a proponent of this resolution.

Gary, I cannot tell you what a hole you will leave on this Board, Trustee Siegel said. Fortunately, we have three new very qualified members, but your experience on the Capital Development Board, your experience politically, your experience with all that you brought to the Board will be greatly missed. I do not think the general public understood what a wealth of background you had, how well you fit into this Board and how dedicated you have been. Gary is not an alumnus of NIU, but you would not have known it. He deserves the support and thanks of the entire NIU community. Gary, words cannot express what we all think of the job you did. You did a great job. And we hope that we will continue to see you around NIU with Enny and your children at our football games and other events. I know you have a busy plate, but please don't be a stranger. Those of you who know anything about Gary know that time is a very valuable resource of Gary's, and he gave us a lot of his time. Thank you.

I will not be redundant and repeat all those truthful things that the other Trustees have said to you, Gary, Trustee Boey said. So I will just add my thanks for the great service you have given to this Board, both as a Trustee and as its chair. I certainly understood what you went through and the remarkable expertise you had in guiding this Board in its ultimate compromises and consensus on some issues. We will miss you, obviously. But I think that Enny, at home, is applauding this moment. Other than the achievements that you have shown in your chairship, Gary, the other greatest improvement I have seen is in your golf game. I do not know how you find the time to do that. But thank you for your leadership, thank you for all the accomplishments, and Godspeed.

Former Chair Skoien, Student Trustee Johnson added, as a student coming in, it was very nice to be welcomed by all the Board members, but especially the Chair of the Board. I have had the privilege of working with you both on the Board and in other endeavors and look forward to working with you in the future. You have been a great asset to the students of NIU.

Gary, on behalf of the NIU community, administration, faculty and staff, President Peters said, I want to thank you for your service. You have left a mark. You have made a difference. And I have enjoyed your support and your friendship. When I think of Gary Skoien, my mind goes back to a moment a few years ago when we were riding on a bus from the Tuscaloosa stadium to the airport. Gary had represented the Board on that trip, and he had his young son with him. We were riding through a gauntlet of Alabamans who were pleased that we were leaving. But Gary looked at me and said, "This is really big time isn't it?" That sums up Gary Skoien. Thank you, Gary.

Vice Chair Vella asked for a motion to approve the Distinguished Service Resolution honoring Former Chair Gary Skoien. Trustee Moser so moved, seconded by Trustee Boey. The motion was approved.

RESOLUTION – FORMER CHAIR GARY J. SKOIEN
Distinguished Service to Northern Illinois University Board of Trustees

WHEREAS, Gary J. Skoien has faithfully served as a member of the Northern Illinois University Board of Trustees since 1999; and

WHEREAS, prior to his election as Chair of the Board of Trustees in 2003, Gary Skoien served as the Board's vice chair for two years and as a member of the Finance, Facilities and Operations and Legislation, Audit and External Affairs Committees of the Board; and

WHEREAS, Gary Skoien invested significant amounts of valuable time and energy in service to the Board of Trustees and the students, faculty, staff and administration at Northern Illinois University for over six years; and

WHEREAS, we as his colleagues on the Board of Trustees want to express our appreciation for his six years of service to the NIU community and his leadership of the Board in recognizing and reacting to the development of a highly volatile funding environment for public higher education; and

WHEREAS, Gary Skoien led the effort on the Board to develop an agenda that helped Northern Illinois University to realize many of its larger goals, despite historical funding reductions from the state, including renewed work on the West Campus Development plan, enhancing NIU's advocacy role in public higher education in Springfield and Washington, and stepping up private fundraising efforts; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of Northern Illinois University in formal meeting herein assembled, extends its grateful appreciation to Gary J. Skoien for his distinguished service to Northern Illinois University, its Board of Trustees and its students, faculty staff and administration.

BE IT FURTHER RESOLVED that this **RESOLUTION** be presented to Gary J. Skoien and a copy of this document be placed in the official files of the Board of Trustees as part of the permanent record of the university and the great state of Illinois and as a lasting tribute to the accomplishments of Gary J. Skoien.

Adopted in a regular meeting assembled this **16th** day of **June, 2005**.

**BOARD OF TRUSTEES OF
NORTHERN ILLINOIS UNIVERSITY**

Chair

Attest: _____
Secretary



(SEAL)

I would like to say that Gary is a great guy, Vice Chair Vella said. It has been wonderful working with him. He is a very kind, real human being; and he is a very good role model.

Former Chair Skoien's remarks were as follows:

You know, this is not what these folks used to say about me in Executive Session. But this is all public. Bob mentioned golf, and I am disappointed about leaving the Board because I was hoping this summer to show Bob, John and Manny how this pacemaker has improved my backswing – it slowed it down.

I had a number of thoughts about what I was going to say here, but I was really kind of taken aback by everything I just heard. And what Manny said about not being an alumnus is absolutely

true. I have cherished my involvement with NIU for a number of reasons. It is a terrific institution, all of you know that. But coming from the outside, it is kind of easier to look at it with an unbiased eye and understand what it is all about. Secondly, I have over time served on corporate, government and civic boards, and there is not a better board that I have served with. Every one of these individuals is the highest caliber and the highest quality, and I have heard the same thing about the newly appointed trustees. You really do not know how lucky you are to have that kind of quality. John has done an absolutely outstanding job leading the university over the last five years. He is terrific, and you are lucky to have him.

For me, this, above all, has been a privilege. I don't know what great things I did, but I appreciate all the kind words. It was a privilege for me to have a chance to work with all of you on this fine Board and to work with this administration. I am going to miss it. I was supposed to come a little later today, but my second son has a gymnastics program that I need to go see. So, I am going from higher education to lower education, but that is very important to me. Actually, I joined the Board twice, but that's another long story. But both times that I joined the Board, I said there are two things in my life that have been the most important in shaping it and in helping me. Number one, of course, was a very supportive family, and number two was my education. My education was absolutely critical to what I have been able to do and what I have enjoyed doing in my life. And NIU, hopefully, will provide that same thing to thousands and thousands of people as it has in the past. I wish you all the best. I am going to show up again. In fact, I wanted to get a ticket to the Michigan game. I am a graduate of Michigan, but I am going to be rooting for Northern. Thank you very much.

REPORTS OF BOARD COMMITTEES AND BOARD LIAISONS

Executive Committee

There was no report from the Executive Committee.

Academic Affairs and Student Affairs Committee

Committee Chair Robert Boey reported that the Academic Affairs, Student Affairs and Personnel Committee met on Wednesday, June 1. The following action items were discussed and approved: Recommendations for Faculty Promotions, Tenure, and Promotions with Tenure for the 2005-2006 Academic Year; three appointments with rank and tenure to two new department chairs and one faculty member; and three administrative appointments – a new Dean of the College of Engineering and Engineering Technology, an Acting Dean of the College of Liberal Arts and Sciences, and an Interim Dean of the College of Business; and an information item, the 2004-2005 Program Review Summary.

Finance, Facilities and Operations Committee

Committee Chair Barbara Giorgi Vella reported that the Finance, Facilities and Operations Committee met on Wednesday, June 1, and the following action items are being presented for Board consideration and approval: Budget Guidelines for Fiscal Year 2007; Fiscal Year 2006 Internal Operating Budget Interim Approval; Fiscal Year 2006 Tuition Recommendations; Fiscal Year 2006 NIU Foundation Professional Services Contract; College of Engineering and Engineering Technology Research Survey; and Grant Towers Student Lounge Furniture and Equipment. The following information items are also brought for Board review: Report of Transactions in Excess of \$100,000, Report on Investments, Report on Active Capital Projects with a Budget over \$100,000; Fiscal Year 2005 and 2006 Appropriated Budget Updates; and the Student System Replacement Project Update.

Legislation, Audit, and External Affairs Committee

The LAEA Committee has not met since the last Board of Trustees meeting, Committee Chair Myron Siegel said, but there are many things to report. As I have previously reported, following the example set by Trustee Moser when he first chaired this committee in 1996, the committee has continued to stress a goal of zero material audit findings and made it clear that audit findings will not be tolerated. To

assist the administration and the internal auditor, we passed legislation to give the President an enforcement mechanism. This year, the outside auditors reported zero material audit findings. This is a compliment to all involved, and I want once again to recognize the fine work of Keith Jackson, Bob Albanese, and Sharon Downen and her staff. As part of the compliance requirements, I met with the outside auditors on June 1 to answer questions about our procedures and processes. Also in attendance at the meeting were Ken Davidson and Kathy Buettner. I explained to them that as Chair of LAEA, I received a monthly status report on all existing audits and reviews and that if there is anything of substance, we investigate it further. I also explained to the auditor that the committee has in the past and will in the future bring people in to answer questions about audit and compliance issues that the committee or its chair deem worthy of investigation. I also explained that the first act this Board took after approving the regulatory documents was to pass a strict ethics and conflicts of interest legislation applicable to the Trustees and all senior administrators. The outside auditors were pleased at how effective and professional our Board operated. Any questions the auditor had were answered completely and satisfactorily. However, with changes in the state ethics law, we will be reviewing the current Board Conflict of Interest and Ethics legislation to make sure it continues to be stronger and stricter than the state requires.

I met with Jim Kaplan, the Illinois Board of Higher Education chair, this summer, and I believe we made some progress with the IBHE in pushing the NIU agenda. As money becomes available, I am hopeful we will start to see a shift in our favor for capital funds.

I was in Springfield several days this year and met with many of the state representatives and senators, gave testimony and answered questions before the various appropriations committees. I made a special effort with the Senate to review House Bill 476 and its affect on our ability to raise money from donors. I am pleased to report that House Bill 476 remained in the Senate Rules Committee. And hopefully, if it is brought back next year, we can work with the legislature on drafting a bill that meets their needs without adversely impacting ours. The Board of Trustees, President Peters and the administration continue to be well respected by the legislature, in large part due to the efforts of our External Relations people, Kathy Buettner and Ken Zehnder. Ken will be giving a report later during the meeting about specific budget and appropriation issues in Springfield. Our committee will meet after veto session in late August.

Illinois Board of Higher Education

There was no report from the Illinois Board of Higher Education.

University Civil Service Merit Board

The Universities Civil Service Merit Board met on May 18, Board Liaison Barbara Giorgi Vella reported, and I represented NIU telephonically. There was one discharge hearing on an employee from the University of Illinois in Chicago. We authorized our budget; made some changes to our bylaws; authorized our errors and omissions insurance; and received some reports. We now have an in-house legal counsel, Mary Follmer, and we do not have the law offices and external legal representation. Our next meeting is scheduled for August 17 at the University of Illinois at Chicago.

Northern Illinois University Foundation

First, Trustee Boey said, I want to make note that Trustee Murer and I will be co-liaisons from the Board to the Foundation. He then asked Mallory Simpson, President of the Foundation to give the report.

I add my congratulations to the new and renewing Trustees and to Chair-Elect Vella, Ms. Simpson said. It has been a busy spring. We have been wrapping up one facility campaign; at the same time, we have publicly launched another. And I'll give you some specifics on those in a moment.

First I want to tell you where we are overall in development, Ms. Simpson said. Total gifts received this year to date are roughly \$7.2 million with a goal of \$11.2 million. Yearend is always very packed, and we have a lot of things in the pipeline. I am especially pleased this year to see that our annual fund is up

12 percent this year. As you know, we are conducting a comprehensive, all-alumni solicitation during our Bricks Campaign for the Barsema Alumni and Visitors Center. Ms. Simpson recognized Shannon Taylor for the hard work she and her team have done to make sure the Bricks Campaign did not erode annual fund support for the university's academic departments. It is a tremendous accomplishment to grow the annual fund at the same time that we are conducting a special campaign, she said. Shannon and her team have raised \$320,000 through the Bricks Campaign this year, and that will continue through next year. Total gifts for the Alumni and Visitors Center are nearly \$5.8 million, just shy of a \$6.2 million goal. Our staff objective is to reach the \$6.2 million by the end of this month. I would also like to acknowledge Alberta Solfisburg's effective leadership in this campaign as well as the Academic and Athletic Performance Campaign, which kicked off on April 24 with a goal of \$7 million. During a two and a half year quiet leadership phase, we have raised more than \$5.1 million. I was going to spend a little more time telling you about some of those major gifts, but the two key players, Jim Phillips and Tim Stedman, are on the road working with donors, so I will save that for another meeting. I am proud to say that between our two capital projects alone 30 donors in the last two and a half years have committed gifts of \$100,000 or more.

You may recall that at the March meeting I told you about the remarkable relationship Dean Fred Kitterle had forged with a member of his advisory board and prominent NIU alumnus, Ray Smerge, which resulted in two \$25,000 gifts and a gift of \$50,000 from Mr. Smerge's corporation in honor of his retirement. I received the following note in the mail this week:

Dear Mallory,

Here's our check for \$100,000 to honor the memory and legacy of Fred Kitterle. Pat and I are lucky to have been friends with this remarkable man and inspiring leader. We hope this gift will keep Fred's memory alive at Northern.

Ray Smerge

So, out of this great loss to the university family comes hope for many generations of students who need help to achieve the dream of a college education through the establishment of an endowed scholarship to support students in need. Thank you.

After an inquiry from Trustee Siegel, Ms. Simpson reported that Foundation staff member John Bass had a health emergency a couple of weeks ago, had major surgery and is recuperating well at home.

EXECUTIVE SESSION

Vice Chair Vella asked for a motion to close the public meeting to conduct an executive session to discuss the following subjects authorized by the Illinois Open Meetings Act: personnel matters as generally described under §2(c)(1) and (3) of the Open Meetings Act, litigation and risk management matters as generally described under §2(c)(11) and (12) of the Open Meetings Act, property matters as generally described under §2(c)(5) and (6) of the Open Meetings Act, Executive Session Minutes matters are generally described under §2(c)(21) of the Open Meetings Act. Trustee Sanchez so moved, seconded by Trustee Strauss. A roll call vote of the Trustees to recess to Executive Session was unanimous.

BOARD OF TRUSTEES MEETING RECONVENED

Vice Chair Vella reconvened the public meeting of the Board of Trustees at approximately 11:32 a.m. Members present were Trustees Robert Boey, Cheryl Murer, Myron Siegel, Marc Strauss, Student Trustee Eric Johnson and Vice Chair Barbara Giorgi Vella. Trustee Manuel Sanchez rejoined the meeting in progress via teleconference.

CONSENT AGENDA APPROVAL

Vice Chair Vella asked for a motion to approve the items earlier placed on the consent agenda, which include President's Report No. 46 Action Item 9.a.(6) and our receipt of Information Items 9.b.(3) and 9.c.(1). Trustee Strauss so moved, seconded by Trustee Murer.

Vice Chair Vella requested that Parliamentarian Kenneth Davidson briefly identify the items being considered for the consent agenda to be followed by an opportunity for discussion before taking a vote. There are only three items on the consent agenda, Mr. Davidson reported: Action Item 9.a.(6), Grant Towers Student Lounge Furniture and Equipment; Information Item 9.b.(3); 2004-2005 Program Review Summary; and Information Item 9.c.(1), Summary of Grants and Contract Awards. The motion to approve the consent agenda items under consideration was unanimously approved.

PRESIDENT'S REPORT NO. 46

UNIVERSITY RECOMMENDATIONS FORWARDED BY THE BOARD COMMITTEES

Good afternoon and congratulations to our newly elected chair, Barbara Vella, who will take over those duties in July, President Peters said. Congratulations to our newly appointed Trustees, Marc Strauss and Cherilyn Murer, and congratulations to both Myron Siegel and Barbara Vella on their reappointments. I am going to forego my remarks given the length of the agenda and go right to the action items on the President's Report.

Agenda Item 9.a.(1) – Fiscal Year 2007 Budget Guidelines

As required every year by state statute, the President said, the university must set the Fiscal Year 2007 budget guidelines. They are essentially the same as last year. The chart on page 21 shows what was proposed last year as well as the final disposition by the Governor and the legislature. We are sticking with our priorities, which include salary increases, a utility increase, price increases and money for new faculty. Vice Chair Vella asked for a motion to approve the Fiscal Year 2007 Budget Guidelines. Trustee Siegel so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 9.a.(2) – Fiscal Year 2006 Internal Operating Budget and Guidelines

This Interim Operating Budget approval is required, the President said. It also includes our authority to provide a much needed and deserved salary increment for our employee groups. That proposal, in general, calls for a four percent salary increase for each employee group broken down as specified.

For faculty: three percent effective at the beginning of their contract period, which for most is August 16, and that three percent is broken down by a two percent average merit increment and then one percent allocated for critical retention and long-term merit. Then in January, assuming the budget holds, we will add an additional one percent based upon critical retention and long-term merit.

For supportive staff and exempt civil service: a similar structure of a three percent increment effective July 1 or whenever the contract period begins. Two percent of that is an average merit increment. For SPS staff, one percent on the basis of critical retention, long-term merit and increase in job responsibilities because some of our folks have picked up the duties of other individuals as jobs have contracted. For exempt civil service, the one percent will be across the board. Then, in January, if the budget holds, an additional one percent distributed in the same method as just outlined.

Finally, for hourly civil service: A three percent total increment effective July 1, allocated in an across-the-board manner. Then, in January, if the budget holds, up to an additional one percent across the board.

This is very good news for our faculty, the President said. I want to thank all the administrative staff – Dr. Williams and his group, and Fred Schwantes from the Provost's group and Steve Cunningham – for

coming up with the best possible salary increment proposal. I wish it could be more. But it is your priority and my top priority to keep pace competitively with salary increases.

Vice Chair Vella asked for a motion to approve the Fiscal Year 2006 Internal Operating Budget and Guidelines. Trustee Boey so moved, seconded by Trustee Strauss. A roll call vote on the motion was as follows:

Trustee Boey	Yes	Trustee Murer	Yes
Trustee Siegel	Yes	Student Trustee Johnson	Yes
Trustee Strauss	Present	Vice Chair Vella	Yes

Trustee Strauss noted that he voted Present not because of disinterest, but because of potential family conflict. The motion was approved.

Agenda Item 9.a.(3) – Fiscal Year 2006 Tuition Recommendations

Given the fact that we are in another year of a flat state budget, President Peters said, we have carefully assessed our instructional and other needs, including the need for a salary increase, and we have set tuition rates. Because of the complexities involved in the Truth in Tuition Act, there are differential rates. Truth in tuition for all entering freshmen, beginning in Fiscal Year 2005, means the tuition rate that is set when they enter as freshmen is in effect for eight semesters, plus NIU is granting one grace semester. So that means new freshmen receive nine semesters at a fixed, predictable tuition rate. We are setting the rate for new students next year at an increase of 9.75 percent, which is similar to other state universities. For continuing degree-seeking students who are not covered under Truth in Tuition, the increase will be 6.75 percent. And I think that is a lower continuing tuition increase than any other state university, the President commented. Graduate and law school increases are 6.75 percent. We never like to recommend tuition increases, but this is needed.

Although this comes from my Committee, the Finance, Facilities and Operations Committee, Vice Chair Vella said, none of us likes to see an increase in tuition. However, we have these flat budgets coming from the State of Illinois, and we understand they are also having problems. This is a very difficult situation. But we have to have quality here at this university and deliver the best product that we can. It is always hard for us to vote on these tuition increases, but we feel we have no other choice here.

As we said in our committee meeting, Trustee Boey said, when we first established our Board of Trustees in 1996, the ratio of the appropriated General Revenue Fund to the total budget was about 80 percent. Now, it is less than one-half of that at 33 percent. State support has shrunk from 80 percent to 33 percent. Somewhere along the way, the gap has to be closed in order to maintain quality. I am not so old that I have forgotten my college days and the burden of tuition. So, I share Vice Chair Vella's feeling of hating to increase tuition. But that is a reality of life right now. At the same time, the typical tuition, room and board today at NIU is about \$14,000. Compare that to any of the other universities, private or otherwise. To get a quality, four-year degree from NIU at that rate really means something. So I support this tuition increase.

I want to commend Dr. Williams and his staff, Student Trustee Johnson said. In addition to the year-to-year problems that the university has been facing, we are forced to predict four years in advance what is going to happen with budgets and enrollments. And putting these numbers together is not easy, especially, when we do not know whether or not we are going to lose more from the Governor or in veto session. Although it is never easy to vote to raise tuition, this is definitely needed to keep the university funded at levels that allow for faculty and staff to continue doing the good job that they are.

Vice Chair Vella asked for a motion to approve the Fiscal Year 2006 Tuition Recommendations. Trustee Murer so moved, seconded by Trustee Boey. The motion was approved with Trustee Siegel voting Present.

Agenda Item 9.a.(4) – Fiscal Year 2006 NIU Foundation Professional Services Contract

The Fiscal Year 2006 NIU Foundation Professional Services Contract is the annual renewal of our contractual services with the NIU Foundation, President Peters reported. The contract agreement is required by Legislative Audit Commission guidelines. The \$523,000 contract amount is offset by a Foundation payment to the university for personal services, fringe benefits, administrative services, etc. Vice Chair Vella asked for a motion to approve the fiscal Year 2006 NIU Foundation Professional Services Contract. Trustee Strauss so moved, seconded by Student Trustee Johnson. Trustees Boey and Murer recused themselves from the vote since they are both members of the NIU Foundation Board of Directors.

Vice Chair Vella asked for a roll call vote to approve the Fiscal Year 2006 NIU Foundation Professional Services Contract. (Although not present for the roll call due to technical difficulties with telephone service from Portland, Oregon, Trustee Sanchez requested later in the meeting that he be registered in support of this motion.) The vote was as follows:

Trustee Boey	Present	Trustee Strauss	Yes
Trustee Murer	Present	Student Trustee Johnson	Yes
Trustee Sanchez	Yes	Vice Chair Vella	Yes
Trustee Siegel	Yes		

The motion was approved with five voting Yes and two voting Present.

Agenda Item 9.a.(5) – College of Engineering and Engineering Technology Research Survey

This is a very exciting research project in the College of Engineering and Engineering Technology, which has received a major federal grant for its ROCK (Rapid Optimization of Commercial Knowledge) program, the President said. This request is to sole source a contract with the Center for Tribology in order to provide its \$1.1 million contract. This is a pass-through to this firm for the application of coatings to military vehicles. Vice Chair Vella asked for a motion to approve the College of Engineering and Engineering Technology Research Survey request. Trustee Siegel so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 9.a.(6) – Grant Towers Student Lounge Furniture and Equipment

Consent Agenda Item.

Agenda Item 9.a.(7) – Recommendations for Faculty Promotions, Tenure, and Promotions with Tenure for the 2005-2006 Academic Year

This item is the annual approval of the recommendations that have come forward after a long deliberative and consultive process, through the academic ranks, from the Provost through the Board’s Academic Affairs Committee to the Board of Trustees for faculty promotions, tenure, and promotions with tenure, the President said. The list is smaller than it normally is because of the contraction of our faculty recently. This is a rigorous process. These individuals have met the test, and I am extremely pleased to bring these faculty forward as listed for promotion, tenure, and promotion with tenure.

Vice Chair Vella asked for a motion to approve the Recommendations for Faculty Promotions, Tenure, and Promotions with Tenure for the 2005-2006 Academic Year. Trustee Boey so moved, seconded by Trustee Murer. Student Trustee Johnson noted that Board *Bylaws* prohibit the student trustee from casting a vote on this item. The roll call vote was as follows:

Trustee Boey	Yes	Trustee Strauss	Yes
Trustee Murer	Yes	Student Trustee Johnson	Present
Trustee Sanchez	--	Vice Chair Vella	Yes
Trustee Siegel	Yes		

The motion was approved with five voting Yes and one voting Present.

Agenda Item 9.a.(8) – Appointments with Rank and Tenure

We are requesting that the Board of Trustees grant tenure to three experienced individuals who will be joining the university, two in administrative professorial capacities and the other as a full professor, President Peters said. Steven Ralston, with the rank of professor, will chair the Department of Communication effective July 1. His biographical statement is attached. Kurt Michael Thurmaier is being appointed to the rank of Professor in our prestigious Division of Public Administration. And Deborah Holdstein, with the rank of Professor, will chair the Department of English. These are outstanding individuals. They have achieved academic tenure at other universities, and it is only appropriate that we consider their tenure at this time, the President concluded.

Vice Chair Vella asked for a motion to approve the appointments with rank and tenure of Drs. Steven Ralston, Kurt Thurmaier and Deborah Holdstein. A roll call vote was as follows:

Trustee Boey	Yes	Trustee Strauss	Yes
Trustee Murer	Yes	Student Trustee Johnson	Present
Trustee Sanchez	--	Vice Chair Vella	Yes
Trustee Siegel	Yes		

The motion was approved with five voting Yes and one voting Present.

Agenda Item 9.a.(9) – Appointment of the Dean of the College of Engineering and Engineering Technology

After a very long, thorough and appropriate search, the Provost has recommended the appointment of Dr. Promod Vohra to be Dean of the College of Engineering and Engineering Technology, the President said. Dr. Vohra is well known to our academic community. He has served us well for many years as a professor and as interim dean, and he emerged to be selected from a very strong national field.

I know that I can vote yes on this motion, Student Trustee Johnson said, and will enthusiastically do so. As I said during the committee meeting, this year there were not many items that students called the student trustee about. Most of the calls had to do with complaints on fees or other such items, but the one positive thing that students kept calling about was Dr. Vohra being made Dean of the College of Engineering. And I hope that as we go forward with searches for Business and Liberal Arts and Sciences that we recruit the caliber of candidate that we have in Dr. Vohra.

I would like to say that Dr. Vohra is an excellent administrator, Trustee Siegel said. He is dedicated, he is deserving, he has the best interests of NIU at heart, and it was a solid decision for the College of Engineering and Engineering Technology. I believe that Dr. Vohra is the best choice for Dean of the College of Engineering.

I have known the dean for many years, Trustee Boey said, and have seen the accomplishments and the growth of Dr. Vohra through the years. Everything that is possible has been said many times over, so I will only say this: I have great confidence and am extremely comfortable voting for Dr. Vohra to be the permanent dean.

The dean has always been very gracious to anyone who comes to the university, Trustee Murer said, and when I first joined the Foundation Board, he extended himself to me as a Foundation Board member and graciously showed the Foundation the Engineering department. I think this is a wonderful accomplishment, not only for the dean himself, but also for the university.

Vice Chair Vella asked for a motion to approve the appointment of Dr. Promod Vohra as Dean of the College of Engineering and Engineering Technology. Trustee Siegel so moved, seconded by Student Trustee Johnson. The motion was approved.

Agenda Item 9.a.(10) - Appointment of the Acting Dean of the College of Liberal Arts and Sciences

We have a vacancy in the deanship of the College of Liberal Arts and Sciences due to the tragic death of our beloved Dean Kitterle. Fortunately, there is an outstanding individual who has served the college well in many capacities for many years, and that is Dr. Joseph Grusch. He has the unanimous support of the Provost, the college councils and the faculty. And I ask you to affirm the appointment of Dr. Joseph Grusch as Acting Dean of the College of Liberal Arts and Sciences. I echo what Dr. Peters just said, Trustee Boey commented. I also have extreme confidence in Dr. Grusch and feel we are fortunate to have such a great replacement at this particular time.

Vice Chair Vella asked for a motion to approve the appointment of Dr. Joseph Grusch as Acting Dean of the College of Liberal Arts and Sciences. Trustee Boey so moved, seconded by Trustee Strauss. The motion was approved.

Agenda Item 9.a.(11) – Appointment of the Interim Dean of the College of Business

The appointment of Interim Dean of College of Business would be effective as of June 30, President Peters said. David Graf, dean of the college, is retiring. We have an ongoing national search for a dean of business, but we need to appoint an interim dean of the College of Business that would be effective June 30. Again, we have another outstanding individual who we can appoint with great confidence, and that is Dr. William Tallon.

Vice Chair Vella asked for a motion to approve the appointment of Dr. William Tallon as Interim Dean of the College of Business. Trustee Siegel so moved, seconded by Trustee Boey. The motion was approved.

UNIVERSITY REPORTS FORWARDED FROM THE BOARD COMMITTEES

Agenda Item 9.b.(1) – Fiscal Years 2005 and 2006 Appropriated Budget Updates

President Peters asked Ken Zehnder, Assistant Director-External Affairs and Economic Development, to give a brief report on the Fiscal Year 2005-2006 appropriated Budget.

Mr. Zehnder reported that the General Assembly concluded their regular session at the end of May, just a few days after the adjournment date. The budget bill that was signed by Governor Blagojevich last week contained \$2.2 billion for all of higher education, which represents a two-tenths of one percent increase.

For the second year in a row, there was no capital bill, Mr. Zehnder said, only some rollover reappropriations from prior years. That means there was no new deferred maintenance money and no funding for the projects on our IBHE capital list. There were a total of 7,140 bills and resolutions introduced this year, 715 of which passed both chambers. Of the 95 of those on our tracking list that had significant impact on NIU, 29 passed. Some of the subject areas were students in military service status; course transferability; athletic trainers licensing; teacher certification; ticket scalping reforms, which impacts the convocation center; student registration information – we have to put voter registration information in our mailings; privacy issues; and open meeting requirements. Some of those bills have not yet reached the Governor's desk, but we anticipate he will be signing, if not amending, most of those.

As mentioned earlier, Mr. Zehnder said, what often happens is the bills that do not pass are of more importance to us than those that do, such as House Bill 476, the Naming Rights Bill, impacting the Foundation, which did not get out of Senate committee. Another was Senate Bill 131 which would have permitted a community college in our service area to grant baccalaureate degrees. This did not get out of the chamber of origination. These bills and a summary and their status can be obtained by going to the NIU web site, Office of External Affairs and Economic Development, and keying on legislative

updates. A full summary of all the bills we are tracking is there along with links to the General Assembly web page where you will find the full text of each bill.

Agenda Item 9.b.(2) – Student System Replacement Project Update

As the Board knows, Dr. Williams said, we have been in the process of evaluating the effects of the Oracle's hostile takeover of PeopleSoft and the impact on our pending purchase of a new student system. The student system deals with registration, eliminates the use of social security numbers and has many other fundamental qualities, provisions and benefits that we need. This is a major acquisition for us. We are in the process of negotiating with two vendors on how we should proceed. I would like to commend Steve Pace, who has become our chief negotiator. He has sliced millions of dollars off of the proposals for these systems.

We are not prepared at this point to present a proposal. We are working on reducing and investigating other costs that might be connected or associated with any one of the two choices before us. For example, one choice may require us to add air conditioning and ventilation systems to one of our rooms so that the required equipment can be properly accommodated. What we would ask, Madam Vice Chair, is that the Board be receptive to information on this possible transaction over the summer. If we are able conclude our negotiations and provide a favorable recommendation to you, we will certainly want to have the opportunity to share that information and move forward with deliberations on the proposals. We thank you for your patience with this. We are at a major crossroad and want to make sure we are taking the proper steps. We do not want to expose the university to future losses because of a system that will not either meet our specifications or that will not be available on the market after five years. We will keep you apprised and look forward to providing you with information this summer.

Agenda Item 9.b.(3) – 2004-2005 Program Review Summary

Consent Agenda Item.

ITEMS DIRECTLY FROM THE PRESIDENT

Agenda Item 9.c.(1) – Grant and Contract Awards

Consent Agenda Item.

CHAIR'S REPORT NO. 32

Agenda Item 10.a. – Executive Session Minutes Release

The Illinois Open Meetings Act requires public bodies to review the minutes of their executive sessions on a semiannual basis and determine what part of the minutes they should make available to the public because they no longer require confidential treatment, Vice Chair Vella said. Accordingly, Item 10.a. is proposed for compliance with the legal requirement by taking action upon the duly approved executive session minutes of January 1996 through March 2005 of either the full Board of Trustees or standing committees of the Board which have not previously been released from confidentiality. Upon review and advice of the Board's General Counsel, I, as presiding officer, recommend that we approve 10.a. and release from confidentiality specified sections of the executive session minutes as reviewed and advised above. Those sections, if any, which are still subject to confidentiality, together with sections from subsequent meetings, will be considered again in approximately six months. Vice Chair Vella asked for a motion to approve the Executive Session Minutes Release. Trustee Sanchez so moved, seconded by Trustee Siegel. The motion was approved.

Agenda Item 10.c. – Resolution - Student Trustee Eric J. Johnson

Agenda Item 10.c. contains a resolution honoring our outgoing Student Trustee, Eric Johnson. I want to personally thank Eric again for his leadership and outstanding service to this Board of Trustees, Vice Chair Vella said. You have been a valued member of this Board and an excellent representative for the students. Their viewpoints have been heard because of your insight and perspective, and you did an

outstanding job. On behalf of my colleagues, I request a motion to approve the Resolution before you today honoring Eric Johnson's contributions to the Board. Trustee Boey so moved, seconded by Trustee Siegel. On behalf of my colleagues, I request a motion to approve the Resolution before you today honoring Eric Johnson's contributions to the Board. Trustee Boey so moved, seconded by Trustee Siegel. The motion was approved.

The Resolution was as follows:

RESOLUTION – STUDENT TRUSTEE ERIC J. JOHNSON

WHEREAS, Eric J. Johnson has faithfully served as a student member of the Northern Illinois University Board of Trustees for the year ending June 30, 2005; and

WHEREAS, prior to his election as student trustee in 2004, Eric J. Johnson served as chief justice of the Student Association Supreme Court, capping four years of service to the Student Association at Northern Illinois University; and

WHEREAS, Eric Johnson invested much time and energy in his studies as a Political Science major at Northern Illinois University as well as in service to students, contributing valuable insight and information to the Board of Trustees regarding the student perspective on the rising costs of textbooks, promoting campus diversity and striving to maintain NIU's affordability despite major budget reductions from the state; and

WHEREAS, we as his colleagues on the Board of Trustees want to express our appreciation for his service to the NIU students and community; and

WHEREAS, we are proud of his May 2005 graduation from Northern Illinois University with a Bachelor of Arts in Political Science and are pleased his leadership skills extended not only to students and to the Board of Trustees but also to the DeKalb County Board where he has been elected to represent the residents of County Board District #6; and

WHEREAS, Eric J. Johnson has led by example and been involved in the political process, serving in the NIU College Republican organization, as well as being elected state chairman for the Illinois College Republican Federation;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of Northern Illinois University in formal meeting herein assembled, extends its grateful appreciation to Eric J. Johnson for his leadership and service to Northern Illinois University students, the Board of Trustees and the DeKalb community.

BE IT FURTHER RESOLVED that this **RESOLUTION** be presented to Eric J. Johnson and a copy of this document be placed in the official files of the Board of Trustees as part of the permanent record of the university and the great state of Illinois and as a lasting tribute to the accomplishments of Eric J. Johnson.

Adopted in a regular meeting assembled this **16th** day of **June, 2005**.

BOARD OF TRUSTEES OF NORTHERN ILLINOIS UNIVERSITY

Barbara Giorgi Vella
Vice Chair

Attest: George A. Moser
Secretary



Student Trustee Johnson's remarks were as follows:

I want to be really brief about this. Since I was sworn in a year ago, we have seen amazing accomplishments. In my year on the Board, we have witnessed the opening of Altgeld Hall, the

purchase of the Monsanto center, the opening of the Neutron Therapy Lab, the NIU Huskies winning the Silicon Valley Football Classic, the groundbreaking for the Alumni Center and the announcement of an end zone facility for Athletics. I do not think there was much more we could do. Despite reductions in state budgets and problems that pop up here and there, we have done good things, and I hope this Board continues to push forward in these endeavors.

I just want to say a couple of thank yous. First, to my fellow Board members who welcomed a student coming onto a Board that deals with over \$300 million, a heavy responsibility. Dr. Peters, Dr. Williams, Dr. Legg, I do not know how you keep this university running so efficiently. I have a hard time balancing a checkbook, yet you manage to keep things going. As a political junkie, I want to thank Kathy Buettner, Ken Zehnder and Rena Cotsones for their knowledge of state, federal and local politics. They were always willing to share that knowledge and give me insight, which I appreciated as a political science major. To Dr. Seaver and Dr. Hemphill, thank you for taking the *Northern Star's* heat this year instead of letting it be put on the Student Association. Hopefully, you will be willing to continue that role next year. To Kevin Miller and Andrew Nelms, my predecessor and successor, as well as the rest of my friends who have been there and stood by me through these times. To Dean Vohra, once again, congratulations and thank you for your guidance. Although not my college, I consider you my dean. And most importantly, to the students of Northern Illinois University, thank you for electing me to serve in this role.

Thank you very much, Eric, Vice Chair Vella said, it has been a real pleasure to work with you. You student trustees give us a lot of insight into what the students are thinking, and that is very helpful to all of us.

Eric is part of a long line of distinguished student leaders who have served in many capacities, President Peters said, particularly as a student trustee.

OTHER MATTERS

I would just like to thank Kathy Buettner for this whole meeting, which was brought together by her and her staff, Vice Chair Vella said. We had three events to get through in this meeting, which lasted a little over four hours, and we all appreciate Kathy's hard work for helping us make it a nice, smooth procedure.

NEXT MEETING DATE

The Vice Chair announced that the next meeting of the Board of Trustees was scheduled for Thursday, September 15.

ADJOURNMENT

The Vice Chair requested a motion to adjourn. Trustee Sanchez so moved, seconded by Trustee Strauss. The motion was approved. The meeting was adjourned at 12:15 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

FISCAL YEAR 2007 BUDGET GUIDELINES

Summary: Each year the university prepares and submits to the state a budget request that establishes salary, price and program needs for the upcoming fiscal year. The budget request, by state statute, is submitted to the Illinois Board of Higher Education (IBHE) for review, revisions and inclusion in the IBHE Higher Education Operating Budget recommendation to the State Legislature and the Governor. To ensure the timely preparation and submission of the university's FY07 budget request to the IBHE, salary, price and programmatic levels need to be approved by the Board in early summer. In establishing the FY07 requests, the university recommends the following guidelines be approved by the Finance, Facilities and Operations Committee for its budget development:

1. 5% Faculty and Staff Salary Increase: To continue efforts to provide a competitive salary to faculty/staff and to offset prior year's reduced salary increments.
2. 15% Utilities: To meet the increased cost of utilities.
3. 3% General Price Increase: To meet the increased cost of goods and services provided to the university.
4. 3% Fire Protection Increase: To cover projected cost increases for local fire protection services.
5. 15% Library/Technology Increase: To continue meeting the unique increases for library and technology materials and equipment.
6. \$100,000 Medicare Increase: To provide sufficient funds to meet mandated contributions for Medicare.
7. \$5,215,500 in Program Priorities Requests: Continue programmatic efforts to enhance and strengthen academic commitments in undergraduate education, technology, distance education and off-campus programs, assessment and faculty diversity.
8. \$2,968,800 in Non-Academic Program Improvements: The university will continue its requests for the establishment of an adequate funding base for deferred maintenance and replacement of computer systems infrastructure which maintains critical management and operational data. These two programs are urgently needed to maintain the university's physical and information base.
9. \$1,653,500 O&M for New Buildings: To provide operation and maintenance funds for the Center for Diversity Resources, Barsema Hall, the Convocation Center and the Family Violence Center.
10. \$750,400 Governor's Initiative - Baccalaureate Completion Programs to Enhance Economic Development in the Greater Rockford Area: Continue programmatic efforts to meet the goals set forth by the Governor's initiative that began in FY05.

Recommendation: In establishing the FY07 request, the university recommends Board of Trustees approval of the above guidelines for its budget development.

**Comparison of Budgetary Guidelines
(\$ in thousands)**

	Fiscal Year 2006				Fiscal Year 2007
	BOT Guidelines	Recommendations			Recommended Guidelines
		IBHE	Governor	Appropriation	
Salary Increase	5.0%	1.5%	0.0%	0.0%	5.0%
Utility Increase	15.0%	0.0%	0.0%	0.0%	15.0%
General Price Increase	3.0%	0.0%	0.0%	0.0%	3.0%
Fire Protection	3.0%	0.0%	0.0%	0.0%	3.0%
Library/Tech Increase	15.0%	0.0%	0.0%	0.0%	15.0%
Medicare Increase	\$250.0	\$0.0	\$0.0	\$0.0	\$100.0
Program Priorities	\$5,490.0	\$0.0	\$0.0	\$0.0	\$5,215.5
Deferred Maintenance	\$1,500.0	\$0.0	\$0.0	\$0.0	\$1,344.0
Computer Systems	\$1,625.0	\$0.0	\$0.0	\$0.0	\$1,625.0
O&M for New Buildings	\$1,653.5	\$0.0	\$0.0	\$0.0	\$1,653.5
Governor's Initiative ⁽²⁾	\$750.4	\$0.0	\$0.0	\$0.0	\$750.4

⁽¹⁾ This item was approved subsequent to the original approval of the FY06 Budgetary Guidelines

FISCAL YEAR 2006 INTERNAL OPERATING BUDGET AND GUIDELINES

Summary: There will be an oral presentation summarizing the Fiscal Year 2006 appropriation process and the status of the General Assembly and Governor's action on the appropriated budget. Pursuant to the established Board of Trustees meeting schedule, the university will present the final FY06 internal operating budget for approval at the September 2005 Board of Trustees Meeting.

In accordance with Board Regulation II.C.2.a, annual salary increment guidelines are approved by the Board of Trustees. The approval of annual salary increment guidelines authorizes the university distribution of annual increments. Following completion of the fiscal year salary adjustment process, increment totals are verified and provided to the Board of Trustees in summary form. The proposed FY06 increment guidelines, which accompany this summary, reflect the continued prioritization of salary increases for faculty and staff within a very limited fiscal resource context.

Recommendation: The university, at this time, requests Board of Trustees approval of the preliminary operating budget and the FY06 salary increment allocation guidelines as presented.

FISCAL YEAR 2006 PRELIMINARY INTERNAL BUDGET
Summary of Budgeted Revenues & Expenditures
(\$ in Thousands)

	FY05	Preliminary FY06
Appropriated Funds		
General Revenue Fund	\$102,274.9	\$102,274.9 ⁽¹⁾
State College and University Trust ⁽²⁾	10.1	10.0
General Revenue Fund CHANCE Program	0.0	\$700.0 ⁽³⁾
Total Appropriated Funds	\$102,285.0	\$102,984.9
Nonappropriated Funds		
University Income Fund	89,600.0	\$90,600.0
Revenue Bond Operations	64,873.9	65,259.0
Auxiliary Enterprises	17,895.4	18,120.0
Gifts, Grants and Contracts	40,900.0	42,130.0
Local Funds	31,927.5	31,950.0
Total Nonappropriated Funds	\$245,196.8	\$248,059.0
Total Anticipated Revenues & Expenditures	\$347,481.8	\$351,043.9

⁽¹⁾ Governor's recommendation

⁽²⁾ Generated from NIU license plate registrations

⁽³⁾ Funds added by Illinois General Assembly

FISCAL YEAR 2006 SALARY INCREMENT ALLOCATION GUIDELINES

The FY06 NIU appropriation bill (SB1548) has been approved by the state legislature and the Governor. While the appropriation bill provided no funding for salary increases, the maintenance of competitive salaries remains a continuing top priority of the President and the Board of Trustees. Accordingly, the university has developed an internally-funded plan to provide increments for FY06.

In accordance with Board Regulation II.C.2.a, annual salary increment guidelines are approved by the Board of Trustees. The approval of annual salary increment guidelines authorizes the university distribution of annual increments. Following completion of the fiscal year salary adjustment process, increment totals are verified and provided to the Board of Trustees in summary form. The proposed FY06 increment guidelines reflect the continued prioritization of salary increases for faculty and staff within a very limited fiscal resource context. The FY06 guidelines are structured similarly to the FY05 increment process incorporating merit-based criteria for Fair Labor Standards Act (FLSA) exempt faculty and staff. In addition to the general guidelines, the university intends to implement a supplemental increment component for designated Civil Service Clerical classifications in January 2006, representing a continuation of the university's supplemental increment programs related to these classifications initiated in FY99. However, this and all other January increment components will be subject to the stability of the FY06 budget as the fiscal year proceeds.

The FY06 general salary increment guidelines pertain to three independent employment categories, comprising salary pools, within which total adjustments will be made consistent with each guideline. These categories are as follows:

4. Regular Faculty:

- a) 3.0 percent total increment effective August 16 (or as of the beginning date of the FY06 academic appointment/contract period).**
 - **2.0 percent average merit increment.**
 - **1.0 percent allocated on the basis of critical retention and long-term merit.**
- b) Up to an additional 1.0 percent (subject to the stability of the FY06 budget) effective January 1, 2006, allocated on the basis of critical retention and long-term merit.**

5. Supportive Professional Staff/Exempt Civil Service:

- a) 3.0 percent total increment effective July 1 (or as of the beginning date of the FY06 appointment/contract period).**
 - **2.0 percent average merit increment.**
 - **1.0 percent allocated to Supportive Professional Staff on the basis of critical retention, long-term merit and position responsibilities.**
 - **1.0 percent allocated to Exempt Civil Service as an across-the-board increment.**
- b) Up to an additional 1.0 percent (subject to the stability of the FY06 budget) effective January 1, 2006 distributed in the same method as the 1.0 percent adjustment components outlined above.**

6. Hourly Civil Service:

- a) 3.0 percent total Increment effective July 1 (or as of the beginning date of the FY06 appointment/contract period), allocated on an across-the-board basis.**
- b) Up to an additional 1.0 percent (subject to the stability of the FY06 budget) effective January 1, 2006, allocated on an across-the-board basis.**

Faculty and staff employed by the university on or before December 31, 2004 and who remain employed on the effective dates of the increment program will be eligible for the 3.0 percent components. The same group of employees who remain employed as of December 31, 2005 will be eligible for the additional January 1, 2006 distribution of up to one percent. Final specification of the January 1, 2006 increment will be announced as the fiscal year proceeds.

Specific increment processing procedures will be issued by the university. Increment components relating to long-term merit will be allocated based on preapproved methods documented by the Colleges and Divisions and approved at the vice presidential level. Graduate assistant positions will be incremented in FY06 according to guidelines established by the Provost. Employees on temporary contracts who are reappointed during FY06 may receive salary increases in conjunction with the reappointment subject to the availability of funds.

Following implementation of the July 1 increments specified above, the minimum rates as well as salary ranges associated with civil service classifications may be adjusted pursuant to standard university procedures.

The FY06 increment guidelines pertain to non-negotiated faculty and staff.

Recommendation: The university recommends approval of the FY06 salary increment allocation guidelines.

FISCAL YEAR 2006 TUITION RECOMMENDATIONS

Summary: Each year the university is asked to carefully review and evaluate tuition charges in order to recommend tuition rates that will generate adequate resources necessary to support the quality of academic programs, and services provided and yet remain consistent with the university commitment to affordability and access. Tuition recommendations have been complicated by Truth-in-Tuition legislation and the present economic uncertainties of the state's budget.

The Truth-in-Tuition Act took effect Fall 2004. Under the provisions of the law, the entering degree-seeking undergraduate class for each fiscal year, beginning in FY05, is guaranteed the same tuition rates for four continuous years, along with one grace semester. Accordingly, the undergraduates subject to the tuition rate recommendation include (1) new degree-seeking students (freshmen and transfers); (2) degree-seeking undergraduates who entered prior to FY05; and (3) nondegree-seeking undergraduates. Graduate and Law students are not covered by the Truth-in-Tuition legislation. This recommendation includes tuition rates increases for Graduate and Law students as well.

The needs of the university's academic programs and support services have been reviewed. In all likelihood, the appropriated budget will be, at best, a flat budget. Furthermore, the university is faced with continuing cost increases necessary to maintain quality in its programs and services, as well as many unavoidable increases in areas such as utilities and insurance.

As a result of evaluating these and related factors, the university recommends the following tuition increases:

Undergraduate	
Continuing degree-seeking	6.75%
New degree-seeking freshman/transfers and nondegree-seeking	9.75%
Graduate and Law School	6.75%

This translates to a \$146 per semester tuition increase (6.75%) for an on-campus continuing degree-seeking undergraduate student taking 15 hours; and a \$225 per semester tuition increase (9.75%) for both a new on-campus degree-seeking undergraduate student and a nondegree-seeking undergraduate taking 15 hours. The recommended credit hour rate schedule is summarized in the attached table. The tuition schedule is consistent with current policy that reflects decreasing tuition rates per undergraduate credit hour thus encouraging undergraduate students to register for more hours in order to graduate within four years.

The funds generated by the tuition increase will address the identified FY06 budget requirements. This tuition recommendation is consistent with the university's commitment to affordability and access.

Recommendation: The university requests approval of the FY06 tuition increases as proposed effective Summer 2005.

FISCAL YEAR 2006 TUITION SCHEDULE

	Current FY05 Tuition Rates			Proposed FY06 Tuition Rates		
	Hours Taken	Per Credit Hour		New Student FY06 TnT	Per Credit Hour	
		TnT	Continuing		FY05 TnT (Guaranteed)****	Continuing (Pre-FY05 TnT)
Undergraduate:						
On-campus	1-11	\$172.63	\$161.74	\$189.46	\$172.63	\$172.66
	12-14	\$166.68	\$156.17	\$182.93	\$166.68	\$166.71
	15-16+	\$153.72	\$144.03	\$168.71	\$153.72	\$153.75
Off-campus	per hour	\$171.74	\$171.74	\$188.48	\$171.74	\$183.33
Graduate:***						
On-campus	Per hour		\$178.16			\$190.19
Off-campus	Per hour		\$188.16			\$200.86
Law:***	Per hour		\$347.78			\$371.26

*A new undergraduate under TnT FY06 taking 15 semester hours at the new tuition rate will pay an additional \$225 per semester; this increase also applies to non-degree seeking undergraduates.

**A continuing degree-seeking undergraduate taking 15 semester hours at the new tuition rate will pay an additional \$146 per semester.

***Maximum number of hours charged to graduate/law students per semester is 12.

****Tuition rates were established in FY05; undergraduates covered by TnT who started in Fall 2005 are guaranteed the same tuition rates through Fall 2008.

FISCAL YEAR 2006 NIU FOUNDATION PROFESSIONAL SERVICES CONTRACT

Summary: The Northern Illinois University Foundation contract supports the fundraising services and activities provided by the Foundation on behalf of the university. This contractual agreement is in accordance with the Legislative Audit Commission Guidelines. The contract amount will be offset by the Foundation payment to the university for personnel services, fringe benefits, administrative services, facilities and program expenditures to meet the contract obligations.

Recommendation: The university requests Board of Trustees approval of a renewal order for the FY06 contract for the Northern Illinois University Foundation in the amount of \$523,000.

**COLLEGE OF ENGINEERING AND ENGINEERING TECHNOLOGY
RESEARCH SURVEY**

Summary: The College of Engineering and Engineering Technology has received a federal grant and seeks permission to contract for a survey of tribology and coating research needs as part of the ROCK program. This survey will focus on the application of diamond coatings on military vehicles. The Department of the Army has requested that the university use this vendor due to their nationally unique equipment capabilities. The intent to award this contract as a sole source was advertised in the *Illinois Higher Education Procurement Bulletin* and waived by the PPB.

Recommendation: The university requests Board of Trustees approval of an order for FY05-FY07 as follows:

Center for Tribology and Coatings - Sugar Grove, IL \$1,152,000

GRANT TOWERS STUDENT LOUNGE FURNITURE AND EQUIPMENT

Summary: Grant Towers Complex was built in 1964 and much of the complex is still in its original condition. As one of the most heavily used residential facilities on campus, containing 29 percent of the student population, much of the interiors and furnishings have become worn and irreparable.

Immediate needs identified include the replacement of the worn and broken furniture and the installation of audio/visual equipment in the student floor lounges, both of which will be conducive to studying and socializing. In order to ensure that the equipment is in place by the beginning of fall semester 2005, approval is needed for the procurement process to begin immediately.

Recommendation: The university requests Board of Trustees approval of expenditures as follows:

*Krueger International and Various Audio/Visual Vendors: Not to exceed \$600,000
Funding: Revenue Bond reserves*

Tenure and Promotion from Assistant Professor to Associate Professor continued

Bette M. Montgomery	Family, Consumer & Nutrition Sciences
Nina S. Mounts	Psychology
William A. Pitney III	Kinesiology and Physical Education
Judith Popovich	Nursing
Steve Quinn	Art
Julio Rique	Leadership, Educational Psychology & Foundations
Brad J. Sagarin	Psychology
Frank Trankina	Art

Recommendation: The university requests Board of Trustees approval of the university's 2005-2006 tenure and promotion decisions.

APPOINTMENTS WITH RANK AND TENURE

Recommendation: The university requests Board of Trustees approval to grant tenure to: (1) Steven M. Ralston in conjunction with his appointment as chair with the rank of Professor in the Department of Communication, effective July 1, 2005; (2) Kurt Michael Thurmaier in conjunction with his appointment as Professor in the Division of Public Administration, effective August 16, 2005; and (3) Deborah H. Holdstein in conjunction with her appointment as chair with the rank of Professor in the Department of English, effective July 1, 2005.

[NOTE: See the following biographical statements.]

Steven Ralston

Appointment as Chair and Professor in the Department of Communication

Professor Steven M. Ralston, Chair of the Department of Communication at the University of Michigan-Flint, as the result of a national search, has been appointed effective July 1, 2005 to serve as Chair of the Department of Communication at NIU. He has been recommended by the department and college for tenure with the rank of professor in the Department of Communication.

Dr. Ralston has taught a variety of communication courses ranging from introductory skills courses to upper-division and graduate-level courses in organizational communication, communication research, and training and development. At the graduate level, Dr. Ralston has taught courses in business communication, interviewing, research methods, organizational communication and communication theory.

Dr. Ralston has published over 23 referred articles in international and national peer reviewed journals. He has also published other scholarship, such as an on-line textbook chapter about interviewing. In addition to having been published widely, he is the editor of the highly respected journal published by Sage Publications, *Journal of Business Communication*.

Kurt Michael Thurmaier

Professor in the Division of Public Administration

Dr. Kurt Michael Thurmaier has been selected as professor in the Division of Public Administration. He has been recommended by the department and college for tenure with the rank of professor in the Division of Public Administration.

Dr. Thurmaier is an outstanding scholar, teacher and leader. He is currently the Director of the Public Administration Program at Iowa State University.

Dr. Thurmaier has achieved a level of scholarship and reputation that will enhance his ability to provide institutional service for the Division of Public Administration at NIU.

Deborah H. Holdstein

Chair and Professor in the Department of English

Dr. Deborah H. Holdstein has been selected as the new chair of the Department of English. She has been recommended by the department, college and university for tenure with the rank of professor in the Department of English.

Dr. Holdstein is currently Faculty Associate for Graduate Studies and Research and Chair of the Graduate Council at Governors State University, where she leads and coordinates a universitywide committee charged with bringing oversight and cooperation regarding all aspects of graduate study.

Dr. Holdstein comes to NIU with a national reputation as a rhetorician and compositionist, yet her scholarly and pedagogical credentials encompass a wide range of English studies including literature, theory and film.

Dr. Holdstein's national reputation makes her much sought after as a consultant-evaluator for academic programs and granting agencies. She is also a frequently invited and plenary presenter at national conferences. Professor Holdstein's editorship of *College Composition and Communication*, the flagship journal in her field, attests to her reputation as a senior scholar in the field.

**APPOINTMENT OF THE DEAN OF THE COLLEGE OF
ENGINEERING AND ENGINEERING TECHNOLOGY**

After a national search, Dr. Promod Vohra has been selected for appointment as Dean of the College of Engineering and Engineering Technology. He is a tenured professor who has served as Acting Dean since July 2003 and previously held positions in the college as Associate Dean. He also held the positions of Professor, Associate Professor and Assistant Professor, EET Coordinator and Instructor in the Department of Technology. Dr. Vohra received his Ed.D in Instructional Technology and M.S. degree in Electrical Engineering from Northern Illinois University, and his B.S.E.E. in Electrical Engineering from Delhi College of Engineering, New Delhi, India. Dr. Vohra is a Certified Senior technology product engineer in India (C.S.I.T.) and a Registered Professional Engineer (P.E.).

Dr. Vohra is involved in numerous professional organizations and has participated in many departmental, college and university committees. He has served as a consultant and a resource person for a variety of educational and public groups. He has served as principal investigator and co-principal investigator on a number of contracts and grants and has received more than \$8 million in external and internal equipment and other grants. Dr. Vohra is an active scholar who has reviewed more than 40 papers for UNESCO-United Nations International Centre for Engineering Education and 20 articles for the *Journal of Industrial Technology* (JIT) through the National Association of Industrial Technology (NAIT).

Recommendation: The university requests Board of Trustees approval of its appointment of Dr. Promod Vohra as Dean of the College of Engineering and Engineering Technology.

**APPOINTMENT OF THE ACTING DEAN OF THE
COLLEGE OF LIBERAL ARTS AND SCIENCES**

Dr. Joseph Grush has been asked to serve as Acting Dean of the College of Liberal Arts and Sciences. Professor Grush received his Ph.D. at the University of Illinois Champaign--Urbana, and his B.A. from Quincy College in Quincy, Illinois. Professor Grush has been employed at Northern Illinois University since 1974 as Assistant, Associate and Full Professor, and Chair of the Department of Psychology assuming the role of Associate Dean of the college in 1992.

Professor Grush has assumed a strong leadership role in the college through his extensive activity in university and community service on a large number of committees and membership in professional organizations. He has served as principal investigator on a number of contracts and grants and as a research consultant and member of scientific advisory panels of the National Institutes of Health.

Dr. Grush is an active scholar who has presented more than 27 papers at regional, state, and national professional conferences, and he has written or contributed to more than 15 journal articles.

Recommendation: The university asks Board of Trustees approval of its request to appoint Dr. Joseph Grush as Acting Dean of the College of Liberal Arts and Sciences.

**APPOINTMENT OF THE INTERIM DEAN OF THE
COLLEGE OF BUSINESS**

Dr. William Tallon has been asked to serve as Interim Dean of the College of Business. Professor Tallon received his Ph.D. at the University of Iowa, and his M.B.A. and B.S. from Northern Illinois University. Dr. Tallon has been employed at Northern Illinois University since 1990 as an Assistant and Associate Professor, and since 1992 as Chair of the Department of Operations Management and Information Systems, assuming the role of Associate Dean of the college in 2001.

Professor Tallon has assumed a strong leadership role in the college through his extensive activity in university and community service on a large number of committees and membership in professional organizations.

Dr. Tallon is an active scholar who has presented more than ten papers at regional, state, and national professional conferences, and he has written or contributed to more than eight journal articles.

Recommendation: The university requests that the Board of Trustees approve this request to appoint Dr. William Tallon as Interim Dean of the College of Business.

Chair's Report No. 32

June 16, 2005

EXECUTIVE SESSION MINUTES RELEASE

Summary: The Illinois Open Meetings Act, as amended, requires public bodies to review minutes of their executive sessions on a semiannual basis and determine what parts of such minutes they should make available to the public because they no longer require confidential treatment to either protect the public interest or the privacy of an individual. Accordingly, this item is proposed for complying with this legal requirement by taking action upon the duly approved Executive Session Minutes of January 1996 through March 2005 of either the full Board of Trustees or standing committees of the Board which have not previously been released from confidentiality.

Upon review and advice of the Board's General Counsel and Parliamentarian, the following sections of executive session minutes for the relevant period are proffered for release from confidentiality:

September 23, 2004 - Executive Session of the NIU Board of Trustees

3.a. and e. Property Matters

December 9, 2004 - Executive Session of the NIU Board of Trustees

1. Review and Approval of Executive Session Minutes, September 23, 2004
2. Collective Bargaining Matter
3. Property Matter

March 24, 2005 - Executive Session of the NIU Board of Trustees

1. Review and Approval of Executive Session Minutes, December 9, 2004
2. Property Matter

Recommendation: The Chair recommends that the Board approve the release from confidentiality of the specified sections of executive session minutes as reviewed and advised above. Those sections, if any, which are still subject to confidentiality, together with sections from subsequent meetings, will be considered again in approximately six months.

**RESOLUTION – FORMER CHAIR GARY J. SKOIEN
Distinguished Service to Northern Illinois University
Board of Trustees**

WHEREAS, Gary J. Skoien has faithfully served as a member of the Northern Illinois University Board of Trustees since 1999; and

WHEREAS, prior to his election as Chair of the Board of Trustees in 2003, Gary Skoien served as the Board's vice chair for two years and as a member of the Finance, Facilities and Operations and Legislation Audit & External Affairs Committees of the Board; and

WHEREAS, Gary Skoien invested significant amounts of valuable time and energy in service to the Board of Trustees and the students, faculty, staff and administration at Northern Illinois University for over six years; and

WHEREAS, we as his colleagues on the Board of Trustees want to express our appreciation for his six years of service to the NIU community and his leadership of the Board in recognizing and reacting to the development of a highly volatile funding environment for public higher education; and

WHEREAS, Gary Skoien led the effort on the Board to develop an agenda that helped Northern Illinois University to realize many of its larger goals, despite historical funding reductions from the state, including renewed work on the West Campus Development plan, enhancing NIU's advocacy role in public higher education in Springfield and Washington and stepping up private fundraising efforts; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of Northern Illinois University in formal meeting herein assembled, extends its grateful appreciation to Gary J. Skoien for his distinguished service to Northern Illinois University, its Board of Trustees and its students, faculty, staff and administration.

BE IT FURTHER RESOLVED that this **RESOLUTION** be presented to Gary J. Skoien and a copy of this document be placed in the official files of the Board of Trustees as part of the permanent record of the university and the great state of Illinois and as a lasting tribute to the accomplishments of Gary J. Skoien.

Adopted in a regular meeting assembled this **16th** day of **June, 2005**.

**BOARD OF TRUSTEES OF
NORTHERN ILLINOIS UNIVERSITY**

Chair

(SEAL)

Attest: _____
Secretary



RESOLUTION – STUDENT TRUSTEE ERIC J. JOHNSON

WHEREAS, Eric J. Johnson has faithfully served as a student member of the Northern Illinois University Board of Trustees for the year ending June 30, 2005; and

WHEREAS, prior to his election as student trustee in 2004, Eric Johnson served as chief justice of the Student Association Supreme Court, capping four years of service to the Student Association at Northern Illinois University; and

WHEREAS, Eric Johnson invested much time and energy in his studies as a Political Science major at Northern Illinois University as well as in service to students, contributing valuable insight and information to the Board of Trustees regarding the student perspective on the rising costs of textbooks, promoting campus diversity and striving to maintain NIU's affordability despite major budget reductions from the state; and

WHEREAS, we as his colleagues on the Board of Trustees want to express our appreciation for his service to the NIU students and community; and

WHEREAS, we are proud of his May, 2005 graduation from Northern Illinois University with a Bachelor of Arts in Political Science and are pleased his leadership skills extended not only to students and to the Board of Trustees but also to the DeKalb County Board where he has been elected to represent the residents of County Board District #6; and

WHEREAS, Eric has led by example and been involved in the political process, serving in the NIU College Republican organization, as well as being elected state chairman for the Illinois College Republican Federation;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of Northern Illinois University in formal meeting herein assembled, extends its grateful appreciation to Eric J. Johnson for his leadership and service to Northern Illinois University students, the Board of Trustees and the DeKalb community.

BE IT FURTHER RESOLVED that this **RESOLUTION** be presented to Eric J. Johnson and a copy of this document be placed in the official files of the Board of Trustees as part of the permanent record of the university and the great state of Illinois and as a lasting tribute to the accomplishments of Eric J. Johnson.

Adopted in a regular meeting assembled this 16th day of **June, 2005**.

**BOARD OF TRUSTEES OF
NORTHERN ILLINOIS UNIVERSITY**

Chair

Attest: _____
Secretary

