



PROCEEDINGS
of the
BOARD OF TRUSTEES
of
NORTHERN ILLINOIS
UNIVERSITY
in the State of Illinois



JAMES EDGAR
Governor



July 1, 1997 - June 30, 1998

Printed by authority of the State of Illinois.

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY**

Officers

Robert T. Boey, Chair
George A. Moser, Vice Chair
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Eddie R. Williams, Treasurer
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Sharon M. Mimms, Recording Secretary

Appointed Members

Term Expires

Robert T. Boey - DeKalb	January 16, 2001
Susan E. Grans - Rockford	January 18, 1999
George A. Moser - Barrington Hills	January 16, 2001
James W. Myles - Chicago	January 18, 1999
David W. Raymond - Glen Ellyn	January 18, 1999
Manuel Sanchez - Lisle	January 16, 2001
Myron E. Siegel - Deerfield	January 18, 1999

Nonvoting Student Member

Steven D. Kovacs	June 30, 1998
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John E. La Tourette, President
Northern Illinois University
301 Lowden Hall
DeKalb, IL 60115

PROCEEDINGS
of the
Board of Trustees
of
Northern Illinois University
July 1, 1997 – June 30, 1998

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President's Report
to the
EXECUTIVE COMMITTEE

August 21, 1997

No item in this report for release before 9:15 a.m. Thursday, August 21, 1997.

A G E N D A

**NIU Board of Trustees
EXECUTIVE COMMITTEE
Teleconference Meeting
Conference Room 304 – Lowden Hall
Thursday – August 21, 1997
9:15 a.m.**

1. Call to Order and roll Call
2. Verification of appropriate Notice of Public Meeting
3. Meeting Agenda Approval..... *Action.....2*
4. Review and Approval of Minutes of June 20, 1997 *Action.....3*
5. Recommendations of the President of the University
 - Collective Bargaining Agreements..... *Action.....6*
6. Chair's Comments
 - Proposal for Revision of Board *Regulations* *Discussion*
7. Other Matters
8. Adjournment

Minutes of the
NIU Board of Trustees
EXECUTIVE COMMITTEE
Teleconference Meeting
August 21, 1997

CALL TO ORDER AND ROLL CALL

Chair Robert Boey called the meeting to order at 9:15 a.m. and conducted a roll call of Trustees. Present for the meeting were Vice Chair George Moser, Secretary James Myles, Trustee Robert Boey and Chair Siegel. Also present were President John La Tourette and General Counsel George Shur. Having noted the presence of a quorum, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

Chair Siegel asked General Counsel George Shur for verification of appropriate notice of public meeting. Mr. Shur confirmed that all proper notices had been prepared and posted.

MEETING AGENDA APPROVAL

A motion was made by Vice Chair Moser, seconded by Secretary Myles, to approve the agenda.

PRESIDENT'S REPORT

Chair Siegel called for a motion to authorize the appropriate Board of Trustees officers to execute appropriate documents that will reflect the grant by this Board of specific drainage and utility easement rights, as recited in the easement provisions document before the Committee and to be incorporated in the record of this meeting, to the Prairie Stone Property Owners Association, the Village of Hoffman Estates, Cook and Kane Counties, Illinois, and Sears, Roebuck and Company, within the areas defined in the legal descriptions for Parcels A, B and C, which also shall be included in the record.

EASEMENT PROVISIONS

An easement is hereby reserved for and granted to the Prairie Stone Property Owners Association, an Illinois not-for-profit corporation, and its successors or assigns (collectively, the "POA") and the Village of Hoffman Estates, Cook and Kane counties, Illinois, within the areas defined as Parcels A and B on this plat, to renew, operate and maintain an eight inch water main and a twelve inch water main, respectively (collectively, the "water mains"), with all necessary manholes, water valves and other equipment for the purpose of serving the subdivision and other property with water service, the right to enter upon the lots at all times to renew, operate and maintain within said easement area said manholes, water valves and other equipment, and finally the right is hereby granted to cut down and remove and trim and keep trimmed,

trees, shrubs or saplings that interfere or threaten to interfere with any of the said public utility equipment. No permanent buildings shall be placed on said easement, but same may be used for parking lots, driveways, gardens, shrubs, landscaping and other purposes that do not then or later interfere with the aforesaid uses or rights herein granted. The owners of Parcels A and B on this plat shall have the right at any time to relocate the water mains and the utilities located on Parcels A and B or any part thereof, provided that such relocation shall not cause a material adverse impact on any other party who is benefited by this easement. Upon the relocation of this easement or any part thereof, and the recordation of the document which creates the relocated easement (with the same terms as this original easement), this easement shall automatically terminate as to the portion of the easement that has been relocated. The owner of Parcels A and B shall pay for all costs associated with the relocation of this easement, including, but not limited to, all costs necessary to effectuate such relocation and all costs of removing the improvements from the existing easements and constructing the relocated easement.”

Pursuant to the Sears Business Park declaration of protective covenants dated March 7, 1991 and recorded as Document No. 91105432, as heretofore or hereafter amended (the “declaration”), the easement identified above shall be an easement reserved by the “declarant” (as defined in the declaration). An easement is also hereby reserved for and granted to the declarant and the POA pursuant to the declaration for the purposes of constructing, maintaining, repairing, replacing and operating storm sewers, culverts, drainage swales and conduits for the purposes of taking and holding storm water along, through and across the area defined as “Parcel C,” “drainage easement hereby granted.”

LEGAL DESCRIPTION - PARCEL A

THAT PART OF LOT 4F IN THE RESUBDIVISION OF LOT 4 IN SEARS BUSINESS PARK RECORDED AUGUST 6, 1991 AS DOCUMENT NUMBER 91396712, BEING A RESUBDIVISION IN SECTIONS 31 AND 32, TOWNSHIP 42 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN AND IN SECTION 4, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS: COMMENCING AT THE WESTERNMOST CORNER OF SAID LOT 4F; THENCE SOUTH 32 DEGREES 22 MINUTES 20 SECONDS EAST ALONG THE WESTERLY LINE OF SAID LOT 4F 163.65 FEET FOR A PLACE OF BEGINNING; THENCE NORTH 13 DEGREES 15 MINUTES 53 SECONDS EAST 300.41 FEET; THENCE ALONG THE ARC OF A CURVE CONCAVE TO THE NORTH, BEING THE SOUTHERLY LINE OF 20 FOOT WIDE PUBLIC UTILITY EASEMENT RECORDED AUGUST 5, 1991 AS DOCUMENT NUMBER 91394943, HAVING A RADIUS OF 3570.00 FEET, HAVING A CHORD BEARING OF SOUTH 77 DEGREES 20 MINUTES 09 SECONDS EAST 10.00 FEET; THENCE SOUTH 13 DEGREES 15 MINUTES 53 SECOND WEST 310.30 FEET; THENCE NORTH 32 DEGREES 22 MINUTES 20 SECONDS WEST ALONG SAID WESTERLY LINE OF LOT 4F 13.99 FEET TO THE PLACE OF BEGINNING, IN THE VILLAGE OF HOFFMAN ESTATES, COOK COUNTY, ILLINOIS.

LEGAL DESCRIPTION - PARCEL B

THAT PART OF LOT 4F IN THE RESUBDIVISION OF LOT 4 IN SEARS BUSINESS PARK RECORDED AUGUST 6, 1991 AS DOCUMENT NUMBER 91396712, BEING A RESUBDIVISION IN SECTIONS 31 AND 32, TOWNSHIP 42 NORTH, RANGE 9, EAST

OF THE THIRD PRINCIPAL MERIDIAN AND IN SECTION 4, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 4F; THENCE SOUTH 32 DEGREES 22 MINUTES 21 SECONDS EAST ALONG THE EASTERLY LINE OF SAID LOT 4F 59.91 FEET FOR A PLACE OF BEGINNING; THENCE CONTINUING SOUTH 32 DEGREES 22 MINUTES 21 SECONDS EAST ALONG SAID EASTERLY LINE OF LOT 4F 31.35 FEET; THENCE NORTH 81 DEGREES 45 MINUTES 18 SECONDS WEST 42.26 FEET; THENCE SOUTH 51 DEGREES 41 MINUTES 24 SECONDS WEST 20.64 FEET; THENCE SOUTH 08 DEGREES 28 MINUTES 31 SECONDS WEST 87.31 FEET; THENCE SOUTH 57 DEGREES 44 MINUTES 26 SECONDS WEST 124.30 FEET; THENCE SOUTH 32 DEGREES 15 MINUTES 34 SECONDS EAST 13.00 FEET; THENCE SOUTH 57 DEGREES 44 MINUTES 26 SECONDS WEST 10.00 FEET; THENCE NORTH 32 DEGREES 15 MINUTES 34 SECONDS WEST 13.00 FEET; THENCE SOUTH 57 DEGREES 44 MINUTES 26 SECONDS WEST 135.99 FEET; THENCE SOUTH 32 DEGREES 22 MINUTES 20 SECONDS EAST 60.00 FEET; THENCE NORTH 57 DEGREES 44 MINUTES 26 SECONDS EAST 55.54 FEET; THENCE SOUTH 32 DEGREES 15 MINUTES 34 SECONDS EAST 10.00 FEET; THENCE SOUTH 57 DEGREES 44 MINUTES 26 SECONDS WEST 59.07 FEET; THENCE NORTH 77 DEGREES 18 MINUTES 57 SECONDS WEST 9.14 FEET; THENCE NORTH 32 DEGREES 22 MINUTES 20 SECONDS WEST 63.55 FEET; THENCE SOUTH 57 DEGREES 44 MINUTES 26 SECONDS WEST 10.00 FEET; THENCE NORTH 32 DEGREES 22 MINUTES 20 SECONDS WEST ALONG THE WESTERLY LINE OF SAID LOT 4F 10.00 FEET; THENCE NORTH 57 DEGREES 44 MINUTES 26 SECONDS EAST 285.72 FEET; THENCE NORTH 08 DEGREES 28 MINUTES 31 SECONDS EAST 86.690 FEET; THENCE NORTH 51 DEGREES 41 MINUTES 24 SECONDS EAST 28.91 FEET; THENCE SOUTH 81 DEGREES 45 MINUTES 18 SECONDS EAST 26.15 FEET; THENCE NORTH 08 DEGREES 14 MINUTES 42 SECONDS EAST 13.80 FEET TO THE PLACE OF BEGINNING, IN THE VILLAGE OF HOFFMAN ESTATES, COOK COUNTY, ILLINOIS.

LEGAL DESCRIPTION - PARCEL C

THAT PART OF LOT 4F IN THE RESUBDIVISION OF LOT 4 IN SEARS BUSINESS PARK RECORDED AUGUST 6, 1991 AS DOCUMENT NUMBER 91396712, BEING A RESUBDIVISION IN SECTIONS 31 AND 32 TOWNSHIP 42 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN AND IN SECTION 4, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHERNMOST CORNER OF SAID LOT 4F; THENCE NORTH 32 DEGREES 22 MINUTES 20 SECONDS WEST ALONG THE WESTERLY LINE OF SAID LOT 4F 110.00 FEET; THENCE NORTH 57 DEGREES 37 MINUTES 40 SECONDS EAST 20.00 FEET; THENCE SOUTH 32 DEGREES 22 MINUTES 20 SECONDS EAST ALONG A LINE 20.00 FEET NORTHEASTERLY OF, AND PARALLEL WITH THE SAID WESTERLY LINE OF LOT 4F A DISTANCE OF 110.04 FEET; THENCE SOUTH 57 DEGREES 44 MINUTES 26 SECONDS WEST ALONG THE SOUTHERLY LINE OF SAID LOT OF 4F 20.00 FEET TO THE PLACE OF BEGINNING, IN THE VILLAGE OF HOFFMAN ESTATES, COOK COUNTY, ILLINOIS.

Trustee Boey made the motion, and it was seconded by Vice Chair Moser. The motion was approved.

Trustee Myles moved for adjournment, seconded by Trustee Moser. The motion was approved. Executive Session was adjourned at approximately 2:10 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

COLLECTIVE BARGAINING AGREEMENTS

The following collective bargaining agreements have been ratified by the respective bargaining units and are submitted for approval by the Board of Trustees Executive Committee on behalf of the Board of Trustees.

1. *Bargaining Agent:* Teamsters, Local 330, representing 10 bus drivers and mechanics in the Transportation Department.

Scope of Negotiations: FY98 wage reopener.

Tentative Agreement for Board Action: FY98 wage increases for the bargaining unit consistent with FY98 university increment guidelines.

2. *Bargaining Agent:* Fraternal Order of Police, Lodge 86, representing 28 Police Officers and Telecommunicators in the Department of Public Safety.

Scope of Negotiations: Full contract reopener.

Tentative Agreement for Board Action: A two-year successor agreement effective from July 1, 1996 through June 30, 1999. Terms and conditions along with wage increases are consistent with Board and university guidelines. FY97 and FY98 wage increases are incorporated into the settlement and consistent with the respective fiscal year increment guidelines. A wage reopener only is scheduled for FY98-99.

3. *Bargaining Agent:* International Union of Operating Engineers, Local 399, representing 35 Stationary Firemen, Stationary Firemen Helpers, Stationary Engineers, Lead Plant Stationary Engineers, Assistant Chief Plant Operating Engineer in the Heating Plant.

Scope of Negotiations: Wage reopener.

Tentative Agreement for Board Action: FY98 wage increases for the bargaining unit consistent with FY98 university increment guidelines.

President's Report

No. 10

September 25, 1997

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
11:30 a.m. – Thursday – September 25, 1997
Clara Sperling Sky Room**

11:30 a.m. Call to Order, Roll Call, Notice Verification, Recess to Executive Session
12:00 a.m. Executive Session and Lunch – University Suite
1:15 p.m. Reconvene Board of Trustees Meeting – Sky Room



1. Call to Order and Roll Call
2. Verification of Appropriate Notice of Public Meeting
3. Announcements
4. Executive Session
5. Meeting Agenda Approval *Action*....8
6. Review and Approval of Minutes of June 12, 1997 *Action*... 10
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. President's Report No. 10
 - a. Action Items forwarded by the Finance, Facilities and Operations Committee
 - (1) FY98 Internal Budget *Action*...22
 - (2) FY99 Budget Guidelines *Action*...29
 - (3) Miscellaneous Commodities - Computer Services..... *Action*...30
 - (4) Miscellaneous Commodities - Material Distribution Center *Action*...31
 - (5) Undergraduate Tuition Increase Plan *Action*...32
 - (6) Contract with Real Education, Inc. *Action*.. 35
 - (7) Collective Bargaining Agreement..... *Action*...36
 - (8) FY97 Report on Capital Activities*Information*
 - (9) FY98 Increment Summary Report*Information*

- (10) Periodic Report on Transactions in Excess of
\$100,000.....*Information*
- (11) FY97 Report on Depositories.....*Information*
- (12) Fall Enrollment Report*Information*
- 9. Chair's Report No. 7
 - a. *[Deleted from agenda at meeting]*
- 10. Other Matters
- 11. Next Meeting Date
- 12. Adjournment

Minutes of the Meeting of the
BOARD OF TRUSTEES
of **NORTHERN ILLINOIS UNIVERSITY**
September 25, 1997

The meeting was begun by Chair Robert Boey at 11:44 a.m. Before the meeting was called to order, Chair Boey announced that Vice Chair Moser would administer the oath of office to the new Student Trustee, Steven Kovacs. Vice Chair Moser then administered the oath of office to Mr. Kovacs. Mr. Boey invited Student Trustee Kovacs to make remarks.

It is with great pleasure that I accept my seat on the Northern Illinois University Board of Trustees, Mr. Kovacs said. As a student leader at NIU, I have been afforded numerous opportunities to work on behalf of the students. However, it is rare that a student is given the opportunity to work on behalf of not only the student body, but also the university as a whole. I understand that within this position, I have the challenge of representing the sentiments of the students or remembering that my actions affect not only NIU today, Kovacs said, but more importantly, the NIU of tomorrow. Because of this great responsibility, I enter into this term with great expectations, energetic desire and humble respect. Mr. Kovacs thanked the Board for the opportunity to work with them and said he would strive for nothing short of the best for NIU.

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 11:47 a.m. by Chair Boey. Recording Secretary Sharon Mimms conducted a roll call of Trustees. Present for the meeting were Trustees George Moser, James Myles, David Raymond, Manuel Sanchez, Student Trustee Steven Kovacs and Chair Boey. Trustee Myron Siegel joined the meeting in progress. Not present was Trustee Susan Grans. Also present were President John La Tourette and Parliamentarian Kenneth Davidson. Having noted the presence of a quorum, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

Confirmation of Open Meetings Act notification compliance was given by Board Parliamentarian Ken Davidson.

Chair Boey 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: collective bargaining matters as generally described under §2(c)(2) of the Open Meetings Act, personnel matters as generally described under §2(c)(1) of the Open Meetings Act, property matters as generally described under §2(c)(5) and §2(c)(6) of the Open Meetings Act, and Executive Session minute matters as generally described under §2(c)(21) of the Open Meetings Act. Trustee Myles made the motion, seconded by Trustee Raymond. A roll call vote of the Trustees to recess to Executive Session was unanimous.

BOARD OF TRUSTEES MEETING RECONVENED

The public meeting of the Board of Trustees was reconvened by Chair Boey at 2:04 p.m. with all present except Trustee Sanchez. Chair Boey noted that there was a quorum present.

ANNOUNCEMENTS

Chair Boey stated that since its inception on January 1, 1996, the Board of Trustees has recognized that the greatest asset of the university is the talent, productivity, creativity and commitment of NIU faculty and staff. The Board of Trustees places the staff of the university employees among its highest priorities. Consistent with this imperative, the Board of Trustees has underscored efforts of NIU administration to aggressively provide enhanced compensation benefits and employee relations programs for university employees. These efforts have resulted in a number of positive accomplishments during the preceding 18 months, including a focus on general salary competitiveness, passage of substantial retirement enhancement and tuition waiver legislation, development of the internal retirement incentive program, and improved procedures for internal mobility and advancement. In conjunction with approval of the Fiscal Year 1999 guidelines, the Board of Trustees will endeavor to enlist legislative support for appropriations sufficient to fund a substantial salary incrementation program for FY99. The Board of Trustees endorses, equity programs under development by the NIU administration for FY99 which will emphasize competitiveness with the market. These programs will focus renewed attention on clerical and other Civil Service classifications along with continuing efforts directed toward faculty and supportive professional staff. NIU has been diligent and innovative in its attempts to maintain competitive merit-based salary programs. These are our long range and mutual objectives, Chair Boey said, and working together, we will continue to make consistent progress in the interests of our faculty and staff.

MEETING AGENDA APPROVAL

Chair Boey asked Recording Secretary Mimms to change the agenda item numbering and status on the individual pages to match the Agenda. He also said that in the interest of time, Agenda Item 9.a. would be deleted from the meeting agenda. The Chair then asked for a motion to approve the agenda as amended. Trustee Myles so moved and was seconded by Trustee Siegel. The motion was approved.

APPROVAL OF MINUTES

Chair Siegel asked that the spelling of Ellen on page 14 be changed to "Ellyn." Trustee Moser made a motion to approve the minutes as amended, seconded by Trustee Siegel. 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

Dr. Carroll Moody, Committee Liaison, gave the report in the absence of Committee Chair Susan Grans and read the following report on Committee activities from her. "In reviewing the year's activities with Provost Carroll Moody and Vice Provost Lynne Waldeland, we find that we have a variety of items that require action by our Committee, and important reports on faculty and student issues, and personnel matters. We are off to a good start as we focus on the core of NIU, its students, faculty and staff." The Committee will meet on Friday, October 17. Trustee Grans also extended her thanks to James Myles, the previous chair of her committee.

Finance, Facilities and Operations Committee

Committee Chair David Raymond gave the report for the Finance, Facilities and Operations Committee, which met on September 15. The Committee received several information items, including reports of FY97 capital activities, FY97 depositories and FY98 salary increment summaries, a periodic report on transactions in excess of \$100,000 and an encouraging fall enrollment report. In addition, oral reports were given on the status of each of the capital projects funded through the Board's recent FY97 bond issue. Trustee Raymond noted that the university has worked out a new campus recycling program in conjunction with the students and the overall goals and objectives for an efficient, cost-effective campus recycling program were met. The Committee discussed and approved an innovative undergraduate tuition plan for FY99, which focuses on the university's efforts to assure the affordability of a college education at Northern Illinois University and to encourage students, where possible, to graduate within four years. The Board also requested a review of the proposed tuition increase guidelines for the next three years, which President La Tourette reported on later in the meeting. A report was given on the merits of the tuition increase guidelines. The Board requested that the university review its graduation standard of 124 hours and report to the Academic Affairs Committee on the findings of this review. Other action items presented to the Committee for consideration and approval included FY98 internal budget, FY99 budget guidelines, miscellaneous purchases, and continuing education contract with Real Education. Trustee Raymond reported that all of these action items received Finance, Facilities and Operations Committee approval and would be presented by President La Tourette for Board of Trustees approval later in the meeting.

Legislation, Audit and External Affairs Committee

Committee Chair George Moser reported that since the June meeting, members of the LAEA Committee had actively lobbied the Governor's Office in response to several key legislative initiatives that passed the General Assembly this Spring. He reported that after Former Chair Siegel, Chair Boey and he made numerous telephone calls and made several visits to meet with the Governor and key members of his staff, the Governor signed Senate Bill 770 into law. This legislation provides Northern Illinois University with development authority within designated zones on campus to more creatively enhance public/private partnerships. This authority was sought by NIU in response to the Board's desire to assure maximum flexibility in meeting the needs of future NIU students over the next 25 to 30 years. Trustee Moser thanked Governor Edgar for his foresight

and confidence in the NIU Board of Trustees, the Board, President La Tourette, Kathy Swanson and Dr. Williams for a united effort to pass this legislation. Since the reorganization and the tuition retention legislation last year, Trustee Moser said, this is the most important legislation affecting the university's ability to meet future needs.

The Governor also signed House Bill 1525 into law. This bill reestablishes fifty-percent tuition waivers for the undergraduate education of the children of university employees who have been employed at an Illinois senior university an aggregate of at least seven years. These waivers are valid at any public university, including the University of Illinois. In addition to the passage of HB1525, the Governor signed HB110 which substantially enhanced SURS pension provisions by raising the overall pension limitation from 75% to 80%, upgrading the general formula benefit to 2.2%, and enacting a phase-in "30 and out" provision allowing employees to retire at any age without penalty, provided they have 30 years of service. The NIU Board of Trustees passed a resolution to promote the passage of this legislation earlier in the year.

The next Legislation, Audit and External Affairs Committee meeting was scheduled for Tuesday, October 21, at 2:00 p.m. at the Northern Illinois University Hoffman Estates Education Center. The meeting will be devoted in large part to examining the administration's recommendations for project implementation within the development zones identified in Senate Bill 770, which has an effective date of January 1, 1998.

Illinois Board of Higher Education

President La Tourette reported on the Board of Higher Education meeting held a few weeks ago and highlighted one of the major items of discussion — affordability and the cost of a college education. The IBHE has a report on this issue, and each year they have a follow up developed by a committee three years ago. The recommendations coming out of the Board of Higher Education meeting included the following. They are encouraging all of the public universities to (a) make decisions on tuition far in advance so that students and parents can plan for the following year's tuition, (b) adopt a three- or four-year tuition plan or approach, (c) look at barriers that will prevent students from timely completion of their degrees, and (d) provide appropriate advising to accomplish timely completion, which would reduce cost to students. Dr. La Tourette said he expected that most of the institutions would have tuition increases of 3.0% to 3.5% and that would be used as the basis of the IBHE's budget recommendation to the Governor and the legislature in January. President La Tourette said that NIU is trying to join ISU and SIU-Carbondale in having an early decision on tuition and to have a plan for the following three years.

University Civil Service Merit Board

Trustee Myles said he was out of town and unable to attend the meeting. He noted that there were no cases from NIU on the agenda and there were some briefs of terminations at the University of Illinois and other schools.

Northern Illinois University Foundation

There had been no recent meetings of the Northern Illinois University Foundation.

PRESIDENT'S REPORT NO. 10

ACTION ITEMS FORWARDED BY THE FINANCE, FACILITIES AND OPERATIONS COMMITTEE

Agenda Item 8.a.(1) – FY98 Internal Budget

President La Tourette presented the FY98 Internal Budget, the overall budget for the university, which summarized the revenues the university expects to generate through state funds, tuition and fees, the funds generated in auxiliary enterprises and bond revenue operations, gifts, grants and contracts, and other local funds. Revenues should run in excess of \$246 million compared to \$241.7 million last year. Dr. La Tourette explained that the first two columns in Table 2, labeled "General Revenue" and "Education Assistance Fund" represent State support. They are both General Revenue dollars coming to the university, but since the 1989 tax increase, those funds generated for the public universities have been carried under a separate designation. The third column, the income fund, included a management adjustment of \$2.3 million, reflecting the university's ability to adjust its budget downward since the Income Fund is no longer appropriated. The \$2.3 million in the final line would be deducted from \$143.9 million for the total budget. When that adjustment is made, the actual revenue projected revenue is \$141.6 million show in the last column on Table 3. That total reflects the additional revenues the university expects in State support and the Income Fund. Table 4 showed the breakdown of the nonappropriated budget. President La Tourette asked the Board to approve the appropriated, the nonappropriated and the combined budgets.

Chair Boey reminded everyone that the General Revenue Fund represents 39% of the university's total budget, so 61% has to come from tuition, grants, fund raising, etc. He then asked for a motion to approve the budget FY98 Internal Budget. Trustee Myles so moved, seconded by Trustee Raymond. The motion was approved.

Agenda Item 8.a.(2) – FY99 Budget Guidelines

These budget guidelines, if approved, will be submitted to the Board of Higher Education around October 1 and will represent NIU's budget request for FY99. The request included a 5.5% salary increase; a 3.0% general price increase; a 10.0% utility increase; \$330,000 to cover the increase in Medicare, a federal mandate; \$547,700 to cover the sick leave increase, a state mandate; \$4.47 million in program improvements, which included teacher education innovations, improvement and expansion of health care programs, promoting science/mathematical literacy, workforce development, improvement of undergraduate education and technology; \$1.5 million for deferred maintenance, the second of a two-year plan to address ongoing deferred maintenance of state-owned campus buildings; and \$2.95 million for the purchase of a new Human Resource system, support for the Finance Management Systems Improvement and Year 2000 compliance.

Dr. La Tourette expanded on the requests stating that the 5.5% increase in personal services was to establish a compensatory increment pool for faculty and staff salary increases, which includes funds to cover cost-of-living and market competitive catch-up adjustments. He explained that salaries at Northern are somewhat disadvantaged compared to other institutions in the state given the fact that the DeKalb area cost of living is really determined by Chicago and its suburban area. The request for a 3.0% general price increase covers all other transactions except library and technology increases. Last year, the IBHE recommended zero dollars for general price increases. There have been no funds for price adjustments requested for several years, thus, no additional funds have been authorized by the legislature to cover price increases. The library technical area is a very important one due to escalating costs for library materials, the wide spread need to increase the use of technology for instruction, research and other purposes on the university campus. A 10.0% increase would address the university's present needs.

Dr. La Tourette remarked that a recent national survey indicated that public universities across the nation had a deferred maintenance that was approximately 14% of their operating budgets. NIU's deferred maintenance on state-funded buildings is almost \$50 million out of a \$141 million budget. This indicates that NIU is much worse off than the average across the nation and this is generally true for all of Illinois.

The Human Resource System must be upgraded to make it compatible with the new financial management system and the university still faces the problem of being Year 2000 compliant. Reporting requirements, accountability requirements, management requirements, etc. are building up, Dr. La Tourette said, and we have to bring our systems up to date in order to be accountable to the legislature and meet the reporting requirements imposed by various state and federal government agencies. Trustee Siegel said that the university and the Board need to continue to fight even harder for the requested budgets, especially the salary increases and general price increases, and the program improvements and deferred maintenance, and some improvement might be seen in the coming year. Trustee Raymond mentioned that it is important for everyone connected with Northern Illinois University to help support these requests to get appropriate levels of state funding. President La Tourette asked the Board to approve the guidelines, which would then be submitted to the Board of Higher Education. Chair Boey asked for a motion to approve the FY99 Budget Guidelines. Trustee Siegel so moved, seconded by Trustee Myles. The motion was approved.

Agenda Item 8.a.(3) – Miscellaneous Commodities – Computer Services
Agenda Item 8.a.(4) – Miscellaneous Commodities – Material Distribution Center

These two items represent purchases that exceed the authority delegated to the President by the Board. They are purchases required to continue the university's advancement in the Computer Services Department, to provide the networking systems for intracampus groups and for interfacing with outside research and communication networks. Chair Boey asked for a motion to approve both Miscellaneous Commodities requests. Trustee Raymond so moved, seconded by Trustee Moser. The motion was approved.

President La Tourette briefed those present on two important programs that will affect a large number of NIU students. The first was the HOPE Scholarship Program, which is to be effective January 1, 1998. Kathy Swanson, Trustee Raymond and Dr. La Tourette were in Washington for two days meeting with a number of key education leaders and members of the Illinois delegation. The HOPE Scholarship program will provide a credit of up to \$1,500 for tuition and fees, enabling students to combine costs covered by financial aid with the HOPE Scholarship. The tax credit will be available after deducting any other scholarships or aid going to the student. The credit will be for single tax payers with an adjusted gross income between \$40,000 and \$50,000 or for people with joint returns between \$80,000 and \$100,000. Dr. La Tourette pointed out that this program applies to all students in their first two years of college education, not just community college students. He said it was important to note that this program will also be available for people taking a half-time load, though the particulars have not been defined as yet.

President La Tourette also informed those present that on July 1, 1998 the life-long learning tax credit will be available to students who are in their third and fourth years of college and beyond to graduate education. He urged all students to keep tuition and fee records in order to take advantage of these tax credits.

The final program brought to the attention of the Board was a provision to deduct interest paid on student loans, which will also be effective on January 1, 1998. The maximum deduction will be \$1,000 in 1998, \$1,500 in 1999, \$2,000 in the year 2000 and \$2,500 in the year 2001 and thereafter. The program will be available to students in the first 60 months of student loan payments. This will apply to current students when they leave the university, as well as those who have already left the university but are still paying off their student loans within five years or 60 months of their leaving.

Agenda Item 9.a.(5) – Undergraduate Tuition Increase Plan

He said that the report of the Commission on College Costs, initiated in August, was due on December 11 and could play a major role in the reauthorization of the Education Act in January 1998.

President La Tourette explained this plan, which he said had been misinterpreted. He said that the university owed a responsibility to its students and parents to deal with college costs and the issue of affordability. He explained the two components of the plan. One was a sliding scale tuition schedule that provides some incentive for students to take additional hours, if they can. The other was to advise students on how to timely pursue their educational objectives.

Right now it costs as much to register students and provide many services for them whether they register for one hour, 12 hours or 15 hours. Dr. La Tourette briefly went over a schedule comparing credit hour costs at the University of Illinois and the modest graduation downwards of the per credit hour costs proposed for NIU. Costs at the UI were flat fees of \$552 for one to five credit hours, \$1,103 for six to eleven credit hours, and \$1,654 for 12 to 16 credit hours. The proposal for NIU was from \$116 for the first hour to \$98 for the 16th hour. Under this plan, the first course (3 hours) would cost \$342, the second course

(6 hours) \$324, the third course (9 hours) \$306, the fourth course (12 hours) \$288, and the fifth course (15 hours) \$240. Beyond the 16th hour there would be no additional costs. The university would gradually raise the tuition and tilt the schedule to encourage students to take more hours. The student group that would be encouraged to take additional hours, if possible, is the group taking 12, 13 and 14 hours. About 88% of NIU students take 12 or more hours and about 48% take 15 or more hours. It takes approximately 15 to 15½ hours per semester to finish a program in four years; however, if the student is taking 12 hours consistently, it will take that student about five years, unless there is a tremendous amount of course enrollment during summer sessions. We realize, Dr. La Tourette said, that in many cases students will not be able to take a fifth course, or be able to move above 12 hours. What is important, he said, is to have a system where students are encouraged to take more hours, and an educational campaign to have students understand the impact of decisions they are making about course registration and, because in many cases the parents are paying the bills, to have the students involved with the parents in looking at that issue.

The other thing the university wants to do is provide the information, the support and advising that students need to make rational choices about their tuition plan. Some people have raised the issue that it's going to hurt disadvantaged students who have an extensive amount of credit hour requirements for their degree, La Tourette said. Students in engineering, physical therapy and those in the area of teacher preparation, sometimes require more than four years to complete their program. This would allow them to shorten the program through advising and better planning. Their total cost would be less if they completed in four and one-half years rather than five years. The sliding scale being recommended means that when students do determine what their degree completion date is, they can move it up by taking those extra hours each semester. So, what we're really doing, Dr. La Tourette said, is developing an advising and information campaign, which will be the key to providing students and parents with the information they need to plan their overall program.

This plan recommends raising the weighted average tuition by 3.0% and tilting it slightly. Tuition has to go up to cover the recommendations the Board of Higher Education will be presenting in January. They will assume that a certain part of the recommendation they present to the legislature will be carried by the tuition increase.

President La Tourette said he would also like the Board to consider the barriers relative to timely completion of degrees. One of these could be the current 124-hour requirement for graduation. Many schools have only 120-hour requirement for graduation.

Student Trustee Kovacs made a statement on this issue from the student perspective. The proposed tuition scale proposed by President La Tourette has, he said, caused a great deal of discussion within the student body. Misinformation about the proposal has caused many students to not endorse the plan. Student Trustee Kovacs said that he had made it his number one priority to investigate the plan and relay all information to as many students as possible before making a decision to whether or not to support the new tuition plan. He said students had to be educated about the fact that although financial aid forms

and other documents state that a 12-credit hour semester is considered full-time, it will not allow a student to graduate in four years. The proposal is also designed to encourage — not mandate as at other institutions — students to graduate within four years. The encouragement to take 15 or more credit hours comes in the form of a sliding tuition rate plan; however, when all the extra benefits of this plan stripped away, it is a volume discount. Students must understand that it does cost the university more to educate during the first hour than additional hours because of large fixed costs, Kovacs said. Looking further into this plan, he said, one will see that a majority of students, 87.5% in fact, will not experience a tuition increase different than if a flat tuition increase were imposed. In addition, 70.0% of the students here at NIU receive financial aid. This will assist the students in offsetting any tuition increase, no matter what form the increase takes. It is, however, important for us to remember that there are still many students who do not understand the full scope of the tuition plan and may remain opposed to the plan.

Therefore, Kovacs said, I must continue to commend and encourage the faculty and administration for the hard work on educating the students on the proposed change. Because I have taken the time to fully understand the proposal, its affects on students, and its affects on NIU in the upcoming school term and in years to come, I have decided to put my full support behind the proposal and will continue to work to educate the student body on this issue. I encourage each of you to join me in supporting this innovative policy, which puts NIU at the forefront of educational pricing.

Before the Board could broadly discuss the proposal and receive comments from the representatives of the University Advisory Committee, two students protesting the undergraduate sliding scale plan interrupted the meeting. After a few minutes, the students were removed from the meeting without further incident by security personnel. Chair Boey asked for a motion to approve the Undergraduate Tuition Increase Plan. Trustee Myles so moved, seconded by Trustee Moser. The motion was approved. President La Tourette said they would continue to discuss this issue with the students to help them understand the full scope of the plan.

Trustee Siegel explained for the benefit of visitors at the meeting that Board *Regulations* require a formal, written request and a variety of other things from anyone who wants to come before the Board. He also noted that during the Finance, Facilities and Operations Committee meeting last week, where these opinions should have been expressed, there was no request and no one presenting any of the viewpoints heard in this meeting. He said that he worked very hard with Dr. Larson last year to provide exactly this type of interchange at the committee level.

Chair Boey recognized Dr. Charles Larson. Dr. Larson said that he had a statement prepared at the direction of the Executive Committee of the Faculty Senate and the Steering Committee of the University Council to express concern about certain classes of students and the costs that might fall upon them — nontraditional students, disadvantaged students, handicapped students, etc. But because of the students' interruption of the meeting, he could not be recognized. He did say that he hoped the Board recognized that certain groups of students

would pay more and that the education portion of the proposal is probably the central one.

Agenda Item 8.a.(6) – Contract with Real Education, Inc.

This is a contract through the Division of Continuing Education which would allow the university to have online capability to make the CPA Comprehensive Review course offered by the Department of Accountancy available to students who otherwise would not be able to access such a program. NIU has one of the nation's leading programs in CPA review. This is an experimental program, which would allow the university, beginning in January, to offer 60 clock hours. He noted that the item stated "... the equivalent of sixty (60) credit hours ..." and should be "... the equivalent of sixty (60) clock hours ..." of instruction of online delivery. This will put the university into Internet online instruction and it is hoped that this it will be one of several programs in the future that will allow NIU to reach out and provide educational services to people who cannot come to campus or in any way access education in a traditional form. This is all noncredit and there will be additional noncredit courses as this capability is developed. Dr. La Tourette said that Real Education, Inc. has a great deal of experience in this area and the technology to allow NIU to do this. The participant course fees will cover the outlay, not only to make these connections, but for other aspects of the costs of the program for the CPA review. Chair Boey asked for a motion to approve the contract with Real Education. Trustee Moser so moved, seconded by Trustee Siegel. The motion was approved.

Agenda Item 8.a.(7) – Collective Bargaining Agreement

This collective bargaining agreement was with AFSCME Local 963 representing 325 employees. The negotiation was for a wage reopener. President La Tourette reported that the tentative agreement for Board approval is an increase consistent with the guidelines established by the Board for all employees. Trustee Siegel extended his appreciation to Mr. Cunningham for an excellent job representing the university and the Board in this collective bargaining agreement. The Chair also congratulated Mr. Cunningham and said the Board has the fullest confidence in his leadership for all university collective bargaining agreements. Chair Boey asked for a motion to approve the collective bargaining agreement. Trustee Raymond so moved, seconded by Trustee Moser. The motion was approved.

Agenda Item 8.a.(8) – FY97 Report on Capital Activities

The FY97 Capital Activities was an information report covered previously in the Finance, Facilities and Operations Committee. There were no questions from the Board.

Agenda Item 8.a.(9) – Increment Summary Report

The overall increase turned was 3.02%. The set guidelines were followed for the three different categories of employees. President La Tourette also noted that the increment pool was available to graduate assistants.

Agenda Item 8.a.(10) – Periodic Report on Transactions in Excess of \$100,000

A summary of these transactions showed that there were a total of nine transactions between \$100,000 and \$250,000 for a total of \$2.5 million. These transactions are approved at the campus level and reported to the Board on a periodic basis.

Agenda Item 8.a.(11) – FY97 Report on Depositories

President La Tourette reviewed a summary report of all the university's Fiscal Year 1997 financial transactions and the banks used for various types of activities.

Agenda Item 8.a.(12) – Fall Enrollment Report

President La Tourette reviewed the Fall enrollment report. New freshman enrollment was up 9.7%, new transfer student enrollment was up 11.8%, and there was an increase of 34.0% in new honors freshmen. Enrollment is up in all categories for a total of 22,082. The 15,685 on-campus undergraduates represent an increase of 3.0% and a slight increase at 0.3% for graduate students. Dr. La Tourette emphasized that the faculty and staff worked very hard to help recruit additional students. He reported that NIU had improvements in ACT scores from 21.8 last year to 22.14 this year, and in class standing from 64.32 last year to 66.04. Though the university attracted additional students, La Tourette said, there was no decrease in standards as measured by ACT scores and class standing which is an important message to get out that NIU can recruit quality students and, at the same time, increase enrollment.

President La Tourette noted that NIU had an increase in overall grants and contracts, up 6.5% from \$25.8 million last year to \$27.5 million.

CHAIR'S REPORT

The Chair's Report was deleted from the meeting agenda.

OTHER MATTERS

Chair Boey said that the Board wanted to approve a 3.0% adjustment to the presidential base salary effective July 1, 1997. The President's salary was not adjusted in FY97. The Board reviewed the productivity and accomplishments of the President during the preceding fiscal year, acknowledging that this had been an unprecedented period of new expectations and responsibilities for the President's Office. With the establishment of the independent Board of Trustees, Chair Boey said, the university assumed independent responsibility for a wide variety of essential institutional functions such as legislative and governmental relations, legal affairs, labor relations, and direct accountability to the IBHE and other state agencies, which represent a considerable expansion of the responsibility allocated to the university presidency. The Chair announced that in the future, the Board would do presidential evaluations in the Spring so that the President's salary can be considered when all other salary adjustments are being made. The 3.0% FY97 adjustment is consistent with average merit adjustments

provided to NIU faculty and staff in accordance with the FY98 Salary Increment Guidelines. Chair Boey then asked for a motion from the Board to approve an increase of 3.0% in the President's annual salary effective July 1, 1997. Trustee Siegel so moved, seconded by Trustee Raymond. The motion was approved.

NEXT MEETING DATE

The next meeting of the Board of Trustees is scheduled for Thursday, December 11.

Chair Boey called for a motion to adjourn. Trustee Siegel so moved, seconded by Trustee Raymond. The motion was approved.

The meeting was adjourned at 3:11 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

FY98 INTERNAL BUDGET

The following (Tables 1-4) are being submitted for Board of Trustees approval:

Table 1
FY98 Internal Budget
Summary of Revenue by Source
(\$ in Thousands)

	FY97	FY98
Appropriated/Income Fund Revenues		
General Revenue Fund	\$83,135.9	\$85,187.1
Education Assistance Fund*	11,330.8	11,784.0
University Income Fund	47,569.7	46,944.7
Total Appropriated Income Fund Revenues	\$142,036.4	\$143,915.8
Nonappropriated Revenues		
Revenue Bond Operations	\$41,904.0	\$42,896.8
Auxiliary Enterprises	12,177.7	12,455.7
Gifts, Grants and contracts	21,800.0	21,500.0
Local Funds	23,793.5	25,451.6
Total Nonappropriated Revenues	\$99,675.2	\$102,304.1
Total Anticipated Revenues	\$241,711.6	\$246,219.9

Table 2
FY98 Internal Budget
Summary of Funds by Object Class
Appropriated/Income Funds
(\$ in Thousands)

Object Classification	General Revenue	Education Assistance Fund	Income Fund	Total
Personnel Services	\$72,369.1	\$8,524.5	\$28,362.4	\$109,256.0
Social Security	365.7	0.0	505.5	862.2
Contractual Services	6,281.8	1,636.5	8,839.2	16,757.5
Commodities	1,778.5	170.4	752.3	2,701.2
Travel	581.0	0.0	411.3	992.3
Automotive Operation	161.1	0.0	235.6	396.7
Equipment/Library Books	\$85,187.1	\$11,784.0	\$46,944.7	\$143,915.8
Telecommunications	770.2	0.0	558.6	1,328.8
Awards & Grants and Federal Matching Funds	175.7	0.0	245.8	421.5
Repairs, Maintenance and Other Capital Improvements	590.3	173.5	1,124.7	1,888.5
Enrollment Management*	0.0	0.0	2,305.5	2,305.5
Total Allocated	\$85,187.1	\$11,784.0	\$46,944.7	\$143,915.8

Table 3
Budget and Expenditure Comparison
Appropriated/Income Funds
(Current Year/Prior Year)
(\$ in Thousands)

Object Classification	FY97 Budget	Estimated FY97 Expenditures	FY98 Budget	FY98 Projected
Personnel Services	\$108,792.5	\$108,416.3	\$109,256.0	\$109,256.0
Social Security	837.1	0.0	505.5	862.2
Contractual Services	16,955.6	1,636.5	8,839.2	16,757.5
Commodities	2,660.7	170.4	752.3	2,701.2
Travel	977.3	0.0	411.3	992.3
Automotive Operation	396.7	0.0	235.6	396.7
Equipment/Library Books	6,501.4	6,452.0	7,005.6	7,005.6
Telecommunications	1,320.8	1,325.5	1,328.8	1,328.8
Awards & Grants and Federal Matching Funds	421.5	325.0	421.5	421.5
Repairs, Maintenance and Other Capital Improvements	1,717.8	1,717.8	1,888.5	1,888.5
Enrollment Management*	1,455.0	0.0	2,305.5	0.0
Total Allocated	\$142,036.4	\$140,581.4	\$143,915.8	\$141,610.3

Table 4
Nonappropriated Internal Budget
(Current Year/Prior Year Comparison)
(\$ in Thousands)

Object Classification	FY97 Budget	Estimated FY97 Expenditures	FY98 Budget
Personnel Services	\$33,489.3	\$33,188.3	\$34,954.1
Social Security	731.1	684.6	710.2
Contractual Services	26,474.7	26,172.9	26,515.9
Commodities	16,412.6	16,217.0	16,776.1
Travel	2,034.0	1,931.3	1,822.6
Automotive Operation	466.8	388.9	470.3
Equipment/Library Books	3,138.8	3,037.1	3,131.6
Telecommunications	708.8	692.4	710.0
Awards & Grants	8,467.5	8,166.7	8,550.2
Indirect and Other Costs	1,387.7	1,526.7	1,700.0
Debt and Repair Transfers	6,363.9	6,331.6	6,963.1
TOTAL	\$99,675.2	\$98,337.5	\$102,304.1

PROGRAM IMPROVEMENTS

Teacher Education Innovations	\$ 325,000
Improvement and Expansion of Health Care Programs	400,000
Promoting Science/Mathematical Literacy	400,000
Workforce Development	595,000
Improvement of Undergraduate Education Technology	800,000 <u>1,950,000</u>
Total Program Improvements	\$ 4,470,000

DETAIL ON PROGRAM IMPROVEMENTS

Teacher Education Innovations: The College of Education is engaged in expanding its partnerships with schools in the university's service region. It is working to create a model of a partnership relationship in which university faculty and school practitioners work together to offer a teacher education curriculum with imbedded and intensive clinical experiences leading to a year-long internship for students seeking certification. These partnerships would also include course work to help school-based personnel update their expertise and research to determine the comparative effectiveness of various teaching practices and to disseminate information on the most effective approaches to teaching and learning. This funding would support two coordinators for these intensive partnerships, supervisors and support for school-based personnel (\$200,000); computer technology to link five to seven partner schools with the university (\$95,000); and provide contractual, travel, and telecommunications support for the project (\$30,000).

Improvement and Expansion of Health Care Programs: The university is requesting \$400,000 to provide additional faculty positions and support resources to help meet the increasing demand for health programs offered in the College of Health and Human Sciences. The IBHE has identified personnel shortages in the state in several health professions, and the university is experiencing greater demand for its health programs than it can accommodate. The university would use these new funds to provide additional access to the undergraduate and graduate programs in speech pathology, the baccalaureate completion program for nurses holding the R.N. degree, and for the undergraduate program in community health and the graduate program in public health. The proposal would allow for the addition of seven faculty positions (\$280,000), some graduate assistants and support staff (\$41,800), and some equipment, software and commodities enhancement (\$78,200).

Promoting Science/Mathematical Literacy: The university's request for \$400,000 to improve the achievement of students in the sciences and mathematics addresses the findings of several national studies that emphasize the need to improve the understanding of scientific and mathematics concepts on the part of all students, not only those planning to major in the sciences or mathematics. The reports focus on the 85% of college graduates who are not going to earn degrees in mathematics, science or engineering and the importance of those citizens having enough science and mathematical literacy to function effectively in a world in which that literacy is increasingly important. The funding would support faculty development in teaching these concepts more

effectively to nonmajors and the development of cross-disciplinary courses that would help students achieve science literacy through study in their chosen fields. Some of the funding would also be used to establish a Science Preparatory Institute, a four-week summer interdisciplinary program for first year or transfer students who intend to major in science or mathematics or to seek teacher certification in these fields. Of this request, \$300,000 would provide support for faculty and for graduate assistants; the remaining \$100,000 would be used for equipment, software, and instructional materials.

Workforce Development: In both its enrollment patterns and its workforce statistics, Northern is typical of a significant subset of the nation's public universities. The university is the largest single employer in a small, relatively homogeneous, rural or semi-rural community, and its workforce mirrors the homogeneity of the community. At the same time, the university draws a substantial portion of its student body from a much larger and much more diverse region. As a result, the diversification of the student body is occurring much more rapidly and is much more extensive than the diversification of the community. Employee turnover at the university does not occur fast enough to provide the number of vacancies which would be needed to create a more balanced workforce. Moreover, a very substantial portion of the vacancies which do occur are associated with positions which do not attract a national pool of potential candidates. In the current budgetary climate, there is little likelihood of a major expansion in the university workforce. Therefore, efforts to bring hiring patterns into closer proximity with enrollment patterns will have to focus on intensified recruitment for the small number of vacancies which occur in positions which would attract potential employees from outside the immediate area and on the retention and development of minority faculty and staff currently in place. If Northern can develop programs and practices which would further these efforts, it could serve as a national model for institutions similarly situated.

Improvement of Undergraduate Education: The undergraduate education program priorities request for FY99 is based on several new initiatives and also the need to strengthen existing programs and to address current demands. The request for funding for course development in learning technologies (\$110,000) is the result of initiatives to provide interested faculty with the opportunity and the means to develop course syllabi, curriculum and student communications using the web technologies and classroom technologies. Funding for academic advisors and for additional staff in Registration and Records (\$138,000) addresses needs related to NIU's current and pending dual admissions agreements with community colleges. Additional section support in general education (\$330,000) addresses the need to reduce the class size in freshman and foundational courses in the areas of mathematics and the sciences to improve student achievement. With the comprehensive review of the General Education program during the last three years, the faculty have recommended the creation of a faculty coordinator and the development of writing-intensive courses and capstone courses to improve the quality of student learning. To address these proposals and the resultant need to provide assessment of students' general education outcomes at the junior/senior level, NIU is requesting \$74,000 in staffing and support costs. If funded, the position of faculty coordinator of general education would also take on the coordination of the university's very successful freshman orientation course. Also, in 1997-98, although the number of sections of the University Experience course have

increased, the university cannot fully meet the demand for this course. The need to increase the number of sections as well as to provide stipends for teaching faculty, along with course material costs, are included in the request in the amount of \$148,000.

Technology: The university intends to build upon its high performance campuswide network, open-access student computer laboratories, and distance learning classrooms to create an enhanced high technology instructional delivery system that follows the recommended minimum campus standards of the IBHE Higher Education Technology Task Force. Enhancements to this system will include additional master or smart classrooms (i.e., instructor available networked microcomputer with projection equipment), computerized classrooms for interactive and group learning, multimedia-intensive delivery systems, and high technology support units. Also, the high technology delivery system will be kept at state-of-the-art levels through update and replacement of faculty connections and workstations on, at worst, a five-year cycle. To accomplish this, six to eight additional smart and computerized classrooms will be created and equipped (\$400,000). Installation and implementation of a digital video server and related equipment will create a foundation for the multimedia-intensive delivery system (\$260,000). Three instructional design staff and three instructional support staff, along with faculty stipends are needed to create technology enhanced courseware and to assist and train faculty in the appropriate use of technology (\$340,000). The update and replacement of faculty connections and workstations will require the establishment of a centralized technology enhancement and replacement fund (\$950,000). The fund will be used to assist departments and colleges with the costly process of keeping faculty computing technology up to date.

FY99 BUDGET GUIDELINES

1. 5.5% increase in personal services to establish a compensatory increment pool for faculty and staff salary increases. Includes funds to cover cost-of-living and market competitive catch-up adjustments.
2. 3% General Price Increase.
3. 10% Library/Technology Increase: To meet continued unique increases for library and technology materials and equipment.
4. \$330,000 Medicare Increase: To provide sufficient funds to meet mandated contributions.
5. \$547,700 Sick Leave Increase: To provide sufficient funds to meet staff retirements/resignations.
6. \$4,470,000 in Program Improvements.
7. \$1,500,000 Deferred Maintenance Plan: This request represents the second year of a two year plan to address ongoing deferred maintenance of state-owned campus buildings.
8. \$2,950,000 for purchase of a new Human Resource System, support for our Financial Management Systems Improvement and year 2000 compliance.

Comparison of Budgetary Guidelines
(\$ in thousands)

	<u>BOT FY98</u> <u>Guidelines</u>	<u>IBHE FY98</u> <u>Recommendation*</u>	<u>BOT Recommended</u> <u>FY99 Guidelines</u>
Salary Increase	5.0%	3.0%	5.5%
General Price Increase	4.0%	0.0	3.0%
Library/Tech Increase	10.0%	5.0%	10.0%
Utility Increase	4.5%	3.0%	3.0%
Medicare Increase	\$342.9	\$25.1	\$330.0
Sick Leave Increase	\$514.7	\$17.0	\$547.7
Program Improvements**	\$3,400.0	\$1,050.0	\$4,470.0
Deferred Maintenance	\$1,500.0	\$370.7	\$1,500.0
Human Resource System	0.0	0.0	\$2,950.0

* Governor supported the IBHE Recommendations.

** Program improvements detail attached.

**COMPUTER SERVICES
Computer Supplies**

Summary: The Computer Services Department provides computer networking systems for intracampus groups and for interfacing with outside research and communications networks such as the Internet. The rapid evolution of network technology is requiring extensive investment in updating existing systems and larger investments in equipment, components and software to produce newer, higher speed systems. The new systems and broader accessibility are being provided to residence halls and other campus departments. Purchases from this vendor will be for system and operational software, equipment, components and supplies and will be used for general maintenance as well as for specific major projects, such as the residence halls and computer laboratories.

In accordance with the Illinois Purchasing Act, these items are exempt from bidding.

Recommendation: The university requests the Board of Trustees approval for expenditure authority for this vendor on a "Not to Exceed" basis as follows:

Cisco Systems, Inc., Chicago, IL..... Not to Exceed \$750,000

Funding is to be provided through Local Funds - Sales and Service Activities - Computing Services.

**MATERIAL DISTRIBUTION CENTER
Miscellaneous Commodities, Parts And Services**

Summary: The Material Distribution Center supplies miscellaneous commodities, repair parts and services to all of building maintenance, heating plant, janitorial services and other shops. Advertised sealed bids were solicited for open orders for FY97, with an option for renewal for FY98, allowing for price increases passed through from manufacturers. Other orders involving new bids for FY98 orders are also included.

Open Order for FY98 for Miscellaneous Commodities, Services and Parts

Recommendation: The university requests Board of Trustees approval to process renewal open orders with the following supplier in a not to exceed amount.

Columbia Pipe & Supply Co., Aurora \$350,000

Thrall Distribution, Loves Park \$350,000

Funding is to be provided through Auxiliary Enterprises and Activities - Material Distribution Center - Facilities Maintenance.

The following item, endorsed by the FFO Committee at its meeting on September 15, includes revisions recommended at that time.

UNDERGRADUATE TUITION INCREASE PLAN

Summary: The university has a responsibility to parents and students to keep college costs affordable and to help families develop their financial plans for college. Annual increases in tuition and fees should be kept at reasonable levels, and parents and students should be told about expected increases in tuition and fees during the years in which the student is enrolled. However, the university also recognizes that the total cost of attending college is affected by time-to-degree. The difference in total cost between four and five year graduation is substantial, especially if one considers the salary or income foregone because of being enrolled for a fifth year. The university's responsibility to keep college affordable includes the encouragement of students to graduate in a timely fashion. Of course, it must be recognized that the student ultimately makes the choice about the number of hours based on a number of factors discussed below.

The university is committed to the general principal of keeping percentage increases in undergraduate tuition and fees within the range described by increases in consumer prices and increases in the purchasing power of families. The cost component in this range is defined by increases in the prices of goods and services as measured by the Consumer Price Index. The purchasing power component in the range is based on increases in household purchasing power as measured by percentage increases in disposable income and per capita disposable income. Based on recent experience and projected trends, this range is likely to be between 3.0 and 4.5 percent for the region the university serves. This model might not be applicable in a drastically different economy. Actual percentage increases for each of the next four years will be determined by several factors, including, but not limited to, actual increases in consumer prices and purchasing power, the need for new or expanded programs, increases or decreases in state funding, productivity improvements, enrollment trends, the cost of maintaining instructional quality through purchases of new technology and payment of competitive faculty and staff salaries. The university's goal is to keep tuition increases, as much as possible, at the low end of the range for the next four years.

It is becoming more common for undergraduate students at Illinois institutions and throughout the nation to take more than four years to graduate. At NIU the percentage of students taking more than four years to graduate has been gradually increasing and now exceeds 50%. It is obvious that a direct relationship between the number of semesters a student takes fewer than 15 hours and the probability of taking more than four years to graduate. Studies have shown that personal problems, the need to work part-time, and attempts to improve GPA are the major reasons for a student taking fewer than 15 hours per semester. But it is important to recognize that 88% of NIU undergraduates take

12 or more hours per semester and are officially classified as full-time students for financial aid purposes (40% take 12-14 hours, and 48% take 15 or more hours). Taking 12 hours per semester, however, will not allow a student to complete a degree in 4 years. Therefore, it is the group of students taking 12-14 hours that has the greatest potential for taking additional course work and shortening time-to-degree.

Although most students have good reasons for taking more than four years to graduate, the university needs to encourage students to graduate in four years, if at all possible, and should be sure students are aware that a longer time-to-degree is more costly. Providing this information will allow students to make a more informed choice about their class loads. In order to achieve these objectives, the university proposes to change its undergraduate tuition schedule from a constant tuition charge per credit hour to a schedule where the tuition charge per credit hour declines as more credit hours or courses are taken. The proposed tuition schedule for FY99 can be described as follows:

Fiscal Year 1999 Undergraduate Tuition Plan

1. A schedule of credit hour charges which decline from \$116 to \$98 per credit hour between one and 16 credit hours.
2. At the upper end, the tuition schedule results in a tuition increase of 1.6 percent at 15 hours and a tuition decrease of 0.4 percent at 16 hours or more.
3. No charge for additional hours beyond 16 credit hours
4. Average tuition increase of 3.2 percent, based on current enrollment patterns.

Fiscal Years 2000-02 Undergraduate Tuition Goals

The undergraduate tuition schedule will be projected forward for the three years beyond FY99 (i.e., Fiscal Year 2000, FY01 and FY02) with the goal that tuition increases will reflect increases in the CPI and disposable income and per capita disposable income for the region from which the majority of the university's students originate and in which university personnel and other costs are incurred. The university will monitor these measures annually and advise the Board each fall of other factors such as a drastically different economy, the need for new or expanded programs, increases or decreases in state funding, productivity improvements, enrollment trends, the maintenance of instructional quality through purchase of new technology and the payment of competitive faculty and staff salaries which might necessitate an adjustment in the tuition goal.

In conjunction with developing an undergraduate tuition plan for the future, the university needs to look at requirements that might prevent timely graduation. One of these is the 124 credit hour minimum graduation requirement. Most institutions currently have a 120 credit hour requirement.

Recommendation: The university requests Board of Trustees approval of the FY99 undergraduate tuition plan and endorsement of the goal for the following

three years that undergraduate tuition increases will reflect increases in consumer prices and disposable income and per capita disposable income in the region the university serves. The university will provide an annual assessment of these measures and other factors which may affect future tuition rates.

The university plans to review the 124 credit hour requirement for graduation and report back to the Board.

CONTRACT WITH REAL EDUCATION, INC.

Summary: The Division of Continuing Education will enter a contractual agreement with Real Education, Inc. for the delivery of online education courses over the Internet. Real Education contracts with other universities for the provision of similar services and is recognized as one of only a handful of full-service providers of online course support.

Real Education provides all the hardware, software and Internet connectivity required for online courses. Its technical infrastructure includes multiple servers and multiple Internet access points in multiple locations giving it the required redundancy and reliability for serving large numbers of off-campus students simultaneously. The university does not currently have such an infrastructure, and chooses at this time to outsource the required support to a specialized vendor.

The online noncredit courses to be produced under this contract will use text, graphics, audio, video, e-mail, chat rooms and threaded discussions to present content in educationally effective ways. The courses will be highly interactive, using both synchronous and asynchronous communication methods. This form of "anytime, anywhere" online learning is especially useful for adult students who find it difficult to accommodate live courses in already busy schedules.

Real Education will provide courseware development support and delivery system management for the equivalent of sixty (60) credit hours of classroom instruction converted for online delivery. The initial project to be developed under this contract will be the CPA Comprehensive Review course from the Department of Accountancy. Additional noncredit courses will follow. When appropriate academic policies and procedures have been developed, credit courses may also follow.

The contract period is three years. The course development fee (for the equivalent of sixty credit hours of instruction) is \$100,000 payable in three installments over a one-year period. The university will also pay Real Education a delivery fee for each enrollee. A projected total of 610 enrollments during Year 1 will generate a payment to Real Education of \$105,700; a total of 1050 enrollments in Year 2 will generate a payment to Real Education of \$191,000; a total of 1450 enrollments in Year 3 will generate a payment to Real Education of \$239,000. The total contract amount is estimated at \$635,700. All costs will be paid from user fee revenues.

Recommendation: The university requests Board of Trustees approval of the contract with Real Education, Inc.

COLLECTIVE BARGAINING AGREEMENT

The following collective bargaining agreement has been ratified by the bargaining unit and is submitted for approval by the Board of Trustees.

Bargaining Agent: AFSCME, Local 963, representing 325 janitorial, food service and maintenance repair workers at Holmes Student Center, Lorado Taft Campus and the DeKalb Campus.

Scope of Negotiations: FY98 wage reopener

Tentative Agreement for Board Action: FY98 wage increase for the bargaining unit consistent with FY98 university increment guidelines.

President's Report No. 11

December 11, 1997

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
11:30 a.m. – Thursday – December 11, 1997
Clara Sperling Sky Room**

- 11:30 a.m. Call to Order, Roll Call, Notice Verification, Recess to Executive Session
12:00 a.m. Executive Session and Lunch - University Suite
1:15 p.m. Reconvene Board of Trustees Meeting - Sky Room



1. Call to Order and Roll Call
2. Verification of Appropriate Notice of Public Meeting
3. Announcements
4. Executive Session
5. Meeting Agenda Approval *Action...38*
6. Review and Approval of Minutes of September 25, 1997 *Action...40*
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. President's Report No. 11
 - a. Items forwarded by the Finance, Facilities and Operations Committee
 - (1) Stevenson Towers Renovation - Phase I..... *Action...53*
 - (2) FY99 Tuition Recommendation *Action...55*
 - (3) Report on Investments*Information*
 - (4) Periodic Status Report on Capital Projects in Excess of \$250,000.....*information*

- b. Items Forwarded by the Legislation, Audit and External Affairs Committee
 - (1) NIU Land Utilization Policy Resolution *Action*...60
 - (2) Intergovernmental Payroll Agreement *Action*.. 61
- c. Summary of Grant and Contract Awards*Information*
- d. 1998 Meeting Dates..... *Action*..62
- 9. Chair's Report No. 8
 - a. Amendment to Board *Regulations* II.D.12. and III.C.14. (Tuition Waivers) *Action*..63
 - b. Amendment to Regulations II.D.6. and III.C.2. (Sick Leave)..... *Action*..64
 - c. Executive Session Minutes Release *Action*..65
- 10. Other Matters
 - Approval of Negotiated Salary Reopener for the University Professionals of Illinois NIU Instructors Unit, Local #4100..... *Action*
 - Property Acquisition..... *Action*
 - Intergovernmental Agreement with City of Sycamore for Lease of Real Property *Action*
- 11. Next Meeting Date
- 12. Adjournment

Minutes of the Meeting of the
BOARD OF TRUSTEES
of **NORTHERN ILLINOIS UNIVERSITY**
December 11, 1997

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 11:36 a.m. by Chair Robert Boey. Recording Secretary Sharon Mimms conducted a roll call of Trustees. Present for the meeting were Trustees Susan Grans, George Moser, David Raymond, Student Trustee Steven Kovacs and Chair Boey. Not present were Trustees James Myles, Manuel Sanchez, and Myron Siegel. Also present were President John La Tourette and Parliamentarian Kenneth Davidson. Having noted the presence of a quorum, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

Confirmation of Open Meetings Act notification compliance was given by Board Parliamentarian Ken Davidson.

Chair Boey 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: collective bargaining matters as generally described under §2(c)(2) of the Open Meetings Act, personnel matters as generally described under §2(c)(1) of the Open Meetings Act, property matters as generally described under §2(c)(5) and §2(c)(6) of the Open Meetings Act, and Executive Session Minutes matters as generally described under §2(c)(21) of the Open Meetings Act. Trustee Raymond 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

The public meeting of the Board of Trustees was reconvened by Chair Boey at 1:54 p.m. Chair Boey requested a roll call of Trustees. Present were Trustees Susan Grans, George Moser, James Myles, David Raymond, Manuel Sanchez, Student Trustee Steven Kovacs and Chair Boey. Not present was Trustee Myron Siegel.

ANNOUNCEMENTS

Trustee Susan Grans announced that an award had been received by the Northern Illinois University Rockford Education Center this Fall. The Center was recognized by NIBCA (the Northern Illinois Building Contractors Association) and the American Institute of Architects through the general contractor, Ringland-Johnson Construction of Rockford, of which Brent Johnson is President. Trustee Grans said the Center was recognized for its quality construction, architectural appeal and overall aesthetic and functional aspects and was the only educational center recognized. This is an award that is given once every three years, Trustee Grans said, so this is a very significant award

and it bodes well for two reasons. Number one, she said, it is a very attractive and functional building; and number two, it says a lot for the direction of Greg Petty, the Education Center director there, and the wonderful staff that deliver top grade customer service through conferences, seminars and the classes held there. Trustee Grans then presented the award to Chair Boey. Chair Boey accepted the award on behalf of the Board of Trustees, President John La Tourette and the university. The award will be displayed at the Rockford Education Center.

Chair Boey invited Vice President Jim Harder to the podium while he read a declaration in his honor. The declaration read as follows:

DECLARATION

WHEREAS, James E. Harder began serving Northern Illinois University on July 15, 1963 and has since faithfully served the university through many assignments, most recently as Vice President for Business Services; and

WHEREAS, James E. Harder has capably and steadfastly executed the duties and responsibilities assigned to his offices; and

WHEREAS, James E. Harder has demonstrated dedication and loyalty to Northern Illinois University, its faculty, staff and students; and

WHEREAS, James E. Harder has made a particularly notable contribution by his conscientious service to the Northern Illinois University Board of Trustees; and

WHEREAS, the Board of Trustees and the community of Northern Illinois University owe James E. Harder a debt of gratitude and wish to express their sincere appreciation for the many contributions of James E. Harder to all the above-mentioned interests of this Board and university,

NOW BE IT DECLARED that the university and the Board of Trustees extend their grateful appreciation to James E. Harder for his outstanding and loyal service and wish him the best in his future endeavors.

Dated this 11th day of **December**, 1997 at DeKalb, Illinois.

*Robert T. Boey, Chair,
Board of Trustees
Northern Illinois University*

Accepting the declaration, Mr. Harder said he had been at the university 34½ years and seen a lot of changes and believed most were for the good. I just want to thank this Board and the boards that preceded it, Mr. Harder said, for giving me the opportunity to work here at Northern. Dr. La Tourette invited the Board and others present to join with him and his colleagues in extending congratulations and best wishes for the future to Jim and his wife, Jackie, at a

retirement reception being held on Tuesday, December 16, in the Sky Room. Dr. La Tourette said that he and Mr. Harder had been very close over the years and said Jim had been a person who was loyal to the administration and its mission, and had carried out all of his responsibilities in an exemplary fashion. Though I wish him well, La Tourette said, at the same time there is going to be a tremendous void created at the university for his steadfastness, his good advice and counsel. He is a person who was always positive about the university and helping in everything that made the university better. The President thanked Mr. Harder and extended his congratulations, appreciation and best wishes to him. Chair Boey said that although he had not known him as long, he wished to add similar comments to Mr. Harder and his wife and extended his best wishes to them.

MEETING AGENDA APPROVAL

President La Tourette made two corrections to the agenda. Agenda Item 8.a.(1), Stevenson Towers Renovation – Phase I, should be marked "Action" instead of "Information" on page 10, and a new report, Agenda Item 8.d., 1998 Meeting Dates, was added as an "Action" item. Trustee Sanchez moved for approval of the Agenda as amended. Trustee Grans seconded the motion. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

It was moved by Trustee Raymond and seconded by Trustee Sanchez to approve the minutes of the September 25, 1997 meeting. 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

Committee Chair Grans said that the Committee met on Friday, October 17. Reports heard in that meeting included the FY97 External Funding for Research, Public Service and Instructional Projects, the 1997 Underrepresented Groups Report, the 1997 Productivity Report and an update on retirement issues. We also had a very enlightening report on the success of NIU graduates, Trustee Grans said, where we learned the value of the degree from NIU and the high amount of success that the graduates have had in their careers due to their education.

Finance, Facilities and Operations Committee

Committee Chair Raymond stated that the Finance, Facilities and Operations Committee met on Monday, November 17. The Committee heard two informational items, the Periodic Status Report on Capital Projects in Excess of \$250,000 and a detailed presentation and report on university investments. A request for an increase of \$1.625 million in expenditures for Phase I of the

Stevenson Towers renovation was presented for action by the Committee. This would make it possible to take up enhancements in the Stevenson Towers renovation plans, due to the receipt of favorable bids by the university on its initial bid request, the cancellation of the Recycling Center, and the savings realized in operating expenses because part of Stevenson Towers is out of service this year. So, as a result of those savings, the Committee was able to endorse and recommend the additional funds and expenditures to add enhancements to the original plans for renovation of Stevenson Towers for Board approval. The second action item was a revised plan for graduated tuition fees for 1999. The schedule for an increase in tuitions was revised to more evenly distribute the impact of the tuition increase across all students and eliminate the disproportionate impact presented in the original plan for those students with six credit hours or less. This recommendation was a result of a lot of input that the President and a lot of others on the staff received after the initial action by the Board at its last meeting on the new tuition plan. The Finance Committee recommended this revised tuition plan to the full Board for approval.

Legislation, Audit and External Affairs Committee

Chair Moser reported that the Legislation, Audit and External Affairs Committee convened on Tuesday, November 25, at the Northern Illinois University Hoffman Estates Education Center. Hoffman Estates Mayor Michael O'Malley and State Representative Terry Parke briefly addressed the Committee. As the Board knows, the Governor signed Senate Bill 770 late this summer. Trustee Moser stated that this bill provides the university with the authority to be more creative and entrepreneurial in the development of designated areas of land owned by the university, most notably, the areas known as the "North 40" and the 200 acres of undeveloped land contiguous to the west campus, which the university recently purchased. Through this legislation, the Board of Trustees will have the flexibility to meet the changing needs of future NIU students for the next 25 to 35 years. Public-private partnerships were encouraged as a way to meet ongoing and future capital needs at NIU in an era of limited State resources. Trustee Moser said the Board passed a resolution at its June meeting requesting the administration to develop recommendations for implementing the legislation, which takes effect January 1, 1998. The resolution unanimously passed by the Legislation, Audit and External Affairs Committee was included in the meeting packet. It calls for an oversight team comprised of the Chair of the Finance and Facilities Committee, the Chair of the Legislation, Audit and External Affairs Committee, and the Board Chair to review all the developments proposed, and assist the university administration and the development of intermediate and long-term development plans for the land within the zone. The resolution indicates that any project must be approved by the Finance and Facilities Committee as well as the full Board of Trustees. Trustee Moser commended President La Tourette, Vice President Eddie Williams and Kathy Swanson for their work in drafting such a comprehensive response to the Board's June 1997 meeting. Northern Illinois University is the only university in the state with these public-private partnership opportunities. It also has a strong board administration and implementation plan for the development zone. Trustee Moser thanked Governor Edgar for his support of this Board and thanked the university for its efforts to ensure our ability to meet our students' needs in the future.

Finally, the Committee discussed the Governor's call for a special session on December 2 and the potential for Altgeld Hall renovation funds as a result of this special session. Trustee Moser reported that the House passed the supplemental funding legislation containing \$19 million in funding. More importantly, he said, the bill was actually signed by Governor Edgar on Monday for the funding of Altgeld Hall. The university has been seeking renovation funds for Altgeld Hall, an historical focal point of the campus, for almost ten years, Trustee Moser said, and I am delighted with the legislature's and the Governor's action in support of this much-needed project. A detailed legislative report on Veto Session was reported and discussed, including some potentially problematic issues such as the implementation of the HOPE Scholarship and Lifetime Learning federal tax credits and state procurement legislation. This creates a completely new purchasing process for all state agencies and public universities.

Illinois Board of Higher Education

President La Tourette reported that the last meeting of the Board of Higher Education was held on Thursday, November 11, and attended by Provost Moody. Dr. La Tourette commented on that meeting, as it applied to NIU. Very good compliments were received from the staff of the Board of Higher Education relative to the ongoing work of the Provost's Office, and particularly Lynne Waldeland, who has literally moved mountains, the President said, to explain and convince the IBHE staff of the strength of our Ph.D. programs in general, and of their role as new models for doctoral program application orientations. Without Dr. Waldeland, he said, I do not think we would have fared very well in these reviews. They are models to be emulated by other institutions in the future. They not only give students a very strong theoretical education, but also expose them to the kind of technology and clinical type practicum experiences essential for good job placement. Dr. Waldeland has seen the university through many years of dealing with IBHE questions about our doctoral programs, responding over and over again, Dr. La Tourette said, and now, I think they recognize the quality of our programs. President La Tourette thanked Dr. Waldeland and the entire Provost's staff for that long-term effort, which has now resulted in some real recognition of what is being done with doctoral programs at Northern Illinois University.

Dr. La Tourette said that Dr. Keith Sanders had been appointed as the Executive Director of the Illinois Board of Higher Education and will assume his responsibilities on January 1, 1998. The current, executive director, Dr. Richard Wagner, will be phasing out during the January-February period. Some years ago, Keith Sanders was a member of the faculty and a dean at Southern Illinois University at Carbondale. More recently, he has been the Chancellor of the Stevens Point campus in the Wisconsin system and has worked in the president's office at the University of Wisconsin at Madison. He brings to this position an extensive amount of on-campus experience in both Illinois and Wisconsin, Dr. La Tourette said, and I believe he will take a university perspective in his role as executive director. Dr. Sanders has a communications background and is highly regarded by NIU faculty in Communication Studies not only as a scholar, but also as a practitioner. Also important for this position, President La Tourette said, is the fact that Keith Sanders has had experience in both states working with Washington's Capitol Hill. He was selected in 1989 by

Illinois higher education leadership to lead the effort to make permanent the temporary tax increase, or surcharge, for all of education, both public and higher education. Dr. Kustra, as Chair of the Board of Higher Education, took a great interest in this search. And after making the appointment, he indicated it was ideal because Dr. Sanders had a broad base of experience, both in terms of the legislative process and working on university campuses. In view of the fact that very few executive directors of higher education boards around the nation have had much experience on a campus, Dr. La Tourette said that Illinois was lucky to have someone with solid campus experience.

University Civil Service Merit Board

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

Northern Illinois University Foundation

Mr. Mike Malone, Interim Vice President, Development and University Relations reported that the Foundation experienced a 32% increase in total giving for the year, ending the fiscal year at \$5.32 million. The Foundation Endowment grew by 20% last year and topped \$10 million, up from a total of \$3.3 million three years ago. There has been a very concentrated effort not only to raise more dollars, Mr. Malone said, but to raise more dollars in the Endowment itself. In the first quarter of the fiscal year, more than one million new dollars was added to the Endowment. Mr. Malone said that an in-house telemarketing campaign that is the heart and soul of our annual giving program for alumni and parents has been implemented. It is anticipated that they will be contacting 75,000-plus NIU alumni and parents this year, which compares with 25,000 calls made in a given year over the last three years, when the service was outsourced. Mr. Malone said that the most important thing, from my point of view, was that it will be NIU students making the calls, which will mean a very positive communication, regardless of the ability or willingness of the person in question to make a gift. Early results are very encouraging, he said, and it is expected that the amount of annual contributions this year will significantly increase over those received last year through telemarketing.

The search for a Chief Development Officer and Associate Vice President is underway. Candidates are expected to be on campus in January. This is a critical, very difficult hire and in this very tight market, he said, and we are taking our time and trying to be very careful with it. Dr. Anne Kaplan is heading up that search committee, which includes Foundation Board members.

The development office conducted a planned giving seminar and workshop for retirees and is expanding the type of planned giving vehicles offered. An agreement has been signed that will provide a charitable remainder trust, which is the first such agreement ever signed in NIU's history. It would allow an individual to gift a large sum of money to the university, but continue to receive income from that asset until that individual's death. That is now a very common form of planned giving and a growing market. The transfer of generational assets in the next 15 years in the United States is going to be immense and it is a way that more and more people are thinking about leaving a lasting gift to a charity of their choice.

The NIU Foundation Gala attracted the largest crowd in its history. More than 280 supporters of NIU gathered in September. They were joined for the first time by more than 40 students who attend NIU on scholarship. Mr. Malone said they wanted to have the recipients of the donors' gifts and the donors at the same table to meet one another. A follow-up survey of those who attended the gala reported unanimously that they liked having the scholarship award winners at the dinner and want to invite them back next year. So, that practice will continue.

Mr. Malone also said that a \$250 per person benefit for the Theatre Department's *Summer Night* program was held, which drew a crowd of 120 to meet NIU alumna and two-time academy award nominee Joan Allen. The event was held in the ballroom of the former Illinois Athletic Association on Michigan Avenue in Chicago, and raised money to sustain the *Summer Night* program, which allows NIU theater majors to have their first professional theatre experience in Chicago in an equity company over the summer and not have to drop out of school to do it. They can stay in school, acquire experience, come back to obtain a degree, and then go into the job market better prepared for the kind of job they need to sustain their art.

As I've said many times before, Chair Boey stated, with 39% of our budget being State-supported, this serious fund raising is no longer the domain of the Princetons and the Yales. The state universities have to do very serious fund raising, he said, and I cannot think of a better person to have our program in than the hands of Mike Malone.

HONORARY DEGREES

President La Tourette recommended to the Board the award of an honorary degree to two people who are related. This is kind of a first for Northern Illinois University, he said. The award would be the Doctor of Humane Letters to John P. Morgridge and to Tasha F. Morgridge, each in their own right. Mr. Morgridge's parents attended and graduated from NIU and were among the very early teachers sent out from what was Normal School in its early decades. John Morgridge has distinguished himself as the leader, President and CEO of Cisco Systems, and now as its chairman of the board. He is very much involved, not only in technology advancements, but in the use of technology for instruction. He is very heavily involved in trying to make a major difference in the education of people coming from an underprivileged background in a local California school district and is remarkably familiar with current research.

Tasha Morgridge is the author of a book about learning disabilities. She has been involved as a person championing the welfare and development of children, has been a teacher of children with learning disabilities and is currently the president of the Morgridge Family Foundation. Mrs. Morgridge has worked with a number of schools dealing with educationally disadvantaged students. Together, they were instrumental in the recent establishment of the new Morgridge Chair, which is now held by Dr. Donna Wiseman. President La Tourette asked for Board approval to award these two honorary degrees at the May commencement in 1998. The Board voted unanimously to award the Doctor of Humane Letters to both John P. Morgridge and Tasha F. Morgridge.

ACTION ITEMS FORWARDED BY THE FINANCE, FACILITIES AND OPERATIONS COMMITTEE

Agenda Item 8.a.(1) – Stevenson Towers Renovation - Phase I

President La Tourette presented the recommendation being forwarded from the Finance, Facilities and Operations Committee discussed earlier by Trustee Raymond. He stated that the plan has been revised and funding is available to initiate this plan for the renovation of the Stevenson Towers – Phase I. Dr. La Tourette asked Board of Trustees approval of a \$1.625 million project budget increase, from \$14,430,400 to \$16,055,400, for Phase I of the Stevenson Towers renovation. Trustee Raymond so moved, seconded by Trustee Grans. The motion was approved.

Agenda Item 8.a.(2) – FY99 Tuition Recommendation

Dr. La Tourette explained the FY99 Undergraduate Tuition Rate chart on page 14 of the meeting materials. The new plan, he said, still carries out the objective of the original plan, which is to encourage students to take more hours to graduate in a shorter period of time, because we recognize that the cost of staying for the fifth year is very high. If a student can cut back from five years to four years in completing a degree or six years to five years, it is a tremendous benefit to the student. The university will be talking to and providing information, not only to students, but to parents and other people involved in assisting students financially to make them more aware of the costs that go beyond four years. At the same time, the new plan still generates the overall 3% increase expected from the IBHE.

President La Tourette also went over a comparison put together as a result of an article published in the *Chicago Tribune* on increases in tuition and fees at the University of Illinois-Champaign/Urbana. The comparison showed that the cost of tuition for 15 hours per semester at the University of Illinois is \$3,408. With Board approval of this current recommendation, 15 hours of registration at NIU will bring that tuition cost to \$3,000 per year. With projected room and board rates for NIU, the cost for a double room with 14 meals per week, would be \$3,873, while at the UI, it is already at \$4,962 a year. A projection of fees at a 4% increase came out at approximately the same level as the UI. Fees are difficult to compare because the mix of services that fees go to support are so different between the two campuses. Overall, a full package for students at NIU will be about 19.3% less than the UI next year. For specialized programs like nursing, tuition alone at the UI would be approximately 13.6%, and engineering would be approximately 33% higher than NIU. Room and board rates would be about 28% higher than at NIU. Northern Illinois University is doing a very good job of containing costs, not only in tuition charges, but also in room and board rates. I think this is a good message, President La Tourette said, and we have to communicate more to students about how they can avoid higher costs if they increase the number of credit hours completed each semester and reduce the time it takes to get a degree at Northern Illinois University. There were also adjustments shown for graduate and law school tuition that were discussed by the Finance, Facilities and Operations Committee. NIU is in line and on the low side for the Law School and graduate tuition. Trustee Raymond asked that the recommendation on page 11 be changed from "The university requests Finance,

Facilities and Operations Committee approval ..." to "The university requests Board of Trustees approval" Chair Boey then asked for a motion to approve the FY99 tuition recommendation with the language correction. Trustee Sanchez so moved, seconded by Trustee Myles. The motion was approved.

Agenda Item 8.a.(3) – Report on Investments - Statement of Investment Policy

Reports on university investments and the statement of investment policy were presented to the Finance, Facilities and Operations Committee chaired by Trustee Raymond. Dr. La Tourette called the Board's attention to the distribution of holdings held by the university as of June 30, 1997 and a pie chart on the following that page showing the current yields on those investments. These investments were thoroughly reviewed by the FFO Committee and presented to the Board as information on university procedures. Because investments have to be relatively conservative in order to meet the state statutes and other requirements imposed on the university as guardians of public funds, Dr. La Tourette said, yields range from 5% to 6%.

Agenda Item 8.a.(4) – Periodic Status Report on Capital Projects in Excess of \$250,000

This report provided the status of capital projects with budgets in excess of \$250,000. All of the projects were previously approved by the Board of Trustees or the Board of Regents and are currently in process. These status reports are provided on all projects, regardless of initiation date, until all work has been completed and all payments made.

Agenda Item 8.b.(1) – NIU Land Utilization Policy Resolution Land Development Process (SB770)

This item was discussed by Trustee Moser in his Legislation, Audit and External Affairs Committee report and was thoroughly covered at that meeting. The basic elements of this process and any potential use of the land subject to Senate Bill 770 were explained. Dr. La Tourette then asked for Board Approval of the NIU Land Utilization Policy Resolution. Trustee Grans so moved, seconded by Trustee Raymond. The motion was approved.

Agenda Item 8.b.(2) – Intergovernmental Payroll Agreement

This is an intergovernmental agreement with the State Comptroller's Office, which will allow the university to issue payroll checks from the university, rather than having to send the entire payroll every month, on a very narrow turnaround, to be executed in Springfield. At the present time, most employees receive two W-2 forms because some payments are made from state general revenue funds and some payments come from the university income fund. This agreement will allow the consolidation of those two operations, which will allow more efficient payroll processing. Many times, people are employed for six weeks or more before receiving a paycheck. This agreement would allow new employees to be put on the payroll closer to the date they are hired. Dr. La Tourette thanked Steve Cunningham and Ken Mundy for their efforts in reaching this agreement. He then recommended the Board approval of the intergovernmental Payroll agreement. Trustee Sanchez so moved, seconded by Trustee Grans. The motion was approved.

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

University grants and contracts totaled just under \$10 million. President La Tourette said he expects the receipt of grants and contracts for this fiscal year to be at last year's level, around \$20 million, and perhaps exceed that amount. He reiterated the comment made by Chair Boey earlier that not only do we have to raise money privately, but we have to be more aggressive in seeking grants and contracts to support university instruction, research and public service programs.

Agenda Item 8.d. – Potential 1998 Meeting Dates for the Board of Trustees

Dr. La Tourette said that there did not appear to be a substantial amount of business for January in the first quarter, so he recommended the first meeting be held on February 19. The four other meeting dates recommended were April 23, June 18, September 17 and December 10. All the proposed meeting dates fall on a Thursday. Chair Boey asked for a motion to approve the recommended Board of Trustees meeting dates for 1998. Trustee Sanchez so moved, seconded by Trustee Grans. The motion was approved.

Trustee Grans said that grants and contracts are an important aspect of the university with a wide variety of businesses and industries that providing services to the university. They are a big part of the education and the educational opportunities that are the heart and soul of the university, and some of the value a degree has comes from the contacts that are made. As a group, she said, the Trustees endorse the university's aggressive campaign to obtain these grants and contracts.

Before he began the Chair's Report, Chair Boey recognized University Advisory Committee representatives Charlie Larson, Sue Ouelette, Jim Lockard, Andy Small, Gordon Shneider and Jim Russell and thanked them for joining the meeting.

CHAIR'S REPORT

Agenda Item 9.a. – Amendment to Board *Regulations* II.D.12. and III.C.14. (Tuition Waiver Programs for Employee Children)

Chair Boey said that this amendment pertains to Public Act 90-282, which establishes a 50% interinstitutional tuition waiver benefit for children of university employees with seven or more years of service. Chair Raymond noted that the reference to Public Act 90-282 had been omitted in the first sentence in the second paragraph of Section III.C.14, Civil Service Employees, on page 48. Chair Boey entertained a motion to approve the tuition waiver amendment as corrected. Trustee Myles so moved, seconded by Trustee Moser. The motion was approved.

Agenda Item 9.b. – Amendment to Board *Regulations* II.D.6. and III.C.2. (Accumulative Sick Leave)

Board *Regulations* II.D.6. and III.C.2, accumulative sick leave, were amended due to changes in Public Act 90-65, which eliminates the payment of unused compensable sick leave days at half their value upon termination for service after December 31, 1997. The unused accumulative sick leave days may be used for

additional service credit in the State Universities Retirement System. There being no discussion, Chair Boey asked for a motion to approve the amendment to Sections II.D.6. and III.C.2. Trustee Sanchez so moved, seconded by Trustee Raymond. The motion was approved.

Agenda Item 9.c. – Executive Session Minutes Release

Appropriate portions of Board of Trustees Executive Session Minutes were released from the December 11, 1996, January 23, 1997 and September 25, 1997 meetings. Chair Boey called for a motion to approve the release of these executive session minutes. Trustee Myles so moved, seconded by Trustee Sanchez. The motion was approved.

OTHER MATTERS

Approval of Negotiated Salary Reopener for the University Professionals of Illinois NIU Instructors Unit, Local #4100

Representatives of the Board of Trustees and the University Professionals of Illinois, NIU Instructors Unit, Local #4100, negotiated for a salary reopener settlement for temporary instructors. Chair Boey asked for a motion to approve the negotiated tentative agreement, subject to ratification by the unit. Trustee Moser so moved, seconded by Trustee Sanchez. The motion was approved.

Property Acquisition

Discussion was held on the following resolution to authorize acquisition of 32 acres in furtherance of the Board's intention to develop the West Campus.

RESOLUTION

WHEREAS, the General Assembly of the State of Illinois has enacted Public Act 89-4 authorizing, through Article 30 thereof, the Board of Trustees of Northern Illinois University to acquire such real property as it shall deem appropriate by purchase, eminent domain or otherwise; and

WHEREAS, the Board of Trustees of Northern Illinois University has considered the existing facilities and the extensions necessary to be made in order that the same may adequately serve the current and/or future needs of Northern Illinois University; and

WHEREAS, the Board of Trustees of Northern Illinois University hereby authorizes the President of Northern Illinois University to communicate and negotiate terms and conditions for acquiring certain real property at a price not to exceed the fair market value of such property based on reference to current real estate tax assessment values or reports of appropriate independent appraisers retained to determine fair market value, along with any related escrow agreements; and

WHEREAS, the Board of Trustees of Northern Illinois University hereby authorizes the President of Northern Illinois University or designee to accept as a gift on behalf of the Board any part of such real property, or of any of its value that may exceed the amount to actually be paid for such property.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Northern Illinois University that it is necessary and for the best interests of Northern Illinois University that a parcel of real property ("Rosenow-Franzene property"), consisting of approximately 32 acres more or less (summarized legal description reflected in Attachment A below and incorporated herein by reference), lying west of the campus in DeKalb, Illinois, and north of State Highway 38, be acquired for educational purposes of Northern Illinois University at a purchase price not to exceed Four Hundred Fourteen Thousand Seven Hundred Dollars (\$414,700), exclusive of interest costs not to exceed 6% on the unpaid balance, acquisition and closing expenses pursuant to a contract with terms and conditions suitable to the University President and the Chair of the Board of Trustees of Northern Illinois University with advice of legal counsel.

BE IT FURTHER RESOLVED that appropriate officers of the Board are authorized and directed to execute such documents as are necessary to accomplish this acquisition.

Attachment A

Property Owner: Thomas Rosenow and David M. Franzene
Related Permanent Real Estate Index Numbers: 08-20-200-014,
08-20-200-015

Legal Description: To be more specifically described pursuant to a land survey to be provided to Board of Trustees representatives prior to closing: Two parcels totaling 32 acres more or less lying North of State Highway 38 in the East ½ of the Northeast ¼ of Section 20, all in Township 40 North, Range 4, East of the Third Principal Meridian, all situated in DeKalb township, DeKalb County, Illinois.

President La Tourette told the Board that he was approached by the owner of this property proposing a sale to the university at a very good price. This is a critical piece of land because it fills in the area adjacent to Lincoln High (State Highway 38) and would give the university frontage that will be essential for the long-term development of the university. Dr. La Tourette said that the purchase of this final parcel of approximately 32 acres of land would contribute to the West Campus development. He then asked the Board to approve this action. There being no discussion, Chair Boey asked for a motion to approve the proposed land acquisition. Trustee Grans so moved, seconded by Trustee Moser. The motion was approved.

Intergovernmental Agreement with City of Sycamore for Lease of Real Property

Another property matter considered by the Board in Executive Session was an agreement with the City of Sycamore for a multi-year lease, with appropriate options, of 11.19 acres (more or less) of the approximately 34.65 acres in the Northern Illinois University Sycamore site (formerly the College of Engineering) at a reasonable rate to be approved by the University President with appropriate safeguards for the Board of Trustees and the State of Illinois. Chair Boey asked for a motion to approve the lease. Trustee Raymond so moved, seconded by Trustee Sanchez. The motion was approved.

Trustee Sanchez said that he wanted to compliment Mr. Cunningham and the efforts on both sides to resolve the labor negotiations with Instructors. Given the kind of publicity that was generated then, he said he was very pleased to learn, as a Trustee, that the contract had been resolved. The second item Trustee Sanchez brought up for future consideration was, given all the attention publicized about a new arena, he thought the Board of Trustees should begin to take up that subject officially. Trustee Myles also congratulated Steve Cunningham for bringing the negotiations from a near impasse to an amicable settlement between NIU and the Instructors. Chair Boey also thanked Steve Cunningham and said he spoke for the Board of Trustees in saying that it was important not just to the Board of Trustees but to the overall university campus and its environment that he and the instructors were able to amicably settle and come to an agreement.

Trustee Raymond said that he wanted to add his congratulations to the President and staff and Kathy Swanson and others who were instrumental in getting the legislature to finally approve the capital appropriations for the renovation of Altgeld Hall.

NEXT MEETING DATE

The next meeting of the Board of Trustees is scheduled for Thursday, February 19, 1998.

Chair Boey wished everyone happy holidays and asked for a motion to adjourn. Trustee Sanchez so moved, seconded by Trustee Myles. The motion was approved.

The meeting was adjourned at 3:00 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

STEVENSON TOWERS RENOVATION – PHASE I
Residence Hall Master Plan

Summary: The Board of Trustees authorized expenditure of \$14,430,400 of the 1996 bond proceeds for completion of Phase I of the Stevenson Towers Renovation. The design phase proceeded with construction costs estimated at various points in the design process. Early construction cost estimates exceeded \$15 million; therefore, the project scope was reduced and emphasis was directed toward infrastructure upgrades over aesthetic concerns. In addition, the university requested and received proposals for project management services from outside consultants. The firm of Turner Construction was contracted to provide document review, value engineering and bidding assistance.

The combination of these efforts paid off when bids were opened on October 9, 1997. Favorable bids were received for all base construction work. At bid opening, the total base bid cost was within one percent of the most recent prebid estimate. Part of the effort to establish viable base bids was to reduce the scope of residential floor renovation. Alternates were defined to provide additional room renovation configuration of all floors pursuant to the original scope as the budget allowed. Given the high priority of these alternates, the favorable bids received, and the fact that it is unlikely that another opportunity for a major renovation of this magnitude will be possible, it is prudent to investigate all options to maximize the scope of the work at possible marginal cost increases. As a result, in consultation with the housing staff, the university has identified a number of high priority, marginal cost improvements that should be added to the base scope of work. These include:

1. Install smoke doors on residential floors to define three distinct zones on each floor.
2. Remodel all tower floors to include suites with baths and an ADA-compliant bathroom.
3. Provide a new north entrance with strong vertical visual elements placed in alignment with interior street.
4. Consolidate street theme by constructing visors and ceiling grid in lieu of simple flat designs.

These additional improvements total \$1.625 million and will be funded from the 1996 bond proceeds utilizing savings resulting from the cancellation of the recycling center project and savings generated from maintenance and repair funds not needed because the towers were placed out of service for construction.

It is clear that these improvements cannot take place at a later date without major costs and disruption of residents or summer programs. Overall it is believed that the favorable bids offer the unique opportunity to complete all north tower priority

renovations at a fraction of what they would otherwise cost. Therefore, this work should be done now.

Recommendation: The University requests Board of Trustees approval to increase the project budget for Phase I of Stevenson Renovation from \$14,430,400 to \$16,055,400, an increase of \$1.625 million.

FY99 TUITION RECOMMENDATION

Summary: The Board of Trustees, at its September 25 meeting, discussed and approved an average 3.2% undergraduate tuition increase, effective Fall 1998. The university has now completed a review of graduate, Law and summer tuition rates, and is recommending the following FY99 increases:

1. Graduate Tuition Increase: 9.4% (\$10 per credit hour)

The FY99 recommendation is a continuation of the university's graduate tuition plan initiated in FY98 that adjusts graduate tuition in line with the cost of the delivery of graduate education at NIU and direct comparisons with graduate rates at other institutions, particularly at the master's level (see Table I).

2. College of Law: 8.2%

Through a tuition increase 5% above the base, the university continues efforts to generate necessary support for the College of Law, including the Law Library and computer support services, vital for maintaining full accreditation. This additional increase is justified by direct comparisons with rates charged at the other public law schools at the University of Illinois and Southern Illinois University-Carbondale and, therefore, should not adversely impact student access or market share (see Table II). This programmatic increase will be in addition to the base increase of 3.2% applied to all other tuition rates.

3. Summer Tuition Rates

The university recommends the following summer tuition rates, consistent with the proposed FY99 rates.

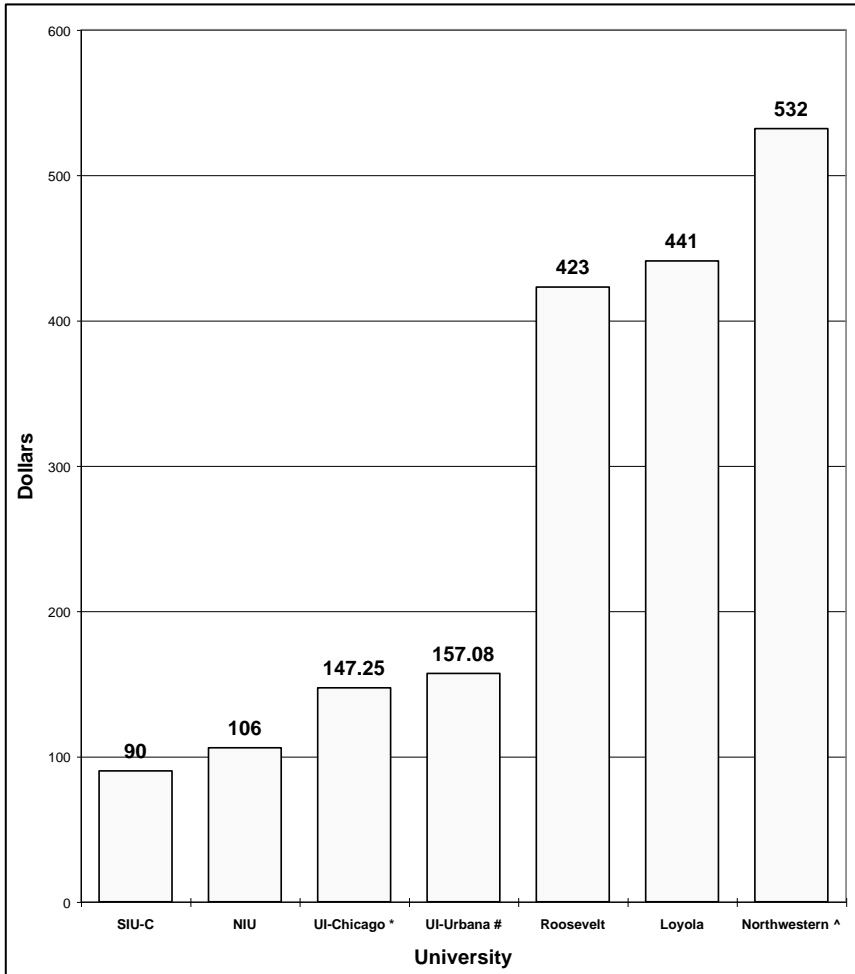
Undergraduate:	\$105 per credit hour up to 12 hours No additional charge beyond 12 hours
Graduate:	\$116 per credit hour up to 12 hours No additional charge beyond 12 hours

Undergraduate Tuition Rate Distribution Plan

In implementing the approved 3.2% undergraduate FY99 tuition increase, the university has prepared a revised tuition rate distribution plan which more evenly distributes the increase so that students taking fewer hours are not severely impacted in comparison with students taking a full load, while maintaining the objectives of the tuition plan (see Table III).

Recommendation: The university requests Board of Trustees approval of FY99 tuition increases and the undergraduate tuition rate distribution plan as presented.

Table I
GRADUATE TUITION
 (per Credit Hour)
 Fall 1997



* Base, rates vary by discipline from \$147.25 for LA&S to \$188.92 for Nursing

Base, rates vary by discipline from \$157.08 to \$356.08

^ Based on Course Units

Table II

**COLLEGE OF LAW
RESIDENT ANNUAL TUITION LEVEL COMPARISONS
FY97 - FY01**

	FY97	FY98	FY99
Northern Illinois University	\$ 4,632	\$ 5,003*	\$ 5,403*
University of Illinois	5,750	6,538	7,364
Southern Illinois University	4,004	4,312	4,620

*Recommended Rate

Table III

FY99 UNDERGRADUATE TUITION RATES

1	\$116	\$108
2	115	108
3	114	108
4	113	108
5	112	108
6	111	107
7	110	107
8	109	107
9	108	106
10	107	106
11	106	106
12	105	105
13	104	104
14	102	102
15	100	100
16	98	98

Chart per credit hour

**NIU LAND UTILIZATION POLICY RESOLUTION
Land Development Process – SB770**

In order to ensure the participation and approval of members of the Board of Trustees at early stages of initiatives for real property acquisition, lease or development of properties subject to SB770, the Board of Trustees will designate the Chair of the Board, the Chair of the Finance, Facilities and Operations Committee, and the Chair of the Legislation, Audit and External Affairs Committee as an oversight team. University staff will consult with the team to review the long-range and intermediate-range development plans and to review all development proposals deemed feasible for consideration.

The Board delegates to the President, with the concurrence of the oversight team, the responsibility to investigate ideas and proposals for the development of the property. Such investigation may include the hiring of outside firms to perform feasibility studies and rough estimates of time and cost for construction. The President will ensure the participation of constituent groups as considered appropriate during the investigative process. Such groups may include students, faculty, staff and other individuals having specific expertise or interest.

The Senior Vice President for Finance and Facilities will have overall responsibility for project coordination and will report to and confer with the oversight team on the status of development plans. The Senior Vice President will also be responsible for making periodic reports to the Finance, Facilities and Operations Committee on the status of all projects reviewed by the oversight team. Such reports will include a summary status of all projects reviewed by the oversight team that are considered feasible and will explain how the projects fit in with the long-term goals of the university. No projects will proceed past this point without formal approval by the Finance, Facilities and Operations Committee and the Board of Trustees.

Proposals submitted to the Finance, Facilities and Operations Committee for consideration must have the following certifications:

1. The Senior Vice President for Finance and Facilities will certify that the proposals are consistent with the legislation authorizing the development of the property, current Board of Trustees policy, and the implementation thereof will comply with the Procurement and Bidding Regulations of the State of Illinois.
2. The Associate General Counsel will certify that the proposed transactions adhere to the NIU Board of Trustees Conflict of Interest Policy.

Proposals having these certifications may be discussed and evaluated and their merits considered in relation to the University's priorities, goals and objectives.

INTERGOVERNMENTAL PAYROLL AGREEMENT

In 1972 state policies were changed to require that payrolls funded by appropriated accounts be processed and distributed by the State Comptroller's Office as opposed to the individual universities. This process resulted in a number of logistical, communication and data processing complications. Consequently, it has been a long-term interest of many universities to return appropriated payroll processing procedures to the local level. Recently, NIU participated in leading an effort to return appropriated payroll processing to the universities. In cooperation with the State Comptroller's Office, the local payroll processing initiative has succeeded.

Consistent with an accord reached among the state universities and the Comptroller's Office, university FY98 appropriation bills were submitted with inclusion of language designed to facilitate the transfer of appropriated funds to university depositories for purposes of funding locally processed payrolls. More recently, data processing and fund transfer procedures were finalized between participating institutions and the Comptroller's Office. A standardized intergovernmental agreement is required to implement the new payroll procedures as of the 1999 tax year.

Several potential benefits reinforce the local payroll processing initiative, some of the most prominent include:

- Facilitation of improvements in operational efficiency consistent with the mutual goals of the Comptroller's Office and the universities.
- Elimination of confusion created when employees receive multiple W-2 income statements.
- Reduction of duplication regarding year-to-date records and vendor reports.
- Elimination of payroll tape and warrant transportation issues.
- Reduction of complexity in addressing the Year 2000 issue with respect to payroll computing systems.
- Reduction of time required for payroll calculations.
- Facilitation of improved ability to introduce changes and updates to university payroll files.
- Reduction of time frames for receipt of employee savings bonds.

Recommendation: The President recommends that the Board approve the proposed intergovernmental agreement with the State Comptroller's Office.

**POTENTIAL 1998 MEETING DATES FOR THE
BOARD OF TRUSTEES**

Following the pattern of meeting dates for 1996 and 1997, and input from Board members, the following choices are offered for consideration by the Board.

February 19	(3rd Thursday)
April 23	(4th Thursday)
June 18	(3rd Thursday)
September 17	(3rd Thursday)
December 10	(2nd Thursday)

Five meetings over the year, with at least one in each quarter, would meet both legal and university requirements.

**AMENDMENT TO BOARD REGULATIONS II.D.12. AND III.C.14.
(Tuition Waiver Programs for Employee Children)**

Effective January 1, 1998, P.A. 90-0282 will provide for a significant expansion of tuition waiver benefits for children of employees in higher education. NIU was directly involved in the successful passage of P.A. 90-0282 and has played a leadership role in coordinating statewide implementation policies and procedures. Specifically, the public act establishes a 50% interinstitutional tuition waiver benefit for children of university employees with 7 or more years of service. This change represents a significant expansion of available tuition waiver benefits for employee children across all Illinois senior public universities.

The President recommends approval of conforming amendments to Board *Regulations* II.D.12. and III.C.14., as required to incorporate the addition of 50% interinstitutional undergraduate tuition waiver benefits for employee children. Employee children accessing tuition waiver benefits at NIU will continue to receive these benefits under existing policies which are less restrictive in terms of eligibility criteria as compared to the interinstitutional tuition waiver benefits granted under P.A. 90-0282. No undergraduate tuition waiver benefits granted pursuant to P.A. 89-0004 or P.A. 90-0282 shall be charged against any tuition waiver limitations established by the Illinois Board of Higher Education.

AMENDMENT TO BOARD REGULATIONS II.D.6. AND III.C.2.
(Accumulative Sick Leave)

Public Act 90-0065 provides for substantial improvements to the State Universities Retirement System pension provisions applicable to employees of higher education. The public act also will eliminate the compensable sick leave benefit for all state employees with respect to sick leave days accrued after December 31, 1997. Alternatively, the unused accumulative sick leave days may be utilized for additional service credit in the State Universities Retirement System. Previously P.A. 87-0976, enacted as of January 1, 1984, authorized that regularly appointed state employees be compensated for half the value of unused accumulative sick leave days at the time of termination of state service.

The President recommends approval of conforming amendments to Board *Regulations* II.D.6. and III.C.2., as required to incorporate the statutory elimination of new compensable sick leave days as of January 1, 1998. Sick leave days will continue to accumulate at the current rates with no limitations regarding maximum total accumulation. However, sick leave days earned prior to January 1, 1984 and after December 31, 1997 will not be eligible for liquidation compensation at the time of termination. These changes to the Board *Regulations* will also provide that noncompensable sick leave days be used first when employee sick leave benefits are utilized, thereby preserving accrued compensable sick leave days to the maximum extent possible.

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. 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 1997 of either the full Board of Trustees or committees of the Board which have not previously been released from confidentiality.

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

December 11, 1996 - Executive Session of the NIU Board of Trustees

- 2.a. Property Matter
- 2.b. Property Matter

January 23, 1997 - Executive Session of the NIU Board of Trustees

- 1.c Property Matter

September 25, 1997 - Executive Session of the NIU Board of Trustees

- 1. Approval of Minutes of Previous Executive Session
- 2.a. Property Matters
- 2.b. Property Matters
- 3. Collective Bargaining Discussions
- 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 six months.

**President's Report
No. 12**

February 19, 1998

No item in this report for release prior to Thursday, February 19, 1998.

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
11:30 a.m. – Thursday – February 19, 1998
Clara Sperling Sky Room**

11:30 a.m. Call to Order, Roll Call, Notice Verification, Recess to
Executive Session
12:00 a.m. Executive Session and Lunch - University Suite
1:15 p.m. Reconvene Board of Trustees Meeting - Sky Room



1. Call to Order and Roll Call
2. Verification of Appropriate Notice of Public Meeting
3. Announcements
4. Executive Session
5. Meeting Agenda Approval *Action* 66
6. Review and Approval of Minutes of December 11, 1997 *Action* 68
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. President's Report No. 12
 - a. Action Items Forwarded by the Board Committees
 - (1) Business and Industry Services Lease Amendment *Action*... 82
 - (2) Williston Hall Remodeling Project *Action*... 83
 - (a) Williston Hall Remodeling-Second and Third Floors *Action*... 84
 - (3) FY99 Student Fee Recommendations *Action*... 85
 - (4) FY99 Off-Campus Course Delivery Fee Recommendations *Action*... 90
 - (5) FY99 Room and Board Rate Recommendations *Action*... 91
 - (6) Huskie Bus Contract – FY99 Renewal *Action*... 93
 - (7) Student Accident and Sickness Insurance – FY99 Contract
Renewal *Action*... 94

(8) Request for New Emphasis Within a Degree Program	<i>Action</i>	95
(9) Request for New Degree Designation.....	<i>Action</i>	96
(10) Request to Delete Existing Emphases	<i>Action</i>	99
b. Information Items from the Board Committees		
(1) Periodic Summary Report of Transactions.....	<i>Information</i>	
(2) Annual Summary Report of Transactions	<i>Information</i>	
(3) IBHE FY99 Operating Budget Recommendations	<i>Information</i>	
(4) Bond Escrow Restructuring Report.....	<i>Information</i>	
(5) Altgeld Renovation Project Presentation	<i>Information</i>	
(6) 1996 Bond Series Capital Project Report.....	<i>Information</i>	
(7) FY99 Capital Budget for Appropriated Funds – IBHE Recommendation Comparison	<i>Information</i>	
(8) Annual Oral English Proficiency Report – 1997	<i>Information</i>	
(9) Recommendations of the Task Force on Improving the Undergraduate Experience – Progress Report	<i>Information</i>	
c. Items Forwarded Directly from the President		
(1) Tenure Appointment	<i>Action</i> ..	101
(2) Summary of Grant and Contract Awards	<i>Information</i>	
9. Chair's Report No. 9		
a. Amendment to Board of Trustees <i>Regulations</i> Section II.D.6. – Faculty and Administrative Employees, Benefits (Accumulative Sick Leave)	<i>Action</i> ..	104
10. Other Matters		
11. Next Meeting Date		
12. Adjournment		

Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
February 19, 1998

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Robert Boey at 11:55 a.m. in the Clara Sperling Sky Room of Holmes Student Center at Northern Illinois University. Recording Secretary Sharon Mimms conducted a roll call of Trustees. Members present were Trustees Susan Grans, George Moser, David Raymond, Manuel Sanchez, Myron Siegel, Student Trustee Steven Kovacs and Chair Boey. Not present was Trustee James Myles. Also present were President John La Tourette and Board Parliamentarian Kenneth Davidson. Noting the presence of a quorum, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

Confirmation of Open Meetings Act notification compliance was given by Board Parliamentarian Ken Davidson.

MEETING AGENDA APPROVAL

Trustee Siegel made a motion to approve the agenda and was seconded by Trustee Sanchez. The motion was approved. Chair Boey mentioned two minor changes that had been made to the published agenda for the information of others in attendance. Agenda Item 8.a.(2)(a), Williston Hall Remodeling-Second and Third Floors, was added as page 12a, and the Chair's item on page 56, should be labeled "Action" instead of "Information."

REVIEW AND APPROVAL OF MINUTES

Trustee Siegel asked that the spelling of Jim Harder's last name be changed to upper case in three places in the Announcements section. It was moved by Trustee Siegel and seconded by Trustee Grans to approve the minutes of the December 11, 1997 meeting as amended. The motion was approved.

ANNOUNCEMENTS

Chair Boey recognized UAC Representatives Charles Larson and James Russell. The Chair then asked for a motion to conduct an Executive Session to be held at the end of the lunch recess to discuss a personnel matter as generally described under §2(c)(1) of the Open Meetings Act. Trustee Grans so moved, seconded by Trustee Raymond. A roll call vote of the Trustees to recess to Executive Session at the end of the lunch break was unanimous.

BOARD OF TRUSTEES MEETING RECONVENED

The public meeting of the Board of Trustees was reconvened by Chair Boey at 1:35 p.m. Present were Trustees Susan Grans, George Moser, James Myles,

David Raymond, Manuel Sanchez, Myron Siegel, Student Trustee Steven Kovacs and Chair Robert Boey.

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 Susan Grans reported that the Committee met on January 22 and heard several reports that would be discussed in this meeting. An in-depth progress report was given by Rosalie Hewitt and Gary Gresholdt on Task Force Recommendations on Improving the Undergraduate Experience. This was a very informative presentation covering recruitment, orientation and the cooperation between the academic units and residence halls. She said that the undergraduate experience for the students, the faculty, the administration and the campus life residential components is healthy, effective and very results-oriented at NIU. Trustee Grans said the Committee was very impressed with the report and, though time did not permit the full synopsis, she wanted to let her fellow Trustees know that it was good stewardship and good direction that made this report come alive. The Committee also asked to be provided with an update next year in order to stay in touch with the progress of the task force. Trustee Sanchez said that as a former alumnus and as a Committee member, it was truly a breath of fresh air to see what a wonderful job the community is effectuating. It is our children who will now be the beneficiaries of that, he said.

Finance, Facilities and Operations Committee

Committee Chair David Raymond reported that the Finance, Facilities and Operations Committee met on February 6 and heard reports on the Periodic Report of Transactions in Excess of \$100,000, the Annual Summary Report of All Transactions, the IBHE FY99 Operations and Grants Budget, a Bond Escrow Restructuring Report, the Altgeld Hall Renovation Project, a report on the 1996 Bond capital projects, and the FY99 Appropriated Capital Budget Request. In addition, the Committee acted on the recommendations for the student fee and room and board rate schedules for FY99. Trustee Raymond said he was pleased to see that these recommendations were developed through a collaborative process involving student representatives and university staff. He said the final fee recommendations for Academic Year 1998-99 represented an average of approximately 3.5%, and room and board recommendations reflect the continued efforts to be responsive to student preferences, including options for various room and meal plans. Other matters brought before the Committee included FY99 off-campus course delivery fee recommendations, contract renewals for the Huskie Bus system and the student accident and sickness insurance, a Business and Industry Services lease amendment and the Williston Hall remodeling project. Trustee Raymond reported that the Committee had been privileged to welcome Dr. Keith Sanders, the newly appointed Executive Director of the Illinois Board of Higher Education, to their meeting. Dr. Sanders briefly addressed the Committee and others in attendance. He was very positive in his remarks, particularly regarding NIU. Trustee Raymond said the Trustees were very encouraged and looked forward to working with Dr. Sanders. Chair

Boey mentioned that there was a presentation on the Stevenson Tower renovation. The popularity of the renovation of Stevenson Towers has been immensely well received by the student population. Due to this renovation, he said, the sign-up for those rooms has been so rapid that they are running out of spaces to accommodate. Student Trustee Kovacs said that the Stevenson Tower rooms were very highly requested, even though there is a higher cost, because the students think it is worth the extra cost.

Legislation, Audit and External Affairs Committee

Committee Chair George Moser said the Legislation, Audit and External Affairs Committee met earlier that morning. He stated that Governor Edgar delivered his Fiscal Year 1999 budget to a joint session of the Illinois General Assembly on Wednesday. On Tuesday, the Governor held a press conference at the Executive Mansion to announce his recommendations for the statewide higher education budget. Trustee Moser said he was pleased to announce that the Governor upheld the Board of Higher Education's budget recommendations.

To recognize the fact that Governor Jim Edgar had made a lasting and significant impact on public higher education in Illinois, the Legislation, Audit and External Affairs Committee voted to create an award honoring him for his monumental impact on public higher education in Illinois during his tenure as Governor. The award will be called the "Jim Edgar Award for Excellence in Higher Education." It was created as a permanent award to be given periodically to any individual who the Committee feels has had a lasting and significant impact on public higher education in Illinois. It will not be an annual award and will be reserved for the most significant achievements on behalf of public higher education. Following discussions regarding the creation of the award itself, the Committee voted to select Governor Edgar as the first recipient of the award. Trustee Moser said arrangements would be made with the Governor's Office to present the award at an appropriate time in the coming weeks.

The Committee also discussed the university's FY99 budget request as recommended by the Governor and the appropriations schedule for the spring. The procurement reform legislation discussed at the November meeting was signed into law as of February 6. Finally, the Committee heard a report on federal legislation, House Resolution 3127, the Hope Scholarship and Lifelong Learning Tax Credits, introduced by Congressman Don Manzullo and cosponsored by Congressman Denny Hastert. Implementation problems for universities and colleges across the country, both public and private, were discussed in the November meeting. President La Tourette and Kathy Swanson led the lobbying effort to repeal the requirement that colleges and universities collect taxpayer data for the IRS. Congressman Manzullo introduced legislation to that effect and most of the national higher education lobbying arms are supporting him in that effort.

Illinois Board of Higher Education

Chair Boey said that recently he and President La Tourette had the pleasure of spending an evening with Dr. Keith Sanders, the new Executive Director of IBHE. We were glad we had his full attention for two or three hours and took advantage of that fact to share our concerns and opinions with him. Chair Boey said Dr. Sanders uses terms like entrepreneurship, return on investment, streamline the

budgeting process, all the things that this Board has been saying. Coming from a background with campus experience will help him understand the obstacles faced on each of the public university campuses. We had a wonderful visit with him, Chair Boey said, and the next day he attended the Finance, Facilities and Operations Committee Meeting.

President La Tourette called the Board's attention to an article about Dr. Sanders' visit to the campus written by Melanie Magara in the February 16 issue of *Northern Today*. Evidence is seen there of what Chair Boey was referring to, he said, relative to the high esteem in which he holds not only this Board, but also the university, and his general philosophy about education and the budget process. When he joined us for the Finance, Facilities and Operations Committee Meeting on February 6, Dr. La Tourette said, we indicated that we are extremely pleased with his appointment and his receptivity to making changes that will improve the quality of education not only here at Northern Illinois University, but throughout the state. He indicated that he was committed to helping the universities be more responsive and more efficient in responses to the changing higher education needs of the state, particularly in the delivery of educational programs to students. He is faculty- and student-oriented, President La Tourette said. He has served not only as a faculty member, but also as a dean and a chancellor in the Wisconsin system. He served in the central office in Madison, Wisconsin and has a good background in interfacing with the legislature and the Governor's Office. When the Governor announced the budget support for higher education at the press conference, it was apparent that he recognized the qualities we see in Keith Sanders, Dr. La Tourette said. Dr. Sanders' appointment became effective on January 6 when the Board of Higher Education met and confirmed his appointment.

The President also announced that Dr. Bob Kustra had received an invitation to be President of Eastern Kentucky University from its board and had accepted the position effective July 1, 1998. Dr. Kustra will remain as Chair of the Illinois Board of Higher Education until June 30. President La Tourette said the appointment of Bob Kustra was ideal because he holds a doctoral degree in public administration and is very familiar with the role of being a faculty member, having taught at several Illinois institutions, both public and private. In conversation at the recent press conference, President La Tourette said Dr. Kustra talked about the importance of higher education in uplifting that region and improving the quality not only of the undergraduate experience for students coming to Eastern Kentucky but improving the whole public education system in that region. President La Tourette said Dr. Kustra was an ideal person for this appointment and welcomed him as a fellow president. Northern Illinois University is a member of the American Association of State Colleges and Universities, as is Eastern Kentucky University, Dr. La Tourette said, so, I will be losing a colleague in a sense, but will gain him as a colleague in another form.

President La Tourette said the Governor accepted the recommendations forwarded from the Board of Higher Education as reported earlier by Trustee Moser. The President highlighted two matters from the budget. First, the request for the higher education budget was an increase of \$134 million in operating funds from the state, which is an approximate 4.5% increase on the average for the public universities. This is the largest increase that has been recommended by Governor Edgar in recent years. Previous increases have run

more in the range of 3% to 4%. Regarding capital projects, President La Tourette said the public universities and community colleges were fortunate to receive between \$110 and \$120 million for capital projects. This year, the Governor recommended a capital project list of \$145 million, which includes Phases II and III of NIU's storm water management project. Dr. La Tourette reported that the Governor was very upbeat in his presentation at the press conference. The Governor talked about the financial difficulties of the late 1980s and early 1990s. He came into the governorship with a situation where state bills were being paid after six or seven months of delay, but everything is now up to date. The Governor projected that if this budget passes, there would be an approximate \$750 million reserve available on June 30, 1999 to make sure the state is in a good financial position.

Dr. La Tourette said that the Governor had clearly indicated his commitment to education in general by doing a great deal for public education and for higher education. The President said two important changes, having an independent board for each institution and the bill to allow universities to retain the income fund, were bills that stood out as changes in the 20th Century. They set the state for a stronger Illinois system of higher education in the public sector, he said, to deal with the rapid changes coming in the 21st Century.

Dr. La Tourette showed a copy of the state budget in its entirety. He said this budget begins to recognize that the income fund is separate. The way it is presented shows the increase from \$98 million to \$101 million in state support and keeps the income fund separate, he said, as was intended with this legislation. He said the Governor's Office had made the move to recognize the separate status of the income fund and felt the Illinois Board of Higher Education would do so in their next set of recommendations.

The Governor's budget recommendation is a very positive step, the President said, it now has more than three months to be passed by the legislature and be sent to the Governor for signature. Dr. La Tourette said it was mentioned or implied in the *Northern Star* that approval had been received for the library basement buildout. The buildout was not included in this set of recommendations, but the President was hopeful that, as the university's next highest priority, it would be high on the list of next year's budget. The funding for the library buildout is an essential project in order to have the space for students to study and have the materials they need available in that library in the future. Funding was received for Altgeld Hall. This budget recommends the funding of the storm water retention and control project. Trustee Moser mentioned Senate Bill 770, the university development issue passed by the legislature and signed by Governor Edgar, as another of the Governor's important contributions to higher education.

Chair Boey stated the reason it is important to keep the income fund separate from the state fund is that the income fund is generated locally from tuition fees. Grouping it all in the state fund, he said, gives the perception that it all comes from the state, so it is important to separate the two to make it clear exactly what funding increases are coming from the state and which from the university's income fund.

After a brief discussion, Chair Boey asked for a motion to approve the establishment of the Jim Edgar Award for Excellence in Higher Education created by the Legislation, Audit and External Affairs Committee and to approve presentation of the award to Governor Jim Edgar as its first recipient. Trustee Siegel so moved, seconded by Trustee Myles. The motion was approved.

University Civil Service Merit Board

Trustee Myles reported that the Civil Service Merit Board met in Urbana on January 29. There were quite a few terminations from other universities, but NIU had no cases pending.

Northern Illinois University Foundation

Mr. Mike Malone, Interim Vice President for Development and University Relations, gave three updates. The first distributions of the annual fund to colleges and department accounts were made in January from the new NIU Telefund Center. The alumni segment calling for the College of Business and the College of Visual and Performing Arts is completed. The College of Education and the College of Health and Human Sciences were being called at that time. At the end of January, more than 5,700 alumni had responded, including more than 1,500 new donors. On February 5, Mr. Malone and some other members of the development team met with all of the department chairs to discuss stewardship of those dollars.

The Foundation Board of Directors met on Wednesday, March 18, and approved two grants. An \$8,000 grant was approved to support graduate students for summer research in Russia under the direction of Professor Bruce Lincoln, NIU's own nationally-renowned Russian History Scholar, and a \$25,000 grant was made to equip a nursing practice room in the School of Nursing with up-to-date equipment so that student nurses would have an opportunity to train with the best equipment available before they go to their clinical practice sites.

A nationwide search for an Associate Vice President for Development and Chief Development Officer concluded with the appointment of Mallory M. Simpson, a 22-year veteran in the field of fund raising. Ms. Simpson was the unanimous choice of the search committee and the various groups she met with during her on-campus interviews. Ms. Simpson's extensive development background includes major roles in four comprehensive capital campaigns with goals ranging from \$27 million to one billion dollars. She spent 18 years in successively more senior positions at the University of Michigan at Ann Arbor and two years at Syracuse University, where she was Senior Director of Development for Major Gifts, a position in which she led the efforts to dramatically increase the pool of major gift prospects during the school's first major capital campaign.

President La Tourette said he was extremely pleased with the appointment of Ms. Simpson, who was the overwhelming choice of the search committee and the various campus groups that interviewed her. Both Mr. Malone and other staff thought NIU was very fortunate to attract a person of her talent. The President also mentioned that the university was well served by the consulting firm of Gonzo, Gerber, Tinker and Shaw on development strategy and they were very instrumental in helping to identify candidates of Ms. Simpson's caliber. In fact, he said, there was another person identified in this search process who it was hoped

could also be appointed to another university position. President La Tourette said he would be completing the process of moving the vice president's position from an interim appointment to a permanent appointment as soon as possible.

Trustee Sanchez commented that during this interim period without a development director, the likelihood of having dramatic downturns and negative developments in this area was almost inevitable. Not only has that not happened, he said, but in the interim, the development area has been very well maintained and the university has benefited. Trustee Sanchez said he wanted the record to note that he agreed with the President's decision to look at changing these interim appointments to permanent appointments, because he was very pleased with the job that has been done in the interim period.

PRESIDENT'S REPORT NO. 12

President La Tourette said news had been received that morning from the *U.S. News and World Report* that NIU's master's program in public administration was ranked among the top 50 programs in the nation. Under subcategories, it ranked number four in the City Management and Urban Policy specialty and number 10 in the Public Finance and Budget specialty. This recognizes a fact we already know, Dr. La Tourette said, that we have one of the best City Manager programs in the nation and the best in this region. This is a very important recognition of NIU's Public Administration program. In the overall ranking, NIU competed with programs at institutions such as Harvard, Princeton and Duke. In the specialty areas mentioned, NIU's rankings exceeded those of schools like USC and Harvard. President La Tourette extended his congratulations to the Public Administration division and asked Kathy Swanson to convey the news to them since she was a student there and is a graduate of NIU's masters program. This is the same kind of recognition NIU has received in Accounting, President La Tourette said, where we are second in the nation, right under the Wharton School of Business, in the pass rate on the CPA exam in the last few years. For ten years, the President said, NIU was tied with Wharton for first place in the nation.

In April 1997, Trustee Myles was the convener of the Fourth Annual African-American Leadership Conference, but had to leave prior to the conclusion of the conference, so he was not available for an award presentation when that conference ended. Dr. La Tourette presented the award to Trustee Myles for his active work and leadership. He presented it with the warm-hearted feeling of the students who benefited from that conference and from Trustee Myles' interest in providing access for all the people in northern Illinois to NIU. Trustee Myles thanked Dr. La Tourette for the award and said that he had been drafted again for this year's conference, which would run April 1 through April 3. He said he had learned to appreciate his tenure on the Board of Trustees as well as the Board of Regents. This is my last term on the Board of Trustees, and if not reappointed, Trustee Myles said, I can honestly say I feel within myself that I have done the best I could and hope I have made an impact.

ACTION ITEMS FORWARDED BY THE BOARD COMMITTEES

Agenda Item 8.a.(1) – Business and Industry Services Lease Amendment

This item, forwarded from the Finance, Facilities and Operations Committee, involves the extension of one of two leases in the same building for the Business and Industry Services program so there will be a single termination date. The amendment changes the lease termination date from August 31, 1998 to February 28, 1999. Approval of the lease amendment was requested to assure this space to BIS through the end of February 1999. Trustee Sanchez so moved, seconded by Trustee Grans. The motion was approved.

Agenda Item 8.a.(2) – Williston Hall Remodeling Project

Williston Hall will be the permanent location for Registration and Records and this project will allow them to be fully up and running by the end of this calendar year to avoid having any downtime in servicing students. The university's plans are to consolidate the services supplied in the complex of Swen Parson, Williston and Adams Halls, President La Tourette said, and to have them as close as possible to the Campus Life facility for those who might have to visit more than one office to conclude their business. The university requested Board of Trustees approval to establish a total project budget of \$960,100 for the remodeling of Williston Hall second and third floors.

Agenda Item 8.a.(2)(a) – Williston Hall Remodeling – Second and Third Floors

Anderson Mahaffey Architects of St. Charles, were selected to be the architectural and engineering firm to handle the remodeling of the second and third floors in Williston Hall. Approval was requested to hire the firm of Anderson Mahaffey Architects for the remodeling of Williston Hall.

Chair Boey asked for a motion to approve the above requests for the remodeling of Williston Hall. Trustee Moser so moved, seconded by Trustee Raymond. The motion was approved.

Agenda Item 8.a.(3) – FY99 Student Fee Recommendations

The fee percentage increase being recommended by the university was an aggregate percentage of 3.5%. Dr. La Tourette said working with the student government, students and various constituencies through this process to bring the various campus activities together and to agree on a reasonable set of recommendations was even more successful than last year, not only maintaining, but increasing the quality of service in some cases at a very reasonable rate. Student Trustee Kovacs said he applauded the President and his administration for the work they had done in bringing these matters to the students well in advance of consideration by the Board so changes could be made from input received from the students. Chair Boey thanked Student Trustee Kovacs and said that he had also been a great help to the Board through this whole process. President La Tourette complimented Student Trustee Kovacs, Student Association President Beth Hull and all the students involved in this fee process. The Student Association took this on as a team effort and was able to arrive at very good recommendations reflecting student needs and keeping down costs,

he said. Trustee Moser moved to approve the requested FY99 student fee recommendations, seconded by Trustee Raymond. The motion was approved.

Agenda Item 8.a.(4) – FY99 Off-Campus Course Delivery Fee Recommendations

This item covered two fee increase recommendations. The first request was to raise the standard per-credit-hour off-campus delivery fee from \$30 to \$35 per credit hour. The other request is to raise the corresponding cost for the MBA program from \$137 to \$150 per credit hour. These are the fees that enable the university to deliver these courses off campus. President La Tourette said that Dr. Keith Sanders was quite surprised that NIU was able to take its very strong programs off campus at these kinds of rates. Dr. Sanders has asked President La Tourette to write a paper articulating his view of the financial side of off-campus programming with the objective that Dr. Sanders may be able to help NIU expand its off-campus offerings to serve more students. President La Tourette asked the Board to approve these fees that enable the university to offer these courses to students who cannot come to the campus at the same high quality experienced by the students taking the same courses on campus. Trustee Siegel made a motion to approve the off-campus course delivery fee recommendations, seconded by Trustee Grans. The motion was approved.

Agenda Item 8.a.(5) – FY99 Room and Board Rate Recommendations

Mike Coakley, Director of Housing and Dining Services, made a presentation at the Finance, Facilities Committee meeting. Mr. Coakley provided a copy of Mid-American Conference institution rankings that show where NIU costs were compared to the other MAC institutions. Out of thirteen institutions, NIU ranks twelfth in combined room and board rates and eleventh in double room rates. In the lowest required board plan, NIU ranks eighth out of thirteen schools and twelfth in the highest available board plan. The cost of a combined room and board rate at NIU is \$3,910 dollars a year. The only institution below that rate is Central Michigan at \$3,790, and the highest is Bowling Green State University at \$4,890, almost a thousand dollars higher than NIU. President La Tourette said that is a remarkable record and shows how well our facilities have been managed, even with the very large bond obligation undertaken to bring the West Campus up to date. Trustee Siegel asked if NIU was competitive in its per-credit-hour charge for off-campus course delivery. President La Tourette said that NIU's rates were more than competitive. He cited NIU's MBA program as an example. The cost for the MBA program at NIU is around \$600 per course. At most of the competitive institutions, it is between \$1,000 to \$1,100 per course. The President requested the Board to approve the FY99 room and board rate recommendations. Trustee Grans so moved, seconded by Trustee Myles. The motion was approved.

Agenda Item 8.a.(6) – Huskie Bus Contract – FY99 Renewal

This item represented the FY99 renewal of a four-year contract the university entered into with the provider, ACT/VANCOM Transportation Company, in April 1996. To respond to a question from Trustee Sanchez, President La Tourette explained that the 7% contingency covered adjustments for the cost of fuel and any other such contingencies that cannot be predicted right now. Chair Boey asked for a motion to approve the FY99 renewal of the Huskie Bus contract.

Trustee Siegel so moved, seconded by Trustee Sanchez. The motion was approved.

Agenda Item 8.a.(7) – Student Accident and Sickness Insurance – FY99 Contract Renewal

This program contract is held with The Chickering Group, Inc. in Cambridge, Massachusetts. It requests the authority not exceed \$4 million to carry out that program. President La Tourette said that the university is looking at the insurance coverage in one area to see if it can be improved. If that can be accomplished, the university hopes to include that coverage without any adjustment to this \$4 million. If that amount were exceeded, the item would be brought back to the Board for approval. This program is for eligible students who are not otherwise covered by family insurance programs. This request is an authority to expend the funds collected as students sign up for the program. Dr. La Tourette said that this program has been kept at very affordable levels and noted that the requested increase is only from \$276 to \$280.50. Chair Boey asked for a motion to approve the FY99 student accident and sickness insurance contract renewal. Trustee Moser so moved, seconded by Trustee Sanchez. The motion was approved.

Agenda Item 8.a.(8) – Request for New Emphasis Within a Degree Program

This item was forwarded from the Academic Affairs, Student Affairs and Personnel Committee. This is an emphasis in applied sociology within two degree programs – the B.A. and the B.S. in Sociology. This program does not require any additional resources. The proposed curricular package consisted of existing courses. Dr. La Tourette explained that students have been packaging this course on their own because it fits their needs. President La Tourette requested Board approval of this emphasis in applied sociology. Trustee Sanchez so moved, seconded by Trustee Grans. The motion was approved.

Agenda Item 8.a.(9) – Request for New Degree Designation

Agenda Item 8.a.(10) – Request to Delete Existing Emphases

Since these two items were related, they were considered together. The first was to allow a new degree designation, Bachelor of Arts in Geography, to join the bachelor of science degree program. The second item was to delete the Emphases in Applied Geography and Natural Environmental Systems within the bachelor of science program in geography. This is a result of the university's program review process, as well as an attempt to keep curricular programs up to date to reflect student needs. President La Tourette asked that these two items, the addition of the Bachelor of Arts in Geography and the deletion of the two emphases, be approved together. Trustee Sanchez so moved, seconded by Trustee Myles. The motion was approved.

INFORMATION ITEMS FORWARDED FROM THE BOARD COMMITTEES

Action Item 8.b.(1) – Periodic Summary Report of Transactions

The Periodic Summary Report of Transactions shows the number of transactions between \$100,000 and \$250,000 that the President has approved through the delegation of authority from the Board. Over the almost five-month period of

August 16 through December 31, 1997, there were six items approved by the President, amounting to just under \$900,000.

Agenda Item 8.b.(2) – Annual Summary Report of Transactions

This item was a categorized summary of transactions from January 1 through December 31, 1997. Dr. La Tourette said purchases/professional services showed just over 15,000 transactions under \$100,000 were approved for a total of just over \$40 million. There were only 36 transactions over \$250,000 that came to the Board for just under \$28 million. Similar comments could be made about leases and capital projects. Basically, Dr. La Tourette said, the university has very effectively streamlined, its decision making about transactions and brings to the Board those that are most significant and involve funds above \$250,000. The President said this demonstrates that the intent of the Board to streamline operations and to have appropriate oversight, yet to delegate authority where appropriate, has been very successful, reserving to the Board those major items that require a great deal of expenditure for individual projects.

Agenda Item 8.b.(3) – IBHE FY99 Operating Budget Recommendations

This item was a review of the Illinois Board of Higher Education budget recommendations. It was discussed in some detail earlier in this meeting and at the Committee meetings. Both the operating budgets and a comparison between current year operations and the recommended budgets for FY99 were detailed in the meeting materials.

Agenda Item 8.b.(4) – Bond Escrow Restructuring Report

President La Tourette said the university had been able to restructure its transactions in a way that would allow NIU to save approximately \$100,000 on a one-time basis. This is a cost reduction in which Kathy Shinham, Associate Vice President for Finance and Facilities, has been very heavily involved. Dr. La Tourette said that her work is very much appreciated and has given the university the talent to help university operations.

Agenda Item 8.b.(5) – Altgeld Renovation Project

There was a great deal of discussion about this project during the Finance, Facilities and Operations Committee Meeting. The campus is preparing to move operations out of Altgeld Hall, to permanent facilities in some cases, such as Registration and Records, which is moving to Williston Hall. In other cases, preparation is being made for temporary moves to Gilbert Hall in order to continue with the work on Altgeld Hall. President La Tourette said that Chair Boey, Kathy Swanson and he talked to the Governor's staff when they were in Springfield on Tuesday about the Governor coming to the NIU campus to release the funds for Altgeld. Governor Altgeld came to commemorate the laying of the foundation on October 1, 1895 when Altgeld Hall was built, President La Tourette said, so it would be nice to have the Governor come and have a ceremony for the release of the renovation funding. This would also be a good opportunity for the Governor to receive the recognition the Legislation Committee has bestowed upon him. Trustee Grans said that this building is such a symbol for the university that having the Governor here at the beginning of its renovation would make it a very nice occasion for NIU. An extensive report on how all of this was to be orchestrated was given in the Finance, Facilities and Operations

Committee, she said, and she thanked the staff for the work they were doing in coordinating the various phases of the project.

Agenda Item 8.b.(6) – 1996 Bond Series Capital Project Report

The 1996 Bond Series Capital Project report listed various projects funded through the 1996 Bond issue. The Campus Child Care Facility is currently over budget and being reviewed in an effort to reduce project costs. Project completion is targeted for Spring or Summer 1999. The Center for University Resources for Latinos and Latin American Studies is also over budget. The university is reviewing whether it should rebid the project or fully redesign the program given the cost associated with the existing plan.

Favorable weather conditions through the Fall allowed excellent construction progress for Phase I of the West Campus site improvements. Work ceased during December, but is expected to resume in early April and the project is scheduled for completion in Fall 1998. All construction contracts have been executed for Phase I of the Stevenson Towers Renovation project. Construction and equipment acquisition were both on schedule for August 1998 completion at the time of this meeting.

Agenda Item 8.b.(7) – FY99 Capital Budget for Appropriated Funds – IBHE Recommendation Comparison

The table on page 37 showed the Altgeld Hall Renovation as the university's top priority. The Altgeld Hall renovation has been funded and the university is now awaiting release of the funds. The storm waterway project is being recommended by the Governor for FY99. The Founders Library basement buildout was indicated as priority 3 on NIU's list. The Board of Higher Education recommended 34 projects. The Governor cut the list off at number 20 and funded planning money for numbers 21 and 22. The list of \$145 million in projects, Dr. La Tourette said, was \$20 to \$30 million higher than experienced in past years. The capital budget recommendations were very good ones not only for NIU, he said, but for all the public universities and the community colleges.

Agenda Item 8.b.(8) – Annual Oral English Proficiency Report – 1997

The state of Illinois requires that all classroom instructors at public higher education institutions be able to communicate effectively in the English language. Students are requested to communicate concerns about the oral English proficiency of their instructors to the chair of the department in which the course is offered or to the Ombudsman, who will work with the department to resolve the matter. The President reported that there were only four complaints listed on this report for Academic Year 1996-97, and all were resolved.

Agenda Item 8.b.(9) – Recommendations of the Task Force on Improving the Undergraduate Experience – Progress Report

Dr. La Tourette said that it was Trustee Sanchez, who had commented extensively on the Task Force report, "Improving the Undergraduate Experience," in the Academic Affairs Committee Meeting held January 22. Trustee Sanchez said the university is very pleased with the progress being made to enable students to have a total education experience on campus, not only in the classroom, laboratory and library, but in the residence hall and

wherever students work and study on campus. Student Trustee Kovacs echoed those sentiments. President La Tourette said he was pleased with the leadership of the Provost's Office and those in the Academic Affairs and the Student Affairs areas who have strengthened this student experience and put NIU so far ahead of other universities. He recognized everyone involved in the Provost's effort to make improvements to increase the effectiveness and the strength of the learning programs at NIU. Trustee Sanchez pointed out that it was not long ago concern was raised about whether the students would benefit or lose out from bringing the Academic Affairs and Student Affairs areas together. This report, he said, made it quite clear that the synergies from bringing the two areas together have worked out unbelievably well for everybody – the faculty, the students and parents of students.

ITEMS FORWARDED DIRECTLY FROM THE PRESIDENT

Agenda Item 8.c.(1) – Tenure Appointment

President La Tourette gave the recommendation of tenure to complement the appointment of Donald C. Menzel to the position of Professor of Political Science/Public Administration and Director of the division of Public Administration. The President said he had received enthusiastic letters from the Alumni Association of the Public Administration program and various other practitioners in the field who are alums and have taken an interest in this appointment. This recommendation is being made to replace Jim Banovetz, who has established himself as one of the leading people in public administration in the nation and who has been recognized by *U.S. News and World Report* for NIU's program and its national reputation. President La Tourette said he believed Dr. Menzel had the leadership to continue the kind of record NIU has been known for in this program. President La Tourette asked the Board to approve this initial appointment with tenure effective July 1 on his very strong and enthusiastic endorsement. Trustee Sanchez so moved, seconded by Trustee Siegel. The motion was approved.

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

The President stated that the university had received just over \$17 million in grants and contracts. He said the university should equal, if not exceed, last year's generation of grants and contracts. It is important to recognize that this requires a lot of work on the part of NIU's faculty and staff in the highly competitive process used to select and award grants for research and other activities, President La Tourette said.

CHAIR'S REPORT NO. 9

Agenda Item 9.a. – Amendment to Board of Trustees *Regulations* Section II.D.6. – Faculty and Administrative Employees, Benefits (Accumulative Sick leave)

Chair Boey asked for a motion to approve the Amendment to this section of the Board of Trustees *Regulations* referring to accumulative sick leave. The amendment was recommended to conform with changes made in Public Act 90-65 effective January 1, 1998. Trustee Siegel so moved, seconded by Trustee Sanchez. The motion was approved.

OTHER MATTERS

A videotape from NIU's Cooperative Education program showing the tremendous involvement of business and industry was given to each of the Trustees. President La Tourette said the Regency Room was filled for the lunch held attended by approximately 200 companies on Wednesday, February 18, and the Ballroom was filled with exhibits and businesses anxious to have NIU's students sign up for cooperative education experiences. This program gives NIU students the kind of experience that allows them to have an advantage in a very competitive market. We have a very active board of individuals from business, industry, government and nonprofit organizations involved, Dr. La Tourette said, and they were meeting Thursday morning to continue their efforts to make NIU the leading university in this area. Northern Illinois University is about fourteenth in the nation with 1,200 to 1,300 students taking one of these experiences every year. In some cases, the university does not have enough students to meet the needs of business and industry. One of the purposes of that board meeting was to encourage faculty to be more involved with this program so they can articulate the importance of this type of experience to the students. Through this program, students enjoy externships, which help their employability when they have completed their baccalaureate degree. It helps business and industry because it is easier and less expensive for them to recruit good students with whom they have already become familiar. Chair Boey said that the Regency room, which was used for the luncheon and presentation of awards, was filled wall to wall, and the Ballroom, used as the exhibition area by the 150 exhibitors, was filled to capacity. It will be necessary for them to move to another area next year. The Chair said this adds another item to the list for some kind of multipurpose arena at NIU. We are just outgrowing ourselves, he said, the time is coming, and coming rapidly.

NEXT MEETING DATE

Chair Boey announced that the next meeting date was scheduled for April 23.

Chair Boey asked for a motion to adjourn. Trustee Sanchez so moved, seconded by Trustee Raymond. The motion was approved.

The meeting was adjourned at 2:57 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

BUSINESS AND INDUSTRY SERVICES LEASE AMENDMENT

Summary: The Northern Illinois University Business and Industry Services (BIS) program currently occupies two connected office suites under two separate lease agreements. The recommended lease amendment provides BIS with a single termination date. The effective dates of the amendment are August 31, 1998 through February 28, 1999 and includes 5,976 square feet at the current monthly rate of \$8,351.46 per month (\$16.77 per square foot) including operational costs at 1520 Kensington Road, Oak Brook, Illinois. Funding will be provided through existing program revenues.

Recommendation: The university recommends approval of the amendment to the Business and Industry Services lease with Carr America Realty Corporation under the stated terms and conditions.

WILLISTON HALL REMODELING PROJECT

Summary: The rationale for remodeling Williston Hall to accommodate the Office of Records and Registration is twofold. First, it enables the university to meet the long-term goal of establishing a "Student Pipeline" of student service functions in Adams, Williston and Swen Parson Halls. Second, it moves the Office of Records and Registration from Altgeld Hall to a permanent location, thus avoiding temporary facilities and additional relocation costs. The recent appropriation of funds for renovation of Altgeld Hall provides the impetus to accomplish the Williston remodeling at an accelerated schedule.

The second and third floors in Williston Hall will be remodeled and updated to accommodate the needs of Records and Registration. Each floor contains approximately 15,000 gross square feet and about 9,000 square feet of assignable space. Remodeling will require demolition of existing partitions to provide space for large office operations. The construction will include reconfiguration of spaces, fire detection and life safety upgrades, heating and cooling modifications, lighting and switching system replacement, a new ceiling system layout, reconstruction of the electrical and telecommunication systems, flooring and finishes replacement, some remodeling of the restroom facilities, as well as abatement of asbestos where required.

The schedule requires for remodeling to begin when the current occupants move to Gilbert Hall in June. Construction is expected to continue through the summer of 1998, with anticipated completion in the Fall of 1998. This ambitious schedule is derived from the desire to relocate Records and Registration between the 1998 fall semester and 1999 spring semester peak of operations.

This project will be supported through university repair and renovation funds over three fiscal years and has been anticipated and planned for these purposes from FY98, FY99 and FY00 fund allocations.

Recommendation: The university requests Board of Trustees approval to establish a total project budget in the amount of \$960,100 for the remodeling of Williston Hall second and third floors. The university has initiated the Qualifications-Based Selection (QBS) process for selection of an architectural firm and will present the name of the successful firm for approval by the Board at the February 19 meeting.

WILLISTON HALL REMODELING
Second and Third Floors

Summary: The Finance, Facilities and Operations Committee, in their February 6, 1998 meeting, approved a project budget of \$960,100 for remodeling of the second and third floors in Williston Hall. The remodeled facility will house the Office of Registration and Records, which will be relocated from Altgeld Hall. At the time of the Finance, Facilities and Operations Committee Meeting, an architectural firm had not been selected for the Williston Hall project. However, the Qualifications-Based Selection (QBS) process had been started.

In accordance with QBS legislation requirements, qualification submittals from twenty-four architectural firms were received on February 12. Submittals were reviewed on February 13 and three preferred firms were selected by a QBS committee for further review of qualifications. The three firms have been ranked in preference order and the QBS committee recommends the firm of Anderson Mahaffey Architects for the Williston Hall project. Fees for professional design services will be consistent with Capital Development Board A/E Professional Services Fee Handbook, under the terms of the Board of Trustees *Regulations*.

Recommendation: The university requests Board of Trustees approval to establish a total project budget in the amount of \$960,100 for the remodeling of Williston Hall second and third floors. This budget includes all anticipated construction, fee and contingency costs for the project. The university further requests approval to contract with the firm of Anderson Mahaffey Architects of St. Charles, Illinois for professional services to prepare construction documents and provide construction observation for the remodeling of Williston Hall second and third floors.

FY99 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. Fee rates are established through an internal process, which includes the evaluation and recommendation of representative fee review teams consisting of students and staff. The following table provides a summary of FY99 rates resulting from recommendations received and evaluated by the President. The executive summary is provided to detail each fee area and the recommended fee rate. These fee recommendations in aggregate represent a maximum average of 3.5% total increase.

Recommendation: The university requests approval of the recommended FY99 student fee rates as presented.

**FY99 FEE RECOMMENDATIONS
PER CREDIT HOUR COSTS***

FEE	CURRENT FEE		RECOM'D. 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	2.91	34.92	.06	2.97	35.64	2.0
Graduate	1.24	14.88	.03	1.27	15.24	2.4
Professional	1.88	22.56	.04	1.92	23.04	2.1
ATHLETICS	8.97	107.64	.45	9.42	113.04	5.0
BOND FACILITIES	13.63	163.56	.86*	14.49	173.88	6.3
BUS	4.87	58.44	.00	4.87	58.44	0.0
HEALTH	17.63	211.56	.33	17.96	215.52	1.87
Health Insurance Full-Time Students Only	--	138.00	.19	--	140.25	1.6
Health Service	6.13	73.56	.14	6.27	75.24	2.3
GRANTS-IN-AID	.35	4.20	.00	.35	4.20	0.0
STUDENT-TO- STUDENT GRANT	.375	4.50	.00	.375	4.50	0.0
LAW	1.70	20.40	.06	1.76	21.12	3.5
GRADUATE COLLOQUIUM	1.63	19.56	.00	1.63	19.56	0.0
TOTAL IF REGISTERED FOR 12 OR MORE SEMESTER CREDIT HOURS						
UNDERGRADUATE	1997-98 Per Semester			1998-99 Per Semester		Percent Increase/ Decrease
	584.82			605.22	\$20.40 3.49%	
	GRADUATE			579.84	599.88	\$20.04 3.45%
	PROFESSIONAL			588.36	609.24	\$20.88 3.54%

*This amount includes a \$.50 per credit hour increase which was previously approved by the Board as part of the 1996 Bond Series which supports West Campus improvements.

FY99 STUDENT FEE RATES Executive Summary

Recommended fee increases apply to undergraduate, graduate and professional students. This has been noted in those instances where fees differ between 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 twelve 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 twelve 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, recreation programs, etc. The fees collected from undergraduate, graduate and professional students vary. The recommendation to increase the Activity Fee is as follows:

Undergraduate: An increase of \$0.06 (2%), from \$2.91 to \$2.97 per credit hour, is recommended. This represents an annual increase of \$1.44.

Graduate: An increase of \$0.03 (2.4%), from \$1.24 to \$1.27 per credit hour, is recommended. This represents an annual increase of \$0.72.

Professional: An increase of \$0.04 (2.1%), from \$1.88 to \$1.92 per credit hour, is recommended. This represents an annual increase of \$0.96.

The cumulative recommended Activity Fee increase (all three levels) is 2.1%.

Athletic Fee

Intercollegiate Athletics maintains seventeen sports (8 men's and 9 women's) at the NCAA Division IA level. The Athletic Fee is the primary source of fiscal support for Intercollegiate Athletics. In order to address anticipated cost increases, primarily 3% salary increments and estimated 5% to 7% grants-in-aid value, **an Athletic Fee increase of \$0.45 (from \$8.97 to \$9.24) per credit hour, 5%, 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 FY99 bond fee rates, along with prudent budget management, would provide for a 3% salary increase and an increase of up to 5% for utilities and other related operating costs. Further, the 1996 Bond Series (West Campus improvements) bond fee structure was established in 1997 and initiated in FY98 at a rate of \$1.50 per credit hour. The approved structure provided a specific schedule for 1996 Bond Series fees through calendar year 2022; therefore, an increase of \$0.50, from \$1.50 to \$2.00 per credit hour, is included in the overall bond fee package in

support of approved capital improvements. **Therefore, the FY99 recommended bond fee package is an increase of \$0.86, from \$13.63 to \$14.49, per credit hour, a 6.3% increase.**

Holmes Student Center - An increase of \$0.06 (0.86%), from \$6.96 to \$7.02 per credit hour, is recommended.

Recreation Center - An increase of \$0.10 (3.5%), from \$2.89 to \$2.99 per credit hour, is recommended.

Field House and Stadium - An increase of \$0.20 (8.8%), from 2.28 to \$2.48 per credit hour, is recommended.

FY96 Bond Series (West Campus Improvements) - The previously approved fee increase of \$0.50, from \$1.50 to \$2.00, per credit hour is included.

Student Bus Service Fee

The Student Bus Service Fee provides funds for the operation of the student bus system. All fee-paying students are eligible to utilize the Huskie Line buses without being charged fares. **It is recommended that the bus fee, for both the academic year (\$4.87 per credit hour) and summer (\$1.51 per credit hour), continue at the current level of assessment.** While the summer bus fee is slightly less than necessary to operate the system during summer session, the minimal shortfall will be offset by the reserve generated during the academic year.

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. The Chickering Group has been the vendor for the student health insurance plan for FY97 and FY98 and has offered to renew its plan for a third year at the rate of \$140.25 per semester. **This results in a recommended increase of \$2.25 (1.6%) per semester, from \$138.00 to \$140.25.**

Health Service Fee

The Health Service Fee supports University Health Services, which provide comprehensive ambulatory health care for students while the university is in session. **An increase of \$0.14 (2.3%), from \$6.13 to \$6.27 per credit hour, is recommended.** The increase is needed to support annual salary increases and equipment purchases.

Grant-in-Aid Fee

The Grant-in-Aid Fee supports the University Scholar/Academic Finalist Award Program. It is the only major academically focused scholarship program available at Northern Illinois University for outstanding incoming new freshmen and community college transfer. **The fee is currently \$0.35 per credit hour. No change is recommended.**

Student-to-Student Grant

Revenue collected for 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 refundable upon request. **The current fee is \$4.50 per semester flat fee and is assessed only to undergraduate students registered for twelve or more credit hours of on-campus instruction. No increase is recommended.**

Law Fee

The Law Fee supports activities of the Student Bar Association. The College of Law is recommending **an increase of \$0.06 per semester credit hour, from \$1.70 to \$1.76, a 3.5% increase** to improve computer support for law students.

Graduate Colloquium Fee

This fee provides funds that are used to support the Graduate Colloquium Program. No change in this fee is recommended. **The Graduate Colloquium fee is currently \$1.63 per credit hour. Only graduate students are assessed this fee. An increase in the Graduate Colloquium fee is not recommended at this time.**

FY99 OFF-CAMPUS COURSE DELIVERY FEE RECOMMENDATIONS

Summary: Students enrolled in off-campus classes pay a course delivery fee that supports the additional costs of providing courses at off-campus sites and is paid in lieu of the fees paid by on-campus students. Additional fees are required because of the following:

1. Increasing costs due to the purchase of new computer hardware and software to provide students with up-to-date technology.
2. Additional costs for the rental of classroom space at Naperville and other sites.
3. Higher promotional and advertising costs to effectively compete with other programs in the Northern Illinois University region.
4. Increasing use of video-conferencing for course delivery to give students more flexibility in taking courses.
5. Increases in the cost of faculty travel.
6. Increased cost of administrative support including telecommunication charges.

Recommendation: The university recommends that Off-Campus Course Delivery Fees be increased from \$30 to \$35 per credit hour (16%) for all off-campus courses with the exception of the MBA Program. It is recommended that the MBA Program off-campus course fees be increased from \$137 to \$150 per credit hour (9.4%).

FY99 ROOM AND BOARD RATE RECOMMENDATIONS

Summary: Several changes affecting room and board rates were implemented in FY98 (i.e., continuous dining, seven days per week; 14 Plus and 19 Plus meal plans; a fee of \$40 per semester applied to all students having hardwired connectivity to the university computer system). These changes were well received by students and will continue in FY99. In addition, a 10 Plus meal plan will be added. With the re-opening of renovated space in Stevenson Towers, the variety of room options available to students will increase; and, consequently, differentiated rates for the new room options are being established. **Room and board rates reflect a 5% increase with the exception of rates for renovated rooms in Stevenson Towers, which reflect an increase of approximately 11%.** The increases in fees are required due to anticipated 3% salary increments, utility and operations increases and payment of revenue bond debt service.

Recommendation: The university requests approval of the recommended FY99 room and board rates as presented.

FY99 RESIDENCE HALL ROOM AND BOARD RATES

Recommended room and board rates reflect an increase of 5%, with the exception of rooms in the renovated Stevenson Towers. The room rate for Stevenson doubles and singles is 11% and the suite rates are new with no previous rate with which to compare them. Room and board fees provide funds to support the operation of campus residence halls. Increases recommended are required to offset various cost increases and to support new features and services designed to enhance resident satisfaction and retention.

<u>Residence Hall</u>	<u>FY98</u>	<u>FY99</u>	<u>\$ Increase</u>	<u>% Change</u>
Grant Double	\$1,019	\$1,070	51	5.0
Grant Single	1,655	1,738	83	5.0
Stevenson Double	1,019	1,131	112	11.0
Stevenson Single	1,605	1,782	177	11.0
Stevenson Suite w/o Bathroom	--	1,690	1,690	--
Stevenson Suite w/Bathroom	--	1,790	1,790	--
Low Rise Double	1,003	1,053	50	5.0
Low Rise Single	1,639	1,721	82	5.0
Low Rise Triple	977	1,026	49	5.0
Low Rise Suite	1,522	1,598	76	5.0
Apartments				
Small Studio (month)	320	336	16	5.0
Large Studio (month)	351	368	17	4.8
Law Floor & 9-Month				
Floor Differential	--	100	100	--
On-Line Charge	40	40	--	--
Board Rates				
19 Plus (19 meals plus \$100)	975	1,024	49	5.0
14 Plus (14 meals plus \$75)	843	885	42	5.0
10 Plus (10 meals plus \$200)	--	885	--	--
A La Carte	843	885	42	5.0

HUSKIE BUS CONTRACT - FY99 RENEWAL

Summary: The Student Association Mass Transit Board oversees the operation of a campus busing system that provides bus services within the campus in addition to service to residential and business areas of DeKalb and Sycamore. This bus service is utilized by students, faculty and staff and, with the use of a paratransit vehicle, also provides service to riders with disabilities. The system operates eleven buses and one paratransit vehicle. The bus service is available to the public at a fare of \$0.50 per ride or by purchase of a monthly pass.

The Board of Trustees originally approved the contract for FY97 on April 17, 1996; the renewal for FY98 was approved on April 24, 1997. The original bid included options for four one-year renewals, this being the second such renewal.

Recommendation: The university requests renewal authorization to award a contract for FY99 in accordance with the original bid as follows:

<i>ACT/VANCOM Transportation, Oakbrook Terrace, IL</i>	<i>\$1,780,881</i>
<i>Approximate 7% Contingency</i>	<i><u>124,669</u></i>
<i>Total</i>	<i>\$1,905,550</i>

Auxiliary Enterprises & Activities - Student Contract Busing

**STUDENT ACCIDENT AND SICKNESS INSURANCE
FY99 CONTRACT RENEWAL**

Summary: The University Health Service provides group health insurance to students and their families. This mandatory insurance is funded by fees charged students who may opt out of this coverage with proof of other insurance. The rate for student coverage per school year was \$276.00 for FY98 and will be \$280.50 for FY99. Original approval was given for FY97 on April 17, 1996 and subsequently approved for FY98 on April 24, 1997. The FY99 request is for the second of four one-year renewals available.

Recommendation: The university requests Board of Trustees approval as follows:

The Chickering Group, Inc., Cambridge, MANot to Exceed \$4,000,000

Funding is to be provided through Auxiliary Enterprises and Activities - University Health Service - Student Insurance Clearing.

REQUEST FOR NEW EMPHASIS WITHIN A DEGREE PROGRAM

Subdivisions of existing undergraduate programs are called emphases. New emphases require the approval of the Board of Trustees. If the Board approves the addition of a new subdivision, the IBHE staff reviews the request to determine if it is a "reasonable and moderate extension" of the existing degree program. The IBHE is particularly concerned to see that the new subdivision has a substantial core of courses in common with the existing curriculum. This request was endorsed by the Academic Affairs, Student Affairs and Personnel Committee after receiving approval from the curriculum committees at the department, college and university level and the concurrence of the provost.

Emphasis in Applied Sociology (within the B.A./B.S. in Sociology)

Description

The Department of Sociology in the College of Liberal Arts and Sciences seeks approval to offer a fourth emphasis in its B.A. and B.S. degree programs in sociology. Currently the department offers three emphases: general sociology, criminology, and sociology of health and aging. The proposed emphasis in applied sociology is intended for students interested in pursuing a professional master's degree in social work or in community or social service fields other than criminal justice or health and aging. The proposed emphasis builds on a 25 semester-hour common core of courses in sociological theory and research methods, which it shares with the other three emphases. To this foundation, it adds particular courses in social problems, social inequality and several areas of applied social service. The B.A./B.S. program with the applied sociology emphasis will require a total of 37 hours within the department.

Rationale

Sociology has been offering three emphases within the undergraduate degree program that have met particular career goals of students. Students who expect to go on for advanced degrees or who hope to teach social sciences in the secondary schools have opted for the general emphasis; students planning careers in the criminal justice system have chosen the criminology emphasis; and students with an interest in medicine or gerontology have chosen the emphasis in health and aging. However, in recent years students have indicated an interest in careers that require a social science background but in social service or governmental agencies not directly associated with the criminal justice or health care systems. These students may be interested in pursuing an advanced degree in social work; others may work in community social service or community action agencies; others may seek careers as public administrators; and some are interested in data analysis or other applied work in research organizations. Many of these students will need a specialized graduate degree in order to pursue their career choices. The emphasis in applied sociology draws on a substantial core of sociology courses required of all majors in the existing

emphases but allows the students selecting the emphasis to sequence specific course work in applied social issues and problems. These courses currently are available in the sociology curriculum and will not require additional resources.

Costs

The proposed emphasis uses existing courses taught by the department's current faculty; it requires no new resources. The department can accommodate any additional students who may select the major because of the availability of this curricular option.

Recommendation: The university recommends the approval of this new emphasis, Emphasis in Applied Sociology, within the B.A./B.S. in Sociology.

REQUEST FOR NEW DEGREE DESIGNATION

Normally a new degree program requires a full new program request to the Board and the IBHE. However, when a department already offers either the bachelor of arts or the bachelor of science degree and wishes to offer the other liberal arts degree designation, the IBHE has been willing to treat this request as a "reasonable and moderate extension of existing degree authority." (This approach would not be permitted if a department currently offering a liberal arts degree program such as a B.A. wanted to offer a professional degree program such as the B.F.A.) This request for a new degree designation was endorsed by the Academic Affairs, Student Affairs and Personnel Committee after receiving approval from the curriculum committees at the department, college and university level and the concurrence of the provost.

B.A. in Geography

Description

The Department of Geography in the College of Liberal Arts and Sciences has been offering a bachelor of science (B.S.) degree program for many years and now wishes to offer the bachelor of arts (B.A.) degree in addition to the B.S. degree. The B.A. program will require 36 semester hours in geography and another 7 to 23 semester hours of outside requirements. In addition, it will require the same mathematics and statistics required of B.S. students. It will be distinguished by the two-year foreign language requirement, as is required of all students seeking the B.A. degree. Students in the B.A. program who are interested in environmental studies will be strongly advised to complete at least two one-year laboratory science course sequences.

Rationale

The B.S. degree program in geography is well established and has prepared graduates for a variety of applied careers in geography or for work in the area of natural environmental systems. The department has become aware in recent years that there are careers available to geography graduates for which foreign language preparation as required for B.A. graduates is more useful than the current quantitative package of requirements associated with the B.S. degree. Students seeking the B.A. will still complete the mathematics and statistics part of that package but will not be required to complete the computer science component. The Department of Geography has a very effective undergraduate advising system and will meet with undergraduate majors early to steer them toward the degree that best prepares them for their planned career goals. The offering of a B.A. degree does not require additional courses, and any additional enrollment generated by the availability of the B.A. can be handled within the current curriculum and the instructional resources of the department.

Costs

Offering a B.A. in Geography in addition to the B.S. program is possible using existing curricular and staff resources.

Recommendation: The university recommends the approval of this new degree designation, Bachelor of Arts (B.A.) in Geography.

REQUEST TO DELETE EXISTING EMPHASES

The governing boards of public universities have the final authority for the deletion of academic programs or subdivisions of programs such as emphases in undergraduate programs and specializations in graduate programs. These requested deletions were endorsed by the Academic Affairs, Student Affairs and Personnel Committee after receiving approval from the curriculum committees at the department, college and university level and the concurrence of the provost.

Emphases in Applied Geography and Natural Environmental Systems (within the B.S. in Geography)

Description

As part of a comprehensive curricular review of its undergraduate programming, the Department of Geography has, in addition to requesting permission to offer a B.A. degree for undergraduate students, decided to eliminate the two existing emphases in its B.S. program. The department currently offers emphases in applied geography and in natural environmental systems. In place of the emphases, the department is expanding the core of geography courses required of all students and offering five areas of study: natural environmental systems, urban/economic systems, area studies, geographic information systems, and general geography.

Rationale

The department believes that the deletion of these emphases will strengthen and streamline the B.S. degree. The department has decided to require a larger common core of courses in environmental and human geography of all students seeking the B.S. degree. The number of elective courses for B.S. degree candidates has been reduced, but students will be given an opportunity to select an area of study in natural environmental systems, urban/economic systems, area studies, or geographic information systems, or to complete 12 hours in general geography courses. These areas of study correlate directly with the fields in which B.S. graduates are most likely to seek employment. With the streamlining of the program, it is anticipated that students who study on a full-time basis will be able to complete the core requirements and electives in four years. The elimination of the two emphases also increases the department's flexibility in course scheduling and its ability to support non-classroom learning experiences, such as internships, independent research, the Undergraduate Research Apprenticeship Program, and the like. The department has prepared a "Curriculum and Career Guide to Geography," which outlines the best course electives and course sequences for students to choose in preparation for specific careers in applied geography. That document is part of a departmental focus on undergraduate student advisement and a commitment to assist students in both curricular and career planning. No course requirements are being eliminated so

no opportunities have been removed for students in other programs in the university.

Costs

The deletions have been accompanied by a restructuring of curricular requirements and the addition of the B.A. degree option. Both the B.A. and the new format of the B.S. degree without emphases reconfigure the existing curriculum to achieve more streamlined program delivery and better career outcomes for students. Existing courses are being maintained, and there will be no impact on instructional costs.

Recommendation: The university recommends the deletion of the Emphases in Applied Geography and Natural Environmental Systems.

TENURE APPOINTMENT

Recommendation: The President recommends that Donald C. Menzel be granted tenure in conjunction with his appointment as Professor of Political Science/Public Administration and Director of the Division of Public Administration, effective July 1, 1998.

Note: See the following biographical statement.

DONALD C. MENZEL

Appointment as Director of the Division of Public Administration

Donald C. Menzel, who will assume the position of Director of the Division of Public Administration, received his Ph.D. in political science and public administration from Penn State University. He is currently Professor, University of South Florida, since 1983, and prior to that was Professor at West Virginia University.

Dr. Menzel has a distinguished administrative history serving as Director of the Public Administration Program and as Director of the Center for Public Affairs and Policy Management at the University of South Florida. In those positions, he conducted research on public policy problems and issues facing the State of Florida and the Tampa Bay metropolitan area. He was also involved in delivering public service seminars and training to state agencies and local governments in the University of South Florida area.

He has memberships in the American Political Science Association and the American Society for Public Administration, where he has been Chair of the Professional Ethics Committee and member of many subcommittees of these national organizations.

He has published two books and over 40 research papers. In addition, he has 12 chapters in books and many monographs and reports for governmental agencies. He has been active in securing grants and contracts for research and program development. He has served as a member of the editorial board of *State and Local Government Review*, *The Political Chronicle*, *The Public Integrity Annual*. He has also served as a panel member to the National Science Foundation. He serves as a referee for over a dozen professional journals. He has been active in state and local government. Finally, Dr. Menzel has been quite active in the use of technology in instruction, developing multimedia instructional materials for the teaching of ethics in graduate public administration. He was commissioned by the American Political Science Association to develop supplementary instructional material.

**CHAIR'S REPORT
NO. 9**

February 19, 1998

**AMENDMENT TO BOARD OF TRUSTEES *REGULATIONS* SECTION II.D.6.
– FACULTY AND ADMINISTRATIVE EMPLOYEES, BENEFITS
(Accumulative Sick Leave)**

At its last regular meeting in December, the Board of Trustees adopted revisions to relevant Board *Regulations* to implement new state laws. The President recommends a further adjustment to the Regulations as proposed in the attached recital to bring future policy into alignment with the new legislation making accumulative sick leave nonpayable at termination, but permitting its use in retirement service credit calculations.

**President's Report
No. 13**

April 23, 1998

No item in this report for release prior to 11:30 a.m. Thursday, April 23, 1998.

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
11:30 a.m. – Thursday – April 23, 1998
Regency Room**

1. Call to Order and Roll Call
2. Verification of Appropriate Notification of Public Meeting
3. Announcements
4. Executive Session
5. Meeting Agenda Approval..... Action .. 106
6. Review and Approval of Minutes of February 19, 1998..... Action .. 108
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. President's Report No. 13
 - a. Action Items Forwarded by the Board Committees
 - (1) *Northern Star* Printing and Delivery Service Contract (Renewal) Action .. 124
 - (2) Printing Services - Printing Equipment Contract (Renewal) ... Action .. 125
 - (3) International Programs Contract (Renewal) Action .. 127
 - (4) Athletic Sports Camps - Housing and Meals Expenditure Authorization Action .. 128
 - (5) Center for University Resources for Latinos and Latin American Studies - Design and Construction Budget Revision Action .. 129
 - (6) DuSable Hall Renovation Project..... Action .. 130

- (7) Recommendations for Faculty Promotions, Tenure and Promotions with Tenure *Action* .. 131
- (8) Recommendations for Faculty and Staff Sabbatical Leaves for 1998-99..... *Action* .. 133
- (9) Requests for Degree Authority at Off-Campus Sites..... *Action* .. 135

- b. Information Items Forwarded from the Board Committees
 - (1) Periodic Summary Report of Transactions in Excess of \$100,000..... *Information*
 - (2) Real Estate Donation..... *Information*
 - (3) Child Care Center..... *Information*
 - (4) Procurement Regulation Report - HB1633: An Act in Relation to the Delivery of Goods and Services..... *Information*
 - (5) Real Property Lease Agreement - University Press..... *Information*
 - (6) Update on Provost's Advisory Committee on Minority Concerns..... *Information*
 - (7) The Role of the University Honors Program in Recruitment for 1998-99..... *Information*
 - (8) FY99 Increment Priorities for Clerical Employees..... *Information*
 - (9) New SURS Retirement Plan Options..... *Information*

- c. Items Forwarded Directly from the President
 - (1) Personnel Item..... *Action* .. 137
 - (2) Summary of Grant and Contract Awards..... *Information*

- 9. Other Matters
- 10. Next Meeting Date
- 11. Adjournment

Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
April 23, 1998

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Robert Boey at 11:46 a.m. in the Regency Room of Holmes Student Center at Northern Illinois University. Recording Secretary Sharon Mimms conducted a roll call of Trustees. Members present were Trustees Susan Grans, George Moser, David Raymond, Myron Siegel, Student Trustee Steven Kovacs and Chair Boey. Not present were Trustees James Myles and Manuel Sanchez. Also present was Board Parliamentarian Kenneth Davidson. With a quorum present, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

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

ANNOUNCEMENTS

Chair Boey stated that President La Tourette and several staff members were in Springfield attending the House subcommittee on budget hearings and were scheduled to return at approximately 12:30 p.m. He also announced that Governor Edgar would be visiting the campus and was scheduled to arrive at approximately 2:30 p.m. for a portion of the meeting and a reception in the Art Gallery of Altgeld Hall.

MEETING AGENDA APPROVAL

Chair Boey said he would be changing the order of the agenda to accommodate the anticipated arrival of President La Tourette. He then asked for approval of the meeting agenda. Trustee Grans made a motion to approve the agenda as amended and was seconded by Trustee Moser. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

It was moved by Trustee Raymond and seconded by Trustee Grans to approve the minutes of the December 11, 1997 meeting as amended. 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

Committee Chair Grans reported that the committee met on Tuesday, April 14. She stated that the action items presented at that meeting were being presented to the Board for approval in this meeting. Chair Grans said the committee heard reports from several faculty members on the sabbatical leaves they were granted in the last year. It really gave us a better feel for the entire sabbatical process, she said. Also, very positive and rewarding reports were heard regarding the Committee on Minority Concerns and the Honors Program, as well as retirement options and salary increment guidelines for clerical employees.

Chair Boey commented that the sabbatical reports given by the three faculty members were very interesting and informative. Trustee Grans said the reports were very important to the Board, because they gave the Board members a better dimension and feel for the whole sabbatical process and how the faculty not only come back with new perspectives but are able to add these perspectives to the business world and other environments. Chair Boey said he thought it was worthwhile to have reports on sabbaticals every two or three years because these leaves are important to the faculty and the knowledge they can bring to the students from these experiences.

Finance, Facilities and Operations Committee

Committee Chair David Raymond reported that the Finance, Facilities and Operations Committee also met on April 14. At that meeting, the Committee accepted the periodic report of transactions exceeding \$100,000, as well as informational items on the real estate donation at Hoffman Estates, a Child Care Center update, a real property lease agreement for the University Press, and a report on the procurement regulation bill. Matters brought for consideration and approval included contracts and contract renewals for *Northern Star* printing and delivery services, printing services printing equipment, International Programs and athletic sports camps. Capital issues presented for approval included revision of the design and construction budget for the Center for University Resources for Latinos and Latin American Studies and a recommendation to act on Phase I of the DuSable Hall renovation project. Chair Raymond said that the Committee endorsed these matters and was presenting them in this meeting for full Board approval.

Legislation, Audit and External Affairs Committee

There was no report from the Legislation, Audit and External Affairs Committee.

Illinois Board of Higher Education

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

University Civil Service Merit Board

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

Northern Illinois University Foundation

Michael Malone, Vice President for Development and University Resources reported that Northern public radio had just completed its spring fundraiser. He said that it was the largest fundraiser, by 23%, ever held in the spring. They

raised more than \$61,000, exceeding their previous spring record by more than \$11,000. They recently changed the programming mix on those stations, he said, and it is attracting audience numbers and membership dollars. Mr. Malone said that in Fall 1998 repeater stations will be built in Freeport, Dixon and LaSalle-Peru, which will increase the potential audience significantly. As federal dollars and university dollars are being weaned away from that operation, they have to become more self-sufficient, he said, and this is one way for them to do that.

Vice President Malone said he was pleased to report that students were still working the phones and setting new records of alumni giving. A total of 10,500 alumni have pledged thus far this year, including 3,370 new donors. He said current figures indicated that a majority of the academic departments at NIU will see increased gifts for their use this year. In addition to annual gifts, some of the student callers found that the people they were talking to wanted to give fairly significant major gifts, including a \$22,000 gift to the College of Business and another \$10,000 to the College of Education.

It was anticipated that the NIU Foundation and McHenry County Conservation District would soon close on the sale of the Woodstock property. The net proceeds from the sale will be used to establish a scholarship endowment for students in good standing who exhibit financial need. The pledge of a gift of 20 acres of land adjacent to I-90 in Hoffman Estates, which will be covered later in the meeting, Mr. Malone said, could result in the largest gift to NIU in its history to date. This land could provide the site for further expansion of services to that region. Once that gift is secured and appraised, he said, it will likely become the largest single gift to NIU in total value.

The Chief Development Officer search was completed with the hiring of Ms. Mallory Simpson. Susan Lesh, an NIU graduate, was also hired as a Major Gift Officer as a result of that same search.

Chair Boey asked the size of NIU's alumni population. Mr. Malone stated that they had around 140,000 alumni in their database and it was their intention to call the approximately 100,000 alumni for whom they have good telephone numbers by the end of this year. Four calling stations are being added to the calling center, which maxes out the space at 29 call stations that are kept busy Monday through Thursday, one shift on Saturday, and two shifts on Sunday when students are in session. Chair Boey inquired if the phones were manned exclusively by students. Mr. Malone said four graduate students act as supervisors and one of two full-time staff professionals is always on site, but the calls are all made by undergraduate students. At this point, Mr. Malone said, the calling center is experiencing a very high retention rate of students for next year and that will bring the training cycle down. When asked if the students were volunteers or paid, Mr. Malone said these were paid positions with no commissions. He reported that many of the students come from the College of Business, Marketing and Sales. Mr. Malone said they have also been concurrently running some programs with Professor Jay Wagle's classes in Direct Marketing by taking segments of the NIU market, testing certain approaches on those segments and using it as class research.

Trustee Raymond asked how many first-time donors there were. Mr. Malone said there were about 3,400 surfaced in this process that had never given before. Mr. Malone reminded the Board that for the past three or four years, only about 25,000 alumni were called per year. We are saturating a market of alumni who had expressed interest or had donated in the past, he said. This time, we are calling all alumni and trying to reach donors who we hope will become annual donors.

Trustee Grans said that radio stations WNIU and WNIJ are well-known and the university is spoken of widely in the Boone and Winnebago County areas. She commended the stations on their promotion of WNIU/WNIJ and the university in the Rockford area.

PRESIDENT'S REPORT NO. 13

Chair Boey asked Dr. Anne Kaplan, Vice President for Administration, to explain the items in the President's Report.

ACTION ITEMS FORWARDED BY THE BOARD COMMITTEES

Agenda Item 8.a.(1) – *Northern Star* Printing and Delivery Service Contract (Renewal)

Dr. Kaplan introduced the *Northern Star* printing and delivery service contract recommended for approval by the Finance and Facilities Committee. The university requested Board approval to process the orders with Castle Communications, Inc. funding will be provided through Institutional Funds, Auxiliary Enterprises and Activities and the *Northern Star*. Trustee Siegel made the motion to approve the contract renewal, seconded by Trustee Grans. The motion was approved.

Agenda Item 8.a.(2) – Printing Services – Printing Equipment Contract (Renewal)

Dr. Kaplan stated that the this item had also been forwarded by the Finance and Facilities Committee. The university requested Board approval of the Printing Services printing equipment contract renewals with Xerox Corporation as stated in the report. Student Trustee Kovacs so moved, seconded by Trustee Siegel. The motion was approved.

Agenda Item 8.a.(3) – International Programs Contract (Renewal)

The International Programs contract was also a request for renewal. Dr. Kaplan said the university requested Board of Trustees approval for operational and expenditure authorization granted to the NIU International Programs Division for foreign study programs for FY99. Trustee Grans so moved, seconded by Trustee Raymond. The motion was approved.

Agenda Item 8.a.(4) – Athletic Sports Camps – Housing and Meals Expenditure Authorization

Dr. Kaplan explained that this was a request for expenditure authority for a blanket order of \$440,000 to University Plaza to house the sports and cheerleader/pom squad camps offered through Intercollegiate Athletics this

summer. The university requests approval of expenditures not to exceed \$2.5 million. Trustee Raymond so moved, seconded by Trustee Moser. The motion was approved.

Agenda Item 8.a.(5) – Center for University Resources for Latinos and Latin American Studies — Design and Construction Budget Revision

It was explained in the Finance, Facilities and Operations Committee that it would not be cost-effective to remodel the existing building. Therefore, Dr. Kaplan said, the university now recommends that the existing structure be demolished and the new center be redesigned as a one-story slab on grade. The university requested approval to establish a total project budget of \$850,000, which includes construction cost, architectural/engineering fees, equipment and contingency, to build this structure. Trustee Raymond said they received an excellent report on this item at the FFO Committee Meeting. Chair Boey said it was a very logical decision to make. Trustee Raymond wondered how well this change of plans had been communicated to the university community. UAC Representative Andy Small said that the center directors were very much in favor of the change. Associate Vice President Kathe Shinham said that students were involved with the project, were aware of what was happening and also supported the recommendation to rebuild. UAC Representative Charles Larson said that George Gutierrez, Director of University Resources for Latinos, was very pleased with the outcomes and several of the other staff people associated with that center were very pleased with the revised planning. Chair Boey said though the new construction will cost a little more than the original remodeling plan, the new building will be far more cost efficient and have a more efficient building layout for the two units. Trustee Raymond said that as Chair of the Finance Committee, he felt the same way. Trustee Siegel said this was obviously the right thing to do and probably should have been done from the beginning. Trustee Moser said often, a little remodeling looks like the most economical way to go; but in the normal course of events, it often becomes a little more complicated than first anticipated. Chair Boey said that starting from scratch may also accommodate more of the designs that could not be incorporated in the original remodeling plan. The Chair asked for a motion to approve the demolition and rebuilding of the center with a total project budget of \$850,000. Trustee Siegel so moved, seconded by Trustee Raymond. The motion was approved.

Agenda Item 8.a.(6) – DuSable Hall Renovation Project

Dr. Kaplan stated that this renovation project recommendation is for the establishment of a project budget of \$500,000 and for identifying and contracting with an architectural/engineering firm to move to Phase I of the DuSable Hall renovation goals. She emphasized that this is just the beginning and not the whole project, but one that is important and of great interest to the campus. Trustee Siegel moved to approve a total project budget of \$500,000 for Phase I of the DuSable Hall renovation. Trustee Grans seconded the motion. The motion was approved.

EXECUTIVE SESSION

Chair Boey 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 property matters as generally described under §2(c)(5) and §2(c)(5)(6). Trustee Raymond 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

The public meeting of the Board of Trustees was reconvened by Chair Boey at 1:46 p.m. Present were Trustees Susan Grans, George Moser, David Raymond, Manuel Sanchez, Myron Siegel, Student Trustee Steven Kovacs and Chair Robert Boey. Also present were President John La Tourette and Board Parliamentarian Kenneth Davidson.

Agenda Item 8.a.(7) – Recommendations for Faculty Promotions, Tenure and Promotions with Tenure

President La Tourette said the university followed the procedures as specified by the Board on review of faculty for tenure and promotion. They come not only recommended by the Provost, but also by the President. After the President's review of these various promotion and tenure decisions, he then presents them to the Board for approval. President's La Tourette said the university has a very rigorous tenure and promotion review process that begins with department level consideration, moving through the college and, ultimately, to the Provost and University Council Personnel Committee. He asked for Board approval of these promotions and tenure decisions. Trustee Grans so moved, seconded by Trustee Sanchez. The motion was approved.

Agenda Item 8.a.(8) – Recommendations for Faculty and Staff Sabbatical Leaves for 1998-99

Again, Dr. La Tourette said, the university has followed the procedures specified by the Board for faculty and staff sabbatical leave requests. There has been a very thorough review with recommendations coming from the departmental level, priorities established at that level and at the college level with further review, and review and priorities established in terms of sabbatical leaves by the Provost's Office working with the University Council Personnel Committee. Chair Boey mentioned that three faculty gave very good reports on their sabbatical leaves at the AASAP Committee meeting. He said it was a pleasure to hear what they did in detail because it went a long way to undo some of the misconceptions about sabbaticals held by those outside the higher education community. President La Tourette said he wanted to underscore the remarks made by Chair Boey. The President said sabbatical leaves are essential to faculty maintaining and improving their competency in order to be up to date with their instructional and support programs. President La Tourette said he recommended these faculty and staff sabbatical leave requests to the Board for approval on behalf of the Provost and the university Academic Affairs and Student Affairs areas. Trustee Sanchez so moved, seconded by Trustee Moser. The motion was approved.

Agenda Item 8.a.(9) – Requests for Degree Authority at Off-Campus Sites

Dr. La Tourette pointed out that these requests had been reviewed by the Academic and Student Affairs Operations Committee. The requests are for a Master of Accounting Science at Hoffman Estates in the Elgin Community College District and a Master of Science in Education in Instructional Technology in the Chicago Public Schools. These programs are already authorized for the university on campus and approval of this item would extend the authority to off-campus sites. The programs will have to be reviewed and approved by the Illinois Board of Higher Education. President La Tourette said he had been informed by Trustee Raymond that Governor Edgar had been made a member of the board for the Association of Governing Boards (AGB). This board deals with all boards of trustees, public and private, across the nation. In his acceptance speech, the Governor mentioned the very important role that public universities need to serve in Illinois by offering programs off campus on a timely basis to those people who cannot, because of jobs and other obligations, travel to DeKalb or, perhaps, into Chicago. So I'm very pleased to present these degree requests to you, President La Tourette said, particularly since I think the Governor has recognized the leadership role that NIU has played in the northern Illinois region in outreaching to people who are employed and those who cannot be away from their families to provide them the educational opportunities they need to be more productive citizens. The President asked Board approval for off-campus degree authority for the Master of Accounting Science at Hoffman Estates in the Elgin Community College District and a Master of Science in Education in Instructional Technology in the Chicago Public Schools. Trustee Siegel so moved, seconded by Trustee Moser. The motion was approved.

ITEMS FORWARDED DIRECTLY FROM THE PRESIDENT

Agenda Item 8.c.(1) – Personnel Item

President La Tourette recommended the appointment of Michael Malone as Vice President for Development and University Relations. Dr. La Tourette said that Mr. Malone has been serving as Interim Vice President and during this interim period Mr. Malone had more than exceeded his expectations. He brought the areas of public relations, development and alumni together in a very effective way for the first time to develop a very synergistic relationship in those areas. President La Tourette said he had very high expectations that with Mr. Malone, Ms. Mallory Simpson and some other key development officers, the university would have a team that will make a critical difference in fund raising and providing extra funds from external sources for the benefit of university academic programs. Trustee Raymond said the appointment was extremely well deserved. The President asked the Board to approve Mr. Malone's appointment from Interim Vice President to Vice President for Development and University Relations. Chair Boey asked for a motion to approve the appointment. Trustee Grans so moved, seconded by Trustee Raymond. The motion was approved.

ANNOUNCEMENTS

Chair Boey recognized University Advisory Committee Representatives Charles Larson and Jim Russell. The Chair commented that on the front page of the *Chicago Tribune* was an article on tuition waivers. He said it was appropriate to at least attempt to clarify the story because it did not do justice to the subject.

Chair Boey explained that among the tuition waivers, 64% to 65% are graduate assistantships, so only one-third were undergraduate. He said there was also an erroneous assumption made in the article that had those students not been given the waivers or if they had to pay for their tuition they would go to the same state universities. This practice, the Chair said, is prevalent throughout all the United States and to think that Illinois can give it up would be self-punishment and unwarranted. Dr. Charles Larson said the assumption the author of the article seemed to have is that these tuition waivers were just granted haphazardly. He said he wanted to be sure it went on the record that these graduate assistantships are awarded, in virtually all cases, in furtherance of instructional or research programs. In order to recapture the \$75 million represented by graduate assistantships, Dr. Larson said, the university would have to hire a pool of people at a cost somewhere between \$500 million and \$1.08 billion to replace the student experiential services. Chair Boey said that he wanted to put some perspective into that story and let people know that tuition waivers are not all bad and, more importantly, they are not just for undergraduates but are largely graduate assistantships. Trustee Sanchez said he wanted to clear up an assumption that these waivers were available to everybody, including the Trustees, which is not true.

Chair Boey recognized Student Trustee Steve Kovacs and asked him to say a few words. Mr. Kovacs said this would be his last meeting as Student Trustee. Before he made his comments, he said he had received a phone call from another university just before leaving for this meeting that reassured his beliefs in how helpful this Board had been and how interactive they are with the students. The call was from a university that was trying to do some research on the fee increases passed by various universities throughout the state and the lack of student input. She asked me to compile all the information I could on student fees, Mr. Kovacs said, and then she wanted to know all those student fees for which there was no input from the students. Although kind of taken back, he told the caller that for the student fees he was aware of, the NIU Board and administration interacted with the students on all levels. I do not think she really believed me, he said, so I'll have to get back to her. But that reaffirmed how pleasurable it has been to work with this Board and this administration.

Last night I went to the computer and I pulled up some comments that I made during my first meeting as Student Trustee, Kovacs said, and I realized all the expectations that I had for this position were met and exceeded by the actual experience. I am truly fortunate to have been able to represent the student view to this Board, and was pleased to be able to take the ideas of this Board back to the students. The only thing more rewarding than educating the students on the many things that the university does was the experience of being with these great individuals. It is rare that a 22-year-old college student is able to sit with true professionals and leaders in their field and still feel a level of comfort as though he sits among friends. This Board has a unique blend of strategic vision coupled with an understanding of current student needs. It has truly been a pleasure, Kovacs said. Being on this Board has allowed me to set a long-term goal for myself. That goal is to one day return to this Board and sit on it, or if I can return to NIU and interact with the individuals like I do today, I will have truly been successful. He concluded by saying that he thanked the members of the Board for the opportunity to serve with them.

Chair Boey thanked Student Trustee Kovacs for his remarks and said that he had been a credit to the NIU Board and there was no question in his mind that Mr. Kovacs would be very successful. The Chair extended his very best wishes to Mr. Kovacs and thanked him for being a great Trustee. Trustee Siegel commented that in spite of the fact that the Student Trustee position was a very difficult, time consuming and demanding one, Steve Kovacs had done a wonderful job and would be missed. We have been very lucky in having excellent student trustees, Trustee Siegel said, and I hope when the time comes that we will have a replacement just as good.

President La Tourette said that in March of this year, an announcement went out to NIU faculty about a new endowment which would fund innovative projects that promote the use of technology in teaching. The endowment was funded by an individual's gift to the NIU Foundation. The donor sought to "provide an incentive to faculty to develop innovations in computer-aided teaching." Faculty members were invited to apply for an annual grant funded by the endowment. Several dozen faculty responded, indicating a very high degree of interest. A committee made up of Presidential Teaching Professors reviewed the applications and earlier this month selected the first recipient. President La Tourette then introduced Trustee David W. Raymond as the person who gave this generous gift in support of education. He told Trustee Raymond that his gift gave the university another tool with which to stimulate interest and draw out the best ideas on campus for using technology in teaching. From the response received to the call for proposals, Dr. La Tourette said, we know that our faculty are anxious to develop new teaching methods that incorporate technology, not for its own sake, but for the genuine improvement of the learning process. I know that you are hoping that your gift will serve as a catalyst for other faculty-developed teaching innovations. He then invited Trustee Raymond to share a few thoughts about this project.

I started to think about this when I moved out of the state of Illinois last year to Virginia, Trustee Raymond said. Because of the move, I have not asked to be reappointed to the Board when my term expires in January. But this has been a wonderful experience, and I have really enjoyed being a part of the NIU Board and the governance process, as well as being involved in and learning a lot more about higher education. It has also inspired me, as Steve Kovacs mentioned, to want to continue to be involved in higher education. I did not want to leave NIU totally behind when my term expires, so I was trying to think of how I could make some continuing contribution, some reason to continue to be connected to the future of NIU, because this Board, in the time that I have been here, has made some very critical decisions that are going to impact the future of NIU for many years into the 21st Century. And so, I'd like to continue to feel connected and have a reason to return periodically. That is when I thought of endowing a grant. The grant I have endowed will focus on some issues that I feel are very important to NIU and all universities and, particularly, to faculty and the students. There is always a controversy about the balance between the research and teaching responsibilities of faculty, but I wanted to put some sort of an incentive on the teaching side because there is already a lot of focus on the research side. I also wanted to do something directly for the faculty because it has become obvious to me, as I have been involved in higher education, that faculty are often not the first to benefit from new resources, because students usually get priority when there are new resources, and there are so many other critical issues like deferred

maintenance that require support. So, I wanted to do something particularly directed toward faculty, because to me the faculty are critical to the mission of any institution of higher education. They are the backbone of the institution; they are the intellectual capital that provides the substance of the product that we are selling. They provide the course content and the knowledge and the challenges and the intellectual content of everything that a university has to offer. I spent 26 years in the retail business where we always talked about the point of contact with the customer. The faculty are the point of contact between the university and the customers of this university, the students. Students and their parents do not choose to come to NIU because of its outstanding President, its outstanding staff, its administrative and support staff, or because it has the best Board of Trustees in Illinois. They decide to come to NIU because of the faculty, people they know on the faculty or have heard about, and because of the programs and courses the faculty develop and put together. It is important to have a well-maintained, up-to-date and attractive environment and buildings. You have to have that, and that is what we spend a great deal of time with at this level. But if you do not have the substance and the intellectual capital to offer when people come to a beautiful campus, they will not come back. A university has to have a team of dedicated educational professionals on its faculty who receive the recognition that attracts people.

I just attended the annual conference of the Association of Governing Boards in Nashville where there was a great deal of talk about how higher education has to pay attention to all these new trends and technology. One speaker gave examples of the wide range and growing offerings on the Internet of virtual universities and virtual courses now offered on the Internet from hundreds of universities. Many of these are state universities and other major universities in the country. There are some states that are really putting an emphasis on this, such as California, Texas, Minnesota and Western Governors' University, which were cited as examples that clearly indicate there are some out there ahead of NIU and Illinois. But I have every confidence that NIU and Illinois are going to catch this wave and will be right there with everybody else in higher education as this new technology develops. Obviously, part of the purpose of this grant is to help stimulate the creativity of the faculty to help NIU achieve that. I also heard a lot of speakers, after talking about this new wave of technology, comment that tradition-bound higher education is resistant to change and wonder if it will be able to compete in this new high tech world. Those comments were often followed by some reference to faculty and tenure. There is an equation in many people's minds of faculty and tenure as being elements that cause resistance to change. But I have a much different view about all that. I think there is sometimes too much concern over what everybody describes as shared governance and the thought that shared governance is going to cause delays in decision making which will cause tradition-bound higher education to be left behind by the for-profit institutions offering innovative courses. I think the one thing that is not given enough recognition is the fact that everybody involved with a university or an institution of higher education has a shared vision and shared values. The faculty, the administration, the staff and the Board of Trustees all have a shared vision to provide an institution, an environment and forum for learning, research and service to our community. We all have a shared vision that we all want NIU to succeed in that endeavor. We all have a shared vision that we want our students to succeed in the future. We all have a shared vision that we want the contributions that are made to learning, research and

community service to be recognized by peers, the public and potential future students.

My grant is really a small way of trying to help unleash the intellectual creativity that I know already exists in the faculty. When I saw the proposal that was submitted, I knew there was already a lot of work being done on these things and, hopefully, the grant will just offer a way to spark the final steps that will allow members of the faculty who would like to do some of these things to see the end results of their efforts. By doing that, I think we will give the faculty an opportunity to help the whole NIU community realize its shared vision by using innovative techniques and innovative technology. They will be able to help NIU get to the forefront of this new electronic age and allow NIU and its community to demonstrate that we are not resisting change, but embracing it, and reaching out to the northern Illinois region in new ways.

Trustee Raymond concluded by saying, I hope the grant helps to pull out all of these kinds of creative and innovative ideas from the faculty, and in doing so, benefits the students and brings some recognition to NIU. I am especially pleased that the content of the first proposal really demonstrates that the first submission and award is going to carry out what I was hoping this grant was going to do. I am very pleased at the opportunity to provide this kind of incentive to recognize the faculty and benefit the students.

Chair Boey said that Trustee Raymond exemplified the spirit, the commitment and the caring from this Board. We are very proud that we have you for another seven months and look forward to your participation.

President La Tourette introduced the first recipient of the David W. Raymond Grant for Use of Technology in Teaching, Dr. Michael Kolb, who is an Assistant Professor in Anthropology. He submitted the winning proposal for a grant to hire graduate assistants and student workers to develop new computer-aided instructional software for general education courses. Not only will this project enhance the way in which undergraduates acquire interpretive and analytical skills, Dr. La Tourette said, but Dr. Kolb's plans call for the actual development process to involve students as well. Dr. Kolb said he was very honored to be the first recipient of the David W. Raymond Grant for Use of Technology in Teaching. He reiterated some of Trustee Raymond's comments, saying there is a lot of talk about education, the classroom and technology and the implementation of these things, but there are many universities and schools that really do not know how to accomplish it. Dr. Kolb said it was his belief that the David Raymond Grant was an excellent step in that direction. It is important for research institutions like NIU, Dr. Kolb said, to try to convey certain aspects of different field experiences and how to problem solve in order to get away from the normal routine of exam and testing just rote memorization. And I think technology, particularly archeology and other fields, Dr. Kolb said, can benefit by trying to convey this aspect of their fields in problem solving and field methodologies.

Trustee Siegel introduced two of his daughters, Ariel and Alia, after announcing that he had brought them to the meeting in honor of "Bring Your Child to Work Day." Chair Boey recognized the presence of UAC Representative Andy Small and former Student Trustee David Marquez. He also recognized Student

Association President Beth Hull, Student Association President-elect Joy Molano and Student Association Vice President-elect Jaime Gonzales.

INFORMATION ITEMS FORWARDED FROM THE BOARD COMMITTEES

Given time restraints due to the Governor's anticipated arrival at any moment, President La Tourette called the Board's attention to the various information items listed on the agenda under 8.b.(1) through 8.b.(9) and recommended them for further review. These were all covered by the Academic Affairs, Student Affairs and Personnel Committee and the Finance, Facilities and Operations Committee and have been thoroughly discussed. They are here to reaffirm the committee system set up by the Board of Trustees, President La Tourette said, to have the issues of substance discussed very extensively by Board committees before they are brought to this Board. In addition to items 8.b.(1) through (9), there was a Summary of Grants and Contracts update. These are the grants and contracts received by NIU from outside sources. The summary for FY98 showed just over \$21 million to date. It appears, the President said, that the university will see some increase in overall grant funding in FY98 compared to FY97. This goes along with the remarks made by Trustee Raymond about our faculty and staff, President La Tourette said. It does take extra effort and commitment for the faculty to compete for these grants and contracts; but they add immeasurably to the mission of the university and allow us to carry out instructional, research and public service programs. Dr. La Tourette complimented the faculty and staff for their efforts in this area.

President La Tourette also added his appreciation to Trustee Raymond, not only for his dedication to this Board and the enormous amount of work he has done to help this Board become the best Board in Illinois, but for his real material investment here, one that is going to last for many years, through the funding of this grant to assist the faculty in using technology for instruction and teaching on campus. He said this will go a long way to provide an example for others to help the university and to provide an example to faculty to move forward in the introduction of new technology.

NEXT MEETING DATE

Chair Boey announced that the next meeting would be held June 18 in the Riley Courtroom, 170 Swen Parson Hall.

Governor Edgar entered the meeting and President La Tourette introduced him to the Trustees and others at the Board table.

Chair Boey said it was a distinct honor and privilege to welcome Governor Edgar to the Northern Illinois University campus and to this meeting of its Board of Trustees. While we are always pleased to receive a visit from the Governor, the Chair said, we are especially proud to have him take a seat with us here at the Board table, since it was Jim Edgar who created the system of independent public university governance in which we are now privileged to serve. We have just passed our second anniversary as a Board. Governor Edgar, I know I speak for all of us here today when I say that your ongoing support has helped us create a better university for the students of this region, Chair Boey said, and for

this we thank you and pledge to continue our work on behalf of the students for whom this university exists.

Chair Boey asked President La Tourette to say a few words. President La Tourette said it was a real pleasure to have the Governor on campus again and welcomed him on behalf of the entire NIU community. He noted for the record that Governor Edgar was here exactly two years ago to help celebrate the opening of Faraday Hall West. President La Tourette said he was very pleased that the Governor had chosen to honor us again in the observance of another new beginning — the celebration of the upcoming renovation of historic Altgeld Hall. Your leadership in higher education has taken many forms, President La Tourette said, but the theme has been consistent — service to students, new buildings, new governance structures, better ways to manage our resources. All of these improvements are solidly aimed at creating a better environment for teaching and learning. President La Tourette introduced some of the most outstanding student leaders on our campus. First was Student Trustee Steve Kovacs, who has done an excellent job in bringing student concerns and opinions to the attention of the Board. He also introduced outgoing Student Association President Beth Hull, Student Association President-Elect Joy Molano and Vice President-Elect Jaime Gonzales. President La Tourette noted that the Governor had been Student Association President at Eastern Illinois University at one time.

Dr. La Tourette said he was very pleased that the governor could be with us to personally accept a recognition of his contributions to Illinois higher education. He then called on George Moser, Chair of the Legislation, Audit and External Affairs Committee to present the award. Mr. Moser is a skilled and dedicated Trustee whose involvement with and support of NIU predates his term on the Board. President La Tourette said. He was instrumental in the establishment of our Hoffman Estates Center and has brought his leadership skills in the private sector to his role in university governance. As the father of a son who attended NIU, he brings a personal view and commitment to his role as a Trustee. The President congratulated Mr. Moser and expressed appreciation for all the leadership he had provided on the Board.

The Governor joined Trustee Moser at the podium. Trustee Moser said, we are honored and delighted that that the Governor could join us today so that we might express to him our heartfelt gratitude for all he had done during his two terms as Governor to improve conditions for higher education in our state. Throughout your time in office, Trustee Moser said, you have worked tirelessly and selflessly to promote all levels of education, including higher education, and have always had the best interests of all nine public universities in mind. Your commitment is obvious in very tangible ways, such as your support for dozens of major construction projects at universities across the state in recent years. On our own campus, your support was instrumental in the construction of Faraday West, which you helped us dedicate during your last visit to campus; in the completion of our state-of-the-art College of Engineering and Engineering Technology, which will soon be manifest; and in the restoration of our beloved Altgeld Hall, for which you helped us obtain funding. Another extremely important change made under your leadership, Trustee Moser said, was legislation that allows the universities to retain tuition revenues locally. Finally, your foresight was obvious in the establishment of independent governing boards

to guide public universities into the next millenium, insuring that we will continue to provide excellent education and excellent value for generations of students to come. In recognition of these and many other contributions to higher education in Illinois, Trustee Moser said, it is my honor as Chair of the Legislation, Audit and External Affairs Committee to present you with the first Jim Edgar Award for Excellence in Higher Education. It bears your name, not because you are its first recipient, but in hopes that others will follow your example of support for public universities across the state. Thank you, Governor, on behalf of all of us who care about and believe in this university and its students.

Governor Edgar spoke to the Board and those assembled as follows.

Thank you very much members of the Board. Thank you very much for this very distinct honor. To President La Tourette, Senator Burzynski and to all the other leaders at Northern and friends and dignitaries, it is indeed a pleasure to be here. You know, it's always an honor to receive an honor. But it's a special honor to receive an award that bears your name. Usually, you don't live to see that. So, I feel very appreciative to receive it, and I do very much appreciate the place from which this award came, from the members of the Board. There are many things that we've been involved in in state government in the last eight years to really reshape state government. This has probably been the most exciting and dynamic time in the history of state government throughout the nation, and that is particularly true here in Illinois. State government today is far different than it was when I became Governor in 1991. Part of that is because times have changed. Sometimes government is slow in responding to the need for change. Some have even accused higher education of being slow to change. But in Illinois, as a result of changing times, fiscal challenges, a whole host of reasons, we have changed state government considerably. And I think particularly in higher education, an area that the news media and some of the people who follow government have a tendency to overlook, there has been significant change.

We have seen a lot of streamlining and resetting of priorities, which I think was important, as difficult as it was at many campuses to achieve that. But perhaps the most significant change in higher education has been the change in the governance of higher education for most of our state universities. Now, I come at this with some knowledge. I am very proud of the fact that I am the first person ever elected Governor of the State of Illinois who graduated from a public higher education institution in the state of Illinois. That never happened before, which I think many find surprising. But, as someone who came from a state university, someone who grew up in a community with a state university, who was a legislator from a university district, one of the things that I always thought was a mistake was that we often tried to run our universities from Springfield, as opposed to allowing more grass-roots control of what was happening. Higher education was really the only education system in which we tried to do that. Elementary/secondary schools had local school boards. Community colleges had regional elected boards. But our senior institutions, for the most part, were directed by a bureaucracy in Springfield. Now, I believe we need coordination, but we still need more local control. And long before I became Governor, back in my days as a

state legislator, I used to suggest that we needed to change the system. But as a freshman state legislator in the minority party, I didn't have a whole lot of say. Then, I got to be Governor and some people forgot to pay attention to what I said when I was a legislator. One of the things we were able to do, with the help of Lieutenant Governor Kustra whose expertise in higher education is now known not only here in Illinois but throughout the nation, was move ahead to finally change the governance system. As a result, I'm very proud of the boards that we have seen established around the state of Illinois — grass-roots control of the universities — and I think that has resulted in a much better system of higher education. And to you, members of the Northern Board, I want to especially thank you for your service and for the job you have done. You are pioneers, and you have done an excellent job. We keep pretty close tabs on what the various governing boards are doing because I feel very responsible for them. Not only did I initiate the legislation that created them, I am the person that appointed these boards to see how they would work. We are extremely pleased throughout the state and were particularly pleased with what you've done here at Northern. So, to receive an award from you has extra meaning. Again, thank you for the job you are doing. And Bob, you mentioned the high salary you are paid — I especially appreciate your willingness to put the time and energy in because it is a gift you give back to the state of Illinois and the people of this state, and we appreciate it very much.

I also find it very appropriate that we have the student leaders here today. As President La Tourette mentioned, I was president of the student body at Eastern, but it wasn't in the early '60s; it was the late '60s. And I felt it was a very worthwhile undertaking. In fact, I don't think I would be Governor today if I hadn't been student body president first at Eastern. I'm sure being student body president at Eastern is not as important as being Student Association president at Northern. You've got more students than we had at Eastern, so perhaps that is an indication of what lies ahead in your future. Thirty years ago, they wouldn't even have thought of inviting the student body president to the board meeting. I was lucky sometimes to get in to see the president. We've come a long way on our campuses, and I think it's been a very healthy change because as your Chair pointed out, the purpose of the campus is the students. It's not for the faculty; it's not for the administrators; it's not for the civil servants; it's not for anybody but for the students. And I think it's very important that students do have a say and are involved in the process. On the governing boards, student government leaders have an ongoing dialogue with the president and the administrators. I think that's extremely important. That's an area of real progress that has occurred on our campuses in the last 30 years. So I'm very pleased to see you here. Later this spring, I go back to Eastern to give the commencement address on my 30th anniversary of graduating. (I was very young when I graduated.) Much has happened in higher education, most of it for the good. A governing board that represents Northern is here to concentrate on what it takes to make this a better university.

A little later we're going to go over and officially undertake the renovation of Altgeld Hall. I think it's especially significant that we're taking the oldest

building on campus, and we're not discarding it; we're renovating it. We're preparing it for the 21st Century. And that really is to me the essence of higher education. It's an institution that deals with tradition, with history, with culture. It preserves that. But it is also an institution that should be in the forefront of change for the future. I'll talk a little more about it over there, but I think it's very appropriate that we are not discarding the oldest building on campus, but are renovating it and preserving the tradition and all that has made this university such a great place for the past 100 years. We're refitting it to prepare it for the 21st Century, just as this university will help prepare the people of Illinois for the 21st Century.

So, again, it's my pleasure to be back on campus here at Northern. Regarding George's comment that maybe sometime I might be on the governing board, that will be up to the Governor. And you never know what those governors might do. But I would consider it quite an honor just to be able to sit with you men and women who have done such an outstanding job for this outstanding university. Thank you very much.

OTHER MATTERS

Chair Boey invited everyone to Altgeld Hall for a reception being held in the Governor's honor and other activities.

The Chair then asked for a motion to adjourn the meeting. Trustee Sanchez so moved, seconded by Trustee Siegel. The motion was approved.

The meeting was adjourned at approximately 2:30 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

**NORTHERN STAR PRINTING AND DELIVERY SERVICE CONTRACT
(Renewal)**

Summary: The *Northern Star* is the student-run campus newspaper. The paper employs approximately 150 students who do the writing, editing, photography, set up, advertising sales and management. This provides the students with the opportunity to gain practical experience in all aspects of a commercial newspaper. They publish 154 issues of 16 to 20 pages each, averaging over 15,000 copies, Monday through Friday. The service area includes the campus community and the DeKalb and Sycamore areas. Advertising revenue is approximately \$700,000 per year.

This renewal is for the last year of a three-year contract for printing and delivery of the *Northern Star* newspaper. Original approval was granted by the Board of Trustees on December 11, 1996, and the first renewal approval was granted April 24, 1997. The base contract amount for FY99 is \$239,795, which represents a 4.75% increase over FY98.

Recommendation: The university requests Board of Trustees approval to process orders as follows:

<u>Castle Communications, Inc., DeKalb, IL</u>	
Original Amount Approved	\$305,000
Contingency	<u>61,000</u>
New Total - Not to Exceed	\$366,000

Funding is to be provided through Institutional Funds, Auxiliary Enterprises and Activities, and the *Northern Star*.

**PRINTING SERVICES - PRINTING EQUIPMENT CONTRACT
(Renewal)**

Summary: Printing Services at Northern Illinois University operates as an auxiliary enterprise and activity (sales and service) function. As a result, Printing Services receives funding from fees paid by campus users for services received. These user fees are paid from all fund sources, both appropriated and nonappropriated. In order to assure optimal operational flexibility, and because of the rapidly changing technology, Printing Services has elected to utilize lease/purchase programs for obtaining equipment required for its operation. The following three contract approval requests are pursuant to lease/purchase programs for Printing Services operations. In each case, the difference in the lease/purchase rates from year to year is attributed to the staggered installation dates and the ancillary equipment, which differ from machine to machine.

Under terms of the contract for service and maintenance of the equipment, the total amount includes a fixed component for the service/maintenance of each machine as determined by the rate in effect at the time of installation or renewal, plus a variable component which is determined by the number of copies made per machine. The contract renewal for FY98 was approved by the Board of Trustees on June 12, 1997.

High Speed Printing Equipment for Printing Services Contract Renewal

A Docutech NP135-2 with a Network Service, Tape Storage and Job Manager Controller, was installed at Printing Services under a six-year lease/purchase agreement beginning in FY94. The agreement is renewable each year at the option of the university.

Recommendation: The university requests Board of Trustees authorization to renew the lease/purchase and service/maintenance agreements for FY99 as follows:

<u>Xerox Corporation - Schaumburg, IL</u>	
Lease/Purchase	\$ 60,000
Service/Maintenance	84,000
Contingency	<u>8,000</u>
Total Not to Exceed.....	\$152,000

Funding is to be provided through Auxiliary Enterprises and Activities - Printing Services.

A Docutech NP135-2 with a Signature Booklet Maker and Bypass Transport Unit was installed at Printing Services under a five-year lease/purchase agreement beginning in FY96. This agreement is renewable each year at the option of the university.

Recommendation: The university requests Board of Trustees authorization to renew the lease/purchase and service/maintenance agreement for FY99 as follows:

<i>Xerox Corporation - Schaumburg, IL</i>	
<i>Lease/Purchase</i>	\$ 76,700
<i>Service/Maintenance</i>	83,600
<i>Contingency</i>	<u>4,700</u>
<i>Total Not to Exceed.....</i>	<u>\$165,000</u>

Funding is to be provided through Auxiliary Enterprises and Activities - Printing Services.

A Docutech NP135-2 was also installed at the Holmes Student Center Copy Center under a six-year lease/purchase agreement beginning in FY94. This agreement is renewable each year at the option of the university. This machine is now located in Printing Services.

Recommendation: The university requests Board of Trustees authorization to renew the lease/purchase and service/maintenance agreement for FY98 as follows:

<i>Xerox Corporation - Schaumburg, IL</i>	
<i>Lease/Purchase</i>	\$ 52,200
<i>Service/Maintenance</i>	77,700
<i>Contingency</i>	<u>6,100</u>
<i>Total Not to Exceed.....</i>	<u>\$136,000</u>

Funding is to be provided through Auxiliary Enterprises and Activities - Printing Services.

RECOMMENDATION

The university requests Board of Trustees approval of the contract renewals as stated above.

**INTERNATIONAL PROGRAMS CONTRACT
(Renewal)**

Summary: Northern Illinois University's International Programs Division is given an annual authorization for expenditures for foreign study programs. Revenues and expenditures balance, as all expenditures are made from payments received from the approximate 800 students expected to enroll in these programs. Costs include travel, overseas instructional and administrative services, room and board, and local tuition. Once program enrollments are determined, payments are made immediately to secure and guarantee registration, accommodations and other program-related costs.

Because of the great amount of variables, including actual number of enrollees in each program, program choices and currency fluctuations, the amount of authorization needed for specific programs become unpredictable and limits the university's ability to request such authorizations for specific programs and groups in a timely manner. Overall, however, the university does not expect the program level to fluctuate significantly from 1998. All funds and disbursements remain subject to university accounting controls and management.

Recommendation: The university requests Board of Trustees approval for operational and expenditure authorization granted to the NIU International Programs Division for foreign study programs for FY99 as follows:

Various Vendors..... Total Not to Exceed \$2,500,000

Funding is to be provided through Auxiliary Enterprises and Activities - International Programs.

**ATHLETIC SPORTS CAMPS
HOUSING AND MEALS EXPENDITURE AUTHORIZATION**

Summary: Intercollegiate Athletics operates summer athletic camps for various sports as well as camps for cheerleader and pom squads. These programs serve campers up to 18 years of age. Some attendees are provided housing and meals, while other commuter campers receive only meal services. The camps are entirely self-funded; revenues collected pay for all expenditures incurred.

The Sports and Cheerleader/Pom Squad camps offered through Intercollegiate Athletics have become a valuable activity, popular with a wide range of high schools in northern Illinois. Programs planned for 1998 include 12 sports plus cheerleading. Sports camps include football, baseball, boys' and girls' basketball, boys' and girls' soccer, and softball. Also offered are swimming, volleyball, wrestling, cross-country, athletic training and 14 separate cheerleading camps. These camps begin the first week of June and are offered at various times throughout the summer, ending the third week of August.

Due to the great success of these programs in past years, it is anticipated that attendance in 1998 will increase dramatically. The cost, therefore, which is dependent on the number of participants and services provided, is estimated to not exceed \$480,000 for 1998, up from \$185,600 in 1997.

Sealed bids were solicited for housing and/or dining services for the campers. Only one vendor was able to offer the range of housing, recreational facilities and dining services needed. Note that this vendor is unable to accommodate camps for two select weeks. As a result, Intercollegiate Athletics is evaluating alternative accommodations and schedules for those camps.

Recommendation: The university requests Board of Trustees approval of expenditure authority for a blanket order as follows:

<u>University Plaza - DeKalb, IL</u>	
Base amount	\$395,000
Contingency	<u>45,000</u>
Total Not to Exceed.....	\$440,000

Funding is to be provided through Auxiliary Enterprises and Activities - Camps.

**CENTER FOR UNIVERSITY RESOURCES
FOR LATINOS AND LATIN AMERICAN STUDIES
Design and Construction Budget Revision**

Summary: The Center for University Resources for Latinos and Latin American Studies received project approval at the December 11, 1996 meeting of the Board of Trustees. The total project budget was established at \$600,000, including all consultant fees, construction costs and contingency. The project budget amount was developed by a consultant contracted by the university to conduct a feasibility study to determine an appropriate building design approach based on the program requirements for both University Resources for Latinos and the Center for Latino and Latin American Studies. Based on the consultant's recommendations, the university contracted the feasibility consultant, Campbell Tiu Campbell, to design a facility that would incorporate the existing residential building located at 515 Garden Road into the square footage of a new center. Utilizing the existing 4,200 square feet, the design of the new structure totaled 7,450 square feet and satisfied the program requirements of both groups.

Construction bids received in August 1997, were over budget. Modifications were made to the design, and the project was rebid in December 1997; however, all 11 bids by general contractors were over budget. The lowest bids received in December reflect \$97.11 per square foot for the cost of the remodeled use combined with new construction incorporating both levels of the existing house. An analysis by an independent estimating firm calculated that the construct cost for *an entirely new single-story structure* using the same details and materials would be approximately \$98.50 per square foot. Additionally, a preliminary floor plan of a single-story structure developed by the architect shows improved efficiency and reduces the square footage of the facility to 7,000 square feet without impacting the program requirements of the user groups.

Recommendation: The university recommends Board of Trustees approval to demolish the existing structure at 515 Garden Road and redesign the new center as a one-story, slab on grade structure. Furthermore, the university requests approval to establish a total project budget of \$850,000, including construction cost, architectural/engineering fees, equipment and contingency, with funds reserved in the 1996 Revenue Bond account.

DuSABLE HALL RENOVATION PROJECT

Summary: DuSable Hall, a four-story, 180,000 square foot building constructed in 1969, is the university's largest and most utilized classroom facility. Serving primarily the College of Liberal Arts & Sciences, DuSable's classroom usage is 80 percent throughout the day and evening hours. Given its high volume use, combined with its three-decade-old systems, an evaluation of the physical aspects of the facility has been undertaken. Findings indicate that the facility is in need of general improvements such as painting, replacement and repair of worn and cracked wall and floor tile, lighting and fire alarm upgrades, restroom improvements, and A.D.A. upgrades and hallway amenities such as drinking fountains, directional signage and vending stations. Further, the repair and replacement of structural items including the curtain wall, windows, doors and entrances are necessary. Replacement of classroom furniture and fixtures for students (including left-hand and accessible units) and teaching stations is long overdue. Classroom furniture currently being used is the original thirty-year-old equipment. Components for "smart" classrooms, which include network connections, electronic podiums and ELMO/multimedia projectors must be addressed in preparation for the technological requisites of the millennium. The building survey results indicate that complete building upgrades will cost approximately \$5 million.

Efforts to employ the university's space resources efficiently and provide an environment conducive to instruction and learning require that immediate action be taken to address the remediation of DuSable Hall. Further, given both the stated needs and the university's deferred maintenance priority, an initial FY98 general fund allocation of \$500,000 is recommended to begin the initial phase of building improvements immediately. Phase I will include painting, corridor and entrance improvements and classroom upgrades.

Recommendation: The university requests Board of Trustees approval to establish the project budget at \$500,000 and to identify and contract an architectural/engineering firm to provide design and specifications as necessary for phase one. Architectural and engineering fees will be based on guidelines established by the Capital Development Board. The university also requests permission to advertise and receive bids, execute construction contracts and issue work orders necessary to complete all work associated with this project.

**RECOMMENDATIONS FOR FACULTY PROMOTIONS, TENURE
AND PROMOTIONS WITH TENURE**

The following individuals are being recommended by the President for promotion, promotion with tenure, and tenure only. An asterisk (*) denotes tenure along with promotion.

PROMOTIONS AND PROMOTIONS WITH TENURE

Name

Department

From Associate Professor to Professor

Amaral, Samuel	History
Cooper, Martha	Communication
Dabrowski, Bogdan	Physics
Genis, Alan P.	Electrical Engineering
Hurych, Jitka	University Libraries
Looney, Marilyn A.	Physical Education
*Morris, Richard	Communication
Newsom, Randall	School of Theatre Arts
Ridge, Patricia L.	School of Theatre Arts
Rose, Amy D.	Leadership & Educational Policy Studies
Schaeffer, John D.	English
Simmons, Deborah A.	Curriculum and Instruction
Spear, Sherilynn F.	Allied Health Professions
Whitley, Georgia	School of Nursing

From Assistant Professor to Associate Professor

*Alter, Gloria T.	Curriculum and Instruction
*Birberick, Anne L.	Foreign Languages and Literatures
*Carter, Charles L.	Physical Education
*Changnon, David	Geography
*Darsey, James	Communication
*Djata, Sundiata	History
*Etnyre-Zacher, Patricia	Allied Health Professions
*Fang, Shi-Ruei Sherry	School of Family, Consumer & Nutrition Sciences
*Giordano, Francesca G.	Educational Psychology, Counseling & Spec. Ed.
*Hall, Kelly	Communicative Disorders
*Haricombe, Lorraine J.	University Libraries
*Johnson, Rebecca	School of Nursing
*Kelley, George A.	Physical Education
*Kong, Qingkai	Mathematical Sciences
*Kong, Xuan	Electrical Engineering
*Kot, Joanna	Foreign Languages and Literatures

*Liggett, Hampton	Industrial Engineering
*Lovejoy, Mary C.	Psychology
*Macdonald, Doris M.	English
*Memon, Nasir	Computer Science
*Najjar, Orayb Aref	Communication
*Nuzzo, Nancy	Allied Health Professions
*Olson, Chalermsee	University Libraries
Piane, Gina M.	Allied Health Professions
*Wingfield, Nancy	History
*Zittel, Laurie L.	Physical Education

TENURE ONLY

Green, Leona S.	College of Law
Luna, Guadalupe T.	College of Law
MacFeely, Richard W.	Leadership & Educational Policy Studies
Marcano, Rosita L.	Leadership & Educational Policy Studies
Motavalli, Saeid	Industrial Engineering
Nagy, Peter V.	Mechanical Engineering
Thompson, Carol	Physics
Walton, John	College of Law

Recommendation: The President asks that the Board of Trustees approve the university's tenure and promotion decisions.

**RECOMMENDATIONS FOR FACULTY AND STAFF
SABBATICAL LEAVES
For 1998-99**

The following individuals are being recommended by the President for sabbatical leave. The President is authorized to replace an individual who subsequently declines the leave with an individual from an approved ranked 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.

Faculty

Department

COLLEGE OF BUSINESS

Dowen, Richard J.	Finance	Spring 1999
Hill, Marvin	Management	Fall 1998/Spring 1999
Keys, David E.	Accountancy	Spring 1999
Russo, Nancy L.	Operations Management & Info. Systems	Fall 1998

COLLEGE OF EDUCATION

Bursuck, William D.	Educational Psych., Counseling, & Spec. Ed.	Spring 1999
Cunningham, Phyllis M.	Leadership & Educational Policy Studies	Fall 1998
Johns, Jerry L.	Curriculum & Instruction	Spring 1999
Macfarlane, Pamela A.	Physical Education	Spring 1999
Mason, Robert C.	Leadership & Educational Policy Studies	Fall 1998
Tollerud, Toni R.	Educational Psych., Counseling, & Spec. Ed.	Fall 1998

COLLEGE OF ENGINEERING & ENGINEERING TECHNOLOGY

Krishnamurthi, Murali	Industrial Engineering	Spring 1999
Scarborough, Jule Dee	Technology	Fall 1998
Tahernezehadi, Mansour	Electrical Engineering	Spring 1999

COLLEGE OF HEALTH & HUMAN SCIENCES

King, Sondra	Family, Consumer, and Nutrition Sciences	Fall 1998
Ouellette, Sue E.	Communicative Disorders	Fall 1998
Spears, Sheryllynn F.	Allied Health Professions	Fall 1998

COLLEGE OF LAW

Cordes, Mark	Law	Fall 1998
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COLLEGE OF LIBERAL ARTS & SCIENCES

Barbe, Katharina	Foreign Languages & Literatures	Spring 1999
Brown, Harold I.	Philosophy	Fall 1998/Spring 1999
Burton, Elizabeth A.	Geology	Fall 1998/Spring 1999
Ellers, Harald	Mathematical Sciences	Fall 1998/Spring 1999
Forest, Kay B.	Sociology	Spring 1999
Gilbert, Thomas M.	Chemistry	Fall 1998/Spring 1999

Hardy, Heather K.	English	Spring 1999
Hedin, David	Physics	Spring 1999
Khoury, Helen A.	Mathematical Sciences	Spring 1999
Kisiel, Theodore	Philosophy	Fall 1998
Krmeneč, Andrew J.	Geography	Fall 1998
Lincoln, Bruce W.	History	Fall 1998
Powell, Marvin A.	History	Spring 1999
Powers, Angela	Communication	Spring 1999
Schmidt, Gregory D.	Political Science	Spring 1999
Swanson, Diana L.	English	Fall 1998
Tun, Saw	Foreign Languages & Literatures	Spring 1999
Waterman, Peter	Mathematical Sciences	Fall 1998/Spring 1999
Ye, Zhuan	Mathematical Sciences	Spring 1999

COLLEGE OF VISUAL & PERFORMING ARTS

Baumgartner, Melanie	Theatre Arts	Spring 1999
Kuo, Yih-Wen	Art	Fall 1998
Meyer, Jerry D.	Art	Spring 1999
Smith-Shank, Deborah	Art	Spring 1999
Squires, Stephen E.	Music	Fall 1998

UNIVERSITY LIBRARIES

Shavit, David	University Libraries	Summers 1998 & 1999
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SUPPORTIVE PROFESSIONAL STAFF

Bollenbach, Jill	Liberal Arts & Sciences	Fall 1998
Cummings, Corenna C.	Education	Summer 1998 & 1999
de Leon, Joy M.	ESP/CHANCE	Fall 1998
Gildemeister, Glen A.	University Libraries	June/July 1998 & 1999
Gutierrez, George	University Resources for Latinos	Spring 1999
Havasi, Amy S.	Student Services-Univ. Health Serv.	Summer 1998 & 1999
Lankford, James E.	Health & Human Sciences	Summer 1998 & 1999
Lincoln, Mary E.	University Press	Fall 1998

Alternate List (in ranked order)

Schneider, Daniel	Law	Fall 1998
Weiner, Jack	Foreign Languages & Literatures	Fall 1998
Chandler, Lynette K.	Educational Psych., Counseling, & Spec. Ed.	Fall 1998
Meeter, Glenn A.	English	Fall 1998
Struyk, Lydia Ruth	Educational Psych., Counseling, & Spec. Ed.	Fall 1998
Cearlock, Dianne	Allied Health Professions	Spring 1999
Melnick, Philip	Art	Spring 1999
Wu, Hongyou	Mathematical Sciences	Fall 1998
Repp, Alan	Educational Psych., Counseling, & Spec. Ed.	Spring 1999
Dust, Philip C.	English	Spring 1999

Recommendation: The President asks that the Board of Trustees approve the university's decisions to grant sabbatical leaves for 1998-99.

REQUESTS FOR DEGREE AUTHORITY AT OFF-CAMPUS SITES

The university is requesting permission to offer two of its existing degree programs at off-campus sites. Requests for off-campus degree authority must receive approval from the Board of Trustees, endorsement from the regional consortia for the geographical areas in which the proposed programs would be offered, and approval from the IBHE before the programs can be advertised and delivered at off-campus locations.

Master of Accounting Science (M.A.S.) at Hoffman Estates Education Center (Elgin Community College District)

Description: The Department of Accountancy in the College of Business requests authority to offer the Master of Accounting Science at the Hoffman Estates Education Center. The program is a 30-semester-hour graduate program preparing students for advanced practice in accountancy.

Rationale: The Department of Accountancy currently offers the Master of Accounting Science on campus to both full- and part-time students. Beginning in the year 2001, those who wish to sit for the C.P.A. examination will need to have taken 150 semester hours of course credit. The department anticipates that many people will choose to meet the 150-hour requirement by completing the master's program in accountancy. The department began planning for this change in the C.P.A. licensure requirement at the time of its last program review in 1992-93. The initiative was endorsed as a result of the current program review being completed in 1997-98. The department believes that many accounting professionals who now hold the baccalaureate degree and who plan to seek C.P.A. licensure will decide to enroll in the master's program, and it wishes to accommodate employed professionals by making the program available at the Hoffman Estates Education Center. The program will be taught primarily by regular accountancy faculty on an overload basis, with some use of field-based practitioners. The department expects an enrollment of 30 students during the first year.

Costs: The costs of the program will be covered by tuition and delivery fees.

M.S.Ed. in Instructional Technology in the Chicago Public Schools (Chicago City Community College District)

Description: The Instructional Technology program in the Department of Leadership and Educational Policy Studies in the College of Education is seeking approval to offer its M.S.Ed. program in Instructional Technology in Chicago to accommodate teachers and staff employed by the Chicago Public Schools. The 39-semester-hour program prepares educators to utilize instructional technology effectively in their professional roles. The program responds to the IBHE's call for colleges of education in Illinois to provide assistance to meet the needs of the Chicago Public School system.

Rationale: The Chicago Public School system asked that the instructional technology faculty of Northern Illinois University offer the M.S.Ed. program in Instructional Technology on location in the Chicago schools to Chicago Public School teachers to prepare them to make effective use of technology. Making the program available at locations throughout Chicago will accommodate these teachers by allowing them to enroll near their places of work at times compatible with their work schedules. All students will come from the Chicago Public Schools, and the plan is to rotate the courses through schools in different parts of the city to serve the most students. Most students will have had several years of teaching or other educational experience before entering this program. It is anticipated that the program will initially enroll 40-60 students.

Costs: The costs of the program will be covered by tuition and fees.

Recommendation: The university asks that the Board of Trustees approve the requests for off-campus degree authority for the Master of Accounting Science at the Hoffman Estates Education Center and the M.S.Ed. in Instructional Technology in the Chicago Public Schools.

PERSONNEL ITEM

Name/Degree: Michael Malone, MFA

Department: Development and University Relations

Rank/Title: Vice President, Development and University Relations

Monthly Salary: \$9,417

Comments: *From:* Interim Vice President Development and University
Relations
To: Vice President Development and University
Relations

Effective Date: March 16, 1998

**President's Report
No. 14**

June 18, 1998

No item in this report for release prior to 11:30 a.m. Thursday, June 18, 1998.

A G E N D A

**NIU BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
11:30 a.m. – Thursday – June 18, 1998
Clara Sperling Sky Room**

- 10:30 a.m. Legislation, Audit and External Affairs Committee – Clara Sperling Sky Room
- 11:30 a.m. Call to Order, Roll Call, Notice Verification, Recess to Executive Session
- 12:00 a.m. Executive Session and Lunch – University Suite
- 1:45 p.m. 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. Announcements
- 4. Election of Board Officers
- 5. Executive Session
- 6. Meeting Agenda Approval *Action* .. 139
- 7. Review and Approval of Minutes of April 23, 1998 *Action* .. 141
- 8. 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

9. President's Report No. 14

a. University Recommendations Forwarded by the Board Committees

- (1) Fiscal Year 2000 Budget Guidelines *Action* .. 163
- (2) FY99 Salary Increment Allocation Guidelines *Action* .. 167
- (3) FY99 Tuition Recommendation..... *Action* .. 169
- (4) Fiscal Year 2000 Appropriated Capital Budget *Action* .. 170
- (5) FY99 Nonappropriated Capital Budget *Action* .. 178
- (6) FY99 NIU Foundation Professional Services Contract..... *Action* .. 182
- (7) Depository Account..... *Action* .. 183
- (8) Printing Services Copier and Controller System..... *Action* .. 184
- (9) Material Distribution Center Miscellaneous Commodities,
Parts and Services..... *Action* .. 185
- (10) Commonwealth Edison Easement Modification *Action* .. 186
- (11) Illinois Association of School Business Officials (IASBO)
Lease-Purchase Agreement *Action* .. 187
- (12) Request for New Degree Programs *Action* .. 188
- (13) Request to Delete Existing Program and Specialization *Action* .. 190

b. University Report Forwarded from the Board Committees

- (1) 1997-98 Program Review Summary *Information*

c. Items Directly from the President

- (1) Summary of Grant and Contract Awards..... *Information*
- (2) Employee Recognition Programs for Professional
Excellence *Information*

10. Chair's Report No. 10

- a. Higher Education Procurement Rules *Action* .. 193
- b. Executive Session Minutes Release..... *Action* .. 194

11. Other Matters

12. Board of Trustees Offices

- a. Oath of Office Administered to Student Trustee

13. Next Meeting Date: September 17, 1998

14. Adjournment

Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
June 18, 1998

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Robert Boey at 11:54 a.m. in the Regency Room of Holmes Student Center at Northern Illinois University. Recording Secretary Sharon Mimms conducted a roll call of Trustees. Members present were Trustees Susan Grans, George Moser, James Myles, David Raymond, Myron Siegel and Chair Boey. Not present were Trustee Manuel Sanchez and Student Trustee Steven Kovacs. Also present were Board Parliamentarian Kenneth Davidson and President John La Tourette. With a quorum present, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

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

ANNOUNCEMENTS

Chair Boey recognized University Advisory Committee Representative Charlie Larson. This was Dr. Larson's last meeting as a UAC representative, and Chair Boey expressed the Board's appreciation. Dr. Larson had also served three years as President of the Faculty Senate and as Executive Secretary of the University Council, the principal governing body within the university representing faculty, staff and students. Other than Provost Carroll Moody, Chair Boey said, no one has served as long as Dr. Larson. Dr. Larson said that he beat the Provost by one day because a leap year was included in his tenure. Chair Boey said that what made Dr. Larson's term particularly significant was the transition from the Board of Regents to the Board of Trustees. Charlie made important contributions to an effective transition from the old board to the new Board of Trustees, Chair Boey said, and he did it in a way that has strengthened both the university and the Board, particularly in how effectively it represents and is able to support the university. In contrast to the transition at other universities, the Chair said, Charlie played a key role in establishing a productive and strong relationship between the faculty and staff of the university and the Board. The University Advisory Committee, consisting of faculty and staff representatives, provides a strong link between the President, the faculty and staff, and the Board. Charlie was a major contributor to the development of this structure, Chair Boey said, and I know both the Board and the university faculty and staff appreciate it. Dr. Larson is astute, analytical and a strong communicator who is supportive of the university and its development. As a faculty member in the Department of Communication Studies, he has used his communication skills effectively to bring us all together to make this a stronger university. The Chair extended the Board's sincere appreciation and best wishes to Dr. Larson as he returned to full-time teaching and scholarship. Chair Boey invited Dr. Larson to say a few words.

It has been a pleasure to work with all of you, Dr. Larson said, and I think we have made the transition from the Board of Regents to the Board of Trustees a very smooth one. I want to make sure that the Board continues to do the good job that you have been doing for us. When I looked at the settlement at SIU with the faculty union, Dr. Larson said, I thought I had better make sure these Board members can persuade for us next year. So, what I chose to do is bring you each a signed copy of my book, "*Persuasion*," which came out in January. Dr. Larson distributed individually autographed copies of his book entitled, "*Persuasion: Reception and Responsibility*," to each member of the Board.

Chair Boey stated that many of his statements about Dr. Larson applied equally to Dr. Jim Russell, who was unable to attend this meeting, and to Mr. Gordon Shneider, both of whom were also leaving the University Advisory Committee. All three of you have been with us from day one, Chair Boey said, and you have been wonderful team players. You took care of your needs, but also recognized that we had our needs; and because of that, we were able to work together to achieve our shared goals.

Chair Boey then recognized Rep. David Wirsing and invited him to speak to the full Board. Rep. Wirsing said he appreciated the opportunity to say a few words and wanted to repeat a few comments he had made to the LAEA Committee earlier in the day. First, he said, Northern Illinois University has done very well again this year relative to funding and capital projects. There are some matters we have been working very hard on for some time that have finally come to fruition. Most importantly, the Governor has signed the budget. Also, in higher education there continues to be a strong support not only from Governor Edgar, but also from the legislature. I believe, however, that some of the challenges that are being faced in higher education are not being recognized. We continue to be in a strong economy, and that comes with its own set of challenges.

A couple of weeks ago, Rep. Wirsing said, I was invited to be a member of a three-day summit at Hamburger University at Oak Brook, which consisted of educators and legislators from about ten Midwestern states. Educators and state legislators worked for three days trying to come up with some direction on higher education – current funding; how to continue to fund it; and how higher education can adjust to the challenges of the future. I am currently waiting for the report from the summit to see what it will say and if they used any of my ideas.

Once again this year, the third year since the new governance system has been in place, Rep. Wirsing continued, I held my annual meeting of all the higher education entities in Springfield. The purpose of the invitation, started back in May 1995, has been to review the new system. The entities invited are the nine public university president's offices, representatives of the Community College Board, the Governor's Office, Lieutenant Governor's Office, the Executive Director of IBHE, and many other public entities. This year, seven of the nine public universities were represented. Representatives were sent from the offices of the two presidents who were unable to attend. The meeting is conducted in a round table format, and continues to be lauded as a good meeting. There are no demands placed on anybody; rather, we just sit and talk about some higher education issues. I have proposed to Kathy Swanson that we ought to formulate a meeting with representation from the nine boards of trustees and the community college system to conduct a similar round table discussion on higher

education. Also, the new Executive Director of IBHE is looking at perhaps doing something similar to this. That is, to offer an opportunity for trustees to work together in a format of interchange.

I would also like to comment on House Bill 2805, simply because of this Board and Kathy Swanson and the people who support her. I think it became a driver; it opened the eyes of many people to how we need to deal with this new Procurement Act. I think because of that effort the list of problem areas with the Procurement Act has been expanded and the committee may really do something now. I think we are going to see some action as soon as this Fall Veto Session.

Finally, I would like to commend this Board. You continually amaze me because of your diversity and the areas you have to come from. You are able to show the energy and the desire to support this university, which, ultimately, has trickled into the whole public system across the state. There are a lot of things that happen in Springfield that you probably do not even know about in which Northern is seen as the leader.

Earlier in the LAEA Committee I had some very nice accolades thrown my way. As a State Representative, I am supposed to represent the constituents of the 70th District, Northern Illinois University happens to be one of those constituents — a little larger than most of the others. I am also supposed to move beyond that at the appropriate times and look at things from a statewide perspective. That is what I am supposed to do and I enjoy it. Thank you.

Rep. Wirsing appeared last week before the Board of Trustees at Kishwaukee Community College, of which I am a member, Chair Boey said, and I will repeat the same few words said there. Dave is one of those Representatives we are fortunate to have who will go to the wall for us, without our ever asking him to. And we cannot even think of someone whose efforts would equal Dave's. Thank you for all you have done for Northern, Dave.

AGENDA APPROVAL

Chair Boey asked for a motion to change the order of the agenda by moving the election of Board officers to Agenda Item 4 to accommodate Board member schedules. Trustee Siegel made a motion to approve the agenda as amended and was seconded by Trustee Myles. The motion was approved.

BOARD OF TRUSTEES OFFICES

Agenda Item 4. – Election of Board Officers

Trustee Raymond made a motion to nominate a slate of Board officers as follows:

Chair	Trustee Robert Boey
Vice Chair	Trustee James Myles
Secretary	Trustee Susan Grans
Executive Committee Member	Trustee George Moser
University Civil Service Merit Board Representative	Trustee James Myles

The motion was seconded by Trustee Moser. There were no other nominations, and nominations were closed. Chair Boey called for a vote. The Board voted unanimously to elect the nominated slate of officers. Chair Boey thanked the members of the Board for their continuing trust and their very generous support. I think what makes us strong is the unity of the Board, he said, and that is the way we will continue.

Chair Boey 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) of the Open Meetings Act and Executive Session Minutes matters as generally described under §2(c)(21) of the Open Meetings Act. Trustee Myles so moved, seconded by Trustee Grans. A roll call vote of the Trustees to recess to Executive Session was unanimous.

BOARD OF TRUSTEES MEETING RECONVENED

The public meeting of the Board of Trustees was reconvened at 2:07 p.m. Chair Boey announced that the agenda had been changed earlier in the meeting to move the Election of Board Officers to Agenda Item 4 and gave the results of the election.

EXECUTIVE SESSION

Chair Boey announced that the Board had reviewed the performance of the President in Executive Session. After an extensive review, including faculty and staff input, he said, the Board was making a market and merit adjustment to bring the President's salary to \$185,000 annually, effective July 1, 1998. The Chair then asked for a motion to approve the increase. Trustee Myles so moved, seconded by Trustee Moser. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

Trustee Siegel asked that the spelling of his daughter's name be corrected in the minutes at the bottom of page 8. It was moved by Trustee Raymond and seconded by Trustee Grans to approve the minutes of the April 23, 1998 meeting as amended. 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

Committee Chair Susan Grans reported that the Academic Affairs, Student Affairs and Personnel Committee met on May 27 and the action items discussed would be discussed later in this meeting. She commented that the Committee had recognized Associate Provost Rosalie Hewitt on her retirement and wished

her well as she moved into a new phase of her career. Heard and acted on by the Committee Meeting were a request for new degree programs and a request to delete an existing program. The committee also heard 1997-98 program review summaries for the College of Business and for programs in foreign languages, including the B.A. in French, German, Russian and Spanish and the M.A. Specialization in French and Spanish.

Finance, Facilities and Operations Committee

Committee Chair David Raymond reported that the Finance, Facilities and Operations Committee met on May 27. The Committee received reports on active capital projects over \$100,000, on transactions in excess of \$100,000, and an update on the procurement regulations. Action items presented included the Fiscal Year 2000 appropriated capital budget and the FY99 nonappropriated capital budget. The Committee also approved FY99 purchases and contracts for Printing Services, copier and controller systems and miscellaneous commodities, parts and services distributed through Materials Management. The Committee received recommended FY99 salary increment allocation guidelines, including a 3.2% increment pool for university faculty and staff and an additional market equity-based salary adjustment of 7% for designated clerical staff. A reduction in the out-of-state tuition fee for full-time students was approved by the Committee that will allow the university to increase enrollment and expand regional student diversity. Other items presented for consideration and approval included Fiscal Year 2000 budget guidelines, an FY99 NIU Foundation professional services contract, the establishment of a new depository account, and a Commonwealth Edison easement modification and new lease-purchase agreement for the new building for IASBO. Each of these items received Finance, Facilities and Operations Committee endorsement. They are presented in the President's Report for Board of Trustees approval at this meeting.

Legislation, Audit and External Affairs Committee

Committee Chair Moser asked to delay his report until later in the meeting.

Illinois Board of Higher Education

President La Tourette announced that the next meeting of the Illinois Board of Higher Education would be held on July 7 at NIU's Hoffman Estates Education Center. On July 6, the evening prior to that meeting, the President said he would host a reception at the center for members of the Board of Higher Education, presidents, chancellors and others who usually attend the IBHE meeting. President La Tourette invited the Board of Trustees to join them at the reception or for the meeting the next morning.

The last meeting of the Board of Higher Education was held on May 5. That was the last meeting for the IBHE Board chair, Bob Kustra, who had accepted the position of president of Eastern Kentucky University. President La Tourette said Dr. Kustra resigned his position as chair of the Board of Higher Education and would be leaving the Lieutenant Governor's position on June 30 to assume the duties of the presidency at Eastern Kentucky on July 1. I think it is really important, the President said, to note that Bob Kustra really understood higher education. He initiated a process which will result in a great deal of change in the Illinois Board of Higher Education in the directions of making the system

more flexible, less regulated, less bureaucratic and, perhaps, more responsive to the needs of our citizens in that universities should be able to adjust more rapidly to changing needs and to use their resources more effectively. The Governor appointed Jerry Blakemore, from Chicago, to finish out Dr. Kustra's term through January 1999. Mr. Blakemore has been a member of the board for a number of years and has been very interested in the issues of accessibility, affordability and diversity. Dr. La Tourette said he thought Mr. Blakemore would be an effective leader.

President La Tourette said he wanted to mention, without going into great detail, that Bob Kustra was a change agent and had brought in Keith Sanders as the executive director to be a further change agent. What I hope we will see over the next year, Dr. La Tourette said, are a number of changes in the processes that the Illinois Board of Higher Education uses to review new program requests and to deal with program review, streamlining the agenda of the Board of Higher Education and streamlining the whole process involved in responding to changing needs. Dr. Sanders is very concerned about the future and wants to have a consensus plan prepared by higher education to present to the new governor after the November elections. The President said he had just received a draft of the comments Dr. Sanders would be giving to the presidents and chancellors at the upcoming July meeting, and it was very clear that he was setting out in new directions to make the system more flexible, more entrepreneurial and more efficient. President La Tourette said he believed we would see more changes because he thought Bob Kustra had accomplished his mission in an extraordinary way over a relatively short period of time.

University Civil Service Merit Board

Trustee Myles said the University Civil Service Merit Board met in Urbana on April 30. There were three terminations from the University of Illinois and, as usual, no business from NIU.

Northern Illinois University foundation

Mr. Michael Malone, Vice President for Development and University Relations, gave the board members copies of a proposal for a reorganization of the NIU Foundation modeled after the Board's own organization. The Foundation was creating active working committees to handle most of its work. This is a departure from the past where most of the work was handled by the board as a whole. They will be creating three new committees, including a development committee, a key component of any foundation's role, to recommend policies for gift procurement and acceptance, assist with prospect identification, cultivation and solicitation, donor recognition and review acceptance of gifts. For example, Mr. Malone said, the Foundation we will no longer be accepting gifts of properties or other major gifts-in-kind, without first going through a stringent review process to be sure the gift is a true benefit to the university.

Mr. Malone said the Foundation intends to hone down its active core membership to between 35 and 50. It is now about 160, but many of those members have been inactive for a long period of time. Those members will be allowed to self-select, based on their new lifestyle, for example, or relocation if they choose, a less active role as emeritus members of the NIU Foundation. We certainly do not want to lose any of our long-time friends, and we want to keep

them fully informed of our activities, Mr. Malone said, but we need a group of 35 to 50 very active volunteers to whom we can give meaningful volunteer experiences.

PRESIDENT'S REPORT NO. 14

President La Tourette thanked Chair Boey and members of the Board for their support and, in particular, their support for him. I view my role as being the person who can communicate to you the needs of the university, the President said, and enlist your support to make this a stronger and better university. I appreciate the relationship we have established and the strong commitments you have made to really enhancing and further developing this university. I believe we have an excellent faculty and staff who carry out the mission of the university, President La Tourette said, and I believe that we have been able to forge a very strong working relationship over the last two and a half years that bodes very well for the university's future. I thank you very much.

President La Tourette said he would run through these agenda items quickly since many of them had already been discussed at committee meetings.

ACTION ITEMS FORWARDED BY THE BOARD COMMITTEES

Agenda Item 9.a.(1) – Fiscal Year 2000 Budget Guidelines

President La Tourette presented a series of recommendations for faculty and staff salary improvements; general price increases; fire protection increases; funds for library and technology increases; a mandate for Medicare funding; a series of program priorities; and a number of other programmatic activities for upgrading university computer systems and dealing with deferred maintenance. This budget is similar to the FY99 budget request approved by the Board last year, he said. We continue to press for additional state funding to make our salaries more competitive and to have market adjustments in those areas that require them so the university can not only attract quality faculty and staff, but also retain them. The President said the university requested a 5.5% increase — a 3% base increase plus a 2.5% increase to improve salaries. The university also requested a 3% increase in prices for nonpersonnel items; 5% for fire protection; 10% for library acquisitions and technology; 3% for utility increases; \$350,000 for Medicare; an adjustment on sick leave increases; program priorities of \$4.6 million; deferred maintenance at \$1.5 million; and computer systems at \$1.95 million. These are the priorities the university and the Board have had over the last two or three years, the President said, and we are going to continue to pursue them until we accomplish our objectives. The President asked Board approval of the Fiscal Year 2000 Budget Guidelines. Chair Boey said they would defer voting on the guidelines until after Trustee Moser gave his report.

Legislation, Audit and External Affairs Committee

Committee Chair Moser said the Legislation, Audit & External Affairs Committee met that morning and discussed the recently concluded legislative session in detail. Representative Wirsing also made a brief presentation to the Committee. Chair Moser reported that the university's FY99 budget, as presented to the legislature by the Governor and the IBHE, was fully funded. Included in this budget was \$750,000 for staff salary adjustments, a priority set by this Board

earlier. In addition, \$450,000 for the creation of an Equity Services Center was added by the legislature, over and above the full funding of the budget.

Included in the FY99 capital budget is the \$6.7 million for the completion of Phases II and III of the university's storm water management program. This project has been at the forefront since July 1996, Chair Moser said, when we had a flood, which did over \$1 million in damage to the campus.

Finally, the Committee created an award in honor of Michael J. O'Malley, Hoffman Estates Mayor, who has been so supportive of Northern Illinois University and its Hoffman Estates Education Center (HEEC). As you know, the HEEC opened in 1992 and represents the first suburban satellite educational facility for Northern Illinois University. Its very existence is the product of a tremendous amount of effort on the part of Hoffman Estates Mayor Michael J. O'Malley. For years, Mayor O'Malley has been committed to providing affordable access to higher education for the people of Hoffman Estates and the northwest suburbs.

In 1990, Chair Moser continued, Sears Corporation decided to move its headquarters to the suburbs. Under Mayor O'Malley's leadership, Hoffman Estates made an aggressive bid for the Sears facility, and the rest is history. Most of you may not know the role he played in creating the partnership between the Village of Hoffman Estates, Sears and the university to create the Hoffman Estates Education Center, Chair Moser said. The Mayor's energy and enthusiasm, combined with his relentless negotiating skills, resulted in a donation of almost four acres of prime land on the Sears site to the university for construction of the Hoffman Estates Education Center. Within two years of its construction, the Center had reached capacity and this fall is expected to turn away as many as 18 classes, almost 400 potential students, due to a lack of space. Demand for affordable, quality public higher education is rapidly escalating throughout the northwest suburbs. Throughout, Mayor O'Malley has continued to assist the university in its efforts to expand its Hoffman Estates presence to accommodate additional students.

As you know, the Northern Illinois University Foundation received a 20-acre gift of land along Interstate 90 in April from a developer who plans to build and develop a commercial park. The 20 acres of land donated to the University Foundation would allow for construction of a 100,000 square foot educational facility and necessary parking, Chair Moser said, if funding is obtained from the state for the buildings. Such a facility would double NIU's presence in Hoffman Estates and allow us to reach an even greater number of prospective students. Throughout, Mayor O'Malley has remained proactive and extremely supportive of an expanded presence for Northern Illinois University within Hoffman Estates.

NIU would not have an educational facility in Hoffman Estates were it not for Mayor O'Malley's leadership and support for providing northwest suburban residents with affordable access to public higher education via Northern Illinois University. He deserves our thanks and our gratitude, Chair Moser said. As such, after considerable thought, the Legislation, Audit & External Affairs Committee voted unanimously to create the Michael J. O'Malley Award for Promoting Access to Public Higher Education. This award will be given to individuals who have made a significant and lasting impact in promoting access

to public higher education in northern Illinois and will be named in perpetuity the "MICHAEL J. O'MALLEY AWARD FOR PROMOTING ACCESS TO PUBLIC HIGHER EDUCATION." Chair Moser asked the Board to ratify the Committee's action. Trustee Siegel so moved, seconded by Trustee Myles. The motion was approved.

Mayor O'Malley joined Trustee Moser at the podium. Trustee Moser said it was a fitting tribute to present the first award to Mayor O'Malley because his legacy to this institution is lengthy, invaluable and ongoing. I believe that this award and its presentation to Mayor O'Malley will be a small way the university and this Board of Trustees can demonstrate our gratitude to someone who has worked so hard to propel Northern Illinois University forward in meeting the high level of demand for affordable, quality higher education within the northwest suburban area. Trustee Moser then presented Mayor O'Malley with the award along with a copy of the following resolution.

RESOLUTION

WHEREAS Michael J. O'Malley has faithfully served the people of Hoffman Estates as Mayor since 1989; and

WHEREAS the Mayor and Village Trustees of Hoffman Estates have consistently recognized the substantial need for affordable public higher education opportunities in the region; and

WHEREAS Mayor O'Malley has worked diligently to promote access to public higher education for the people of Hoffman Estates and the northwest suburbs; and

WHEREAS Mayor O'Malley has led the effort to increase said access through creation of unique partnerships between the private sector and Northern Illinois University; and

WHEREAS Mayor O'Malley's unswerving support for increased access to public higher education has resulted in substantial private support for expanded facilities in the northwest suburbs; and

WHEREAS the Legislation, Audit and External Affairs Committee of the Northern Illinois University Board of Trustees wishes to officially express its appreciation for the many contributions of Mayor Michael J. O'Malley to Northern Illinois University and its students;

NOW, THEREFORE, BE IT RESOLVED that the Legislation, Audit and External Affairs Committee of the Board of Trustees of Northern Illinois University in formal meeting herein assembled, extends its grateful appreciation to Mayor Michael J. O'Malley for his outstanding commitment and dedication to promoting access to public higher education by establishing in perpetuity the **MICHAEL J. O'MALLEY AWARD FOR PROMOTING ACCESS TO PUBLIC HIGHER EDUCATION**.

BE IT FURTHER RESOLVED that this **RESOLUTION**, along with this presentation of the first **MICHAEL J. O'MALLEY AWARD FOR PROMOTING ACCESS TO PUBLIC HIGHER EDUCATION**, be presented to Mayor O'Malley and a copy of this document be placed in

the official files of this Committee as a part of the permanent record of the university and the great state of Illinois and as a lasting tribute to the accomplishments of Mayor Michael J. O'Malley.

Adopted in a regular meeting assembled this **18th** day of **June, 1998**.

George A. Moser, Chair
Legislation, Audit and External Affairs Committee
Vice Chair - Board of Trustees of Northern Illinois University

Mayor O'Malley said he was very honored and appreciated receiving the award. I have very strong feelings about higher education, the Mayor said, I tend to believe that we as a government, we as a group of people, seem to focus and spend our monies on different things. I was in Springfield a few years back and saw the legislature vote for \$76 million to build the new maximum-security prison, Mayor O'Malley said, and 45 minutes later vote no on a bill for education. I believe wholeheartedly that if we spent the money up front, on education, we would not have to spend it on the end. I believe that people with education commit less violent crime. I am accepting this on behalf of myself, the Trustees in the Village of Hoffman Estates and the residents of Hoffman Estates. But it is we who owe you the debt of thanks for coming to Hoffman Estates, the Mayor said, and doing what you do so well.

Trustee Moser invited the Mayor to introduce his family. Mayor O'Malley introduced his wife, Mary Beth; daughters, Mary Beth, Tiffany, Nicole and Michelle; and sons, Thomas, Brendan, Joey, Michael and Danny. Those are some of my ten children who are with me today, he said. He also introduced a granddaughter, Katie, and grandson, Danny.

President La Tourette expressed appreciation to the Mayor on his own behalf as well as in behalf of university staff. You are an inspiration in your vision, not only for the Village of Hoffman Estates, the President said, but for the people and the educational opportunities you have helped us bring to that area. Without Mayor O'Malley, that center would not be there nor would our opportunity to have a much larger center be there. We are greatly in debt to you, President La Tourette told Mayor O'Malley, and because we know you have the vision as well as the heart to provide education for our young people in the future. Again, thank you very much; this is from my heart as an individual, not as a president. I wanted to recognize someone else who has also worked behind the scenes and has been working behind the scenes a great deal to make this happen. Trustee George Moser was there right at the beginning too, President La Tourette said. Long before he was on the Board, Trustee Moser was involved in helping us realize this opportunity in the Village of Hoffman Estates. He has followed it very carefully and would like to have a campus there. It is our hope that one of these days we will be able to achieve that, the President said, because I think the growth along that corridor will justify not only the building of 100,000 square feet we are now contemplating, but an even larger facility maybe 15 years from now. So, there indeed may be an NIU campus at Hoffman Estates one day. President La Tourette recognized Trustee Moser by presenting him with a framed picture of the Hoffman Estates Education Center like one that was presented to Mayor O'Malley.

ACTION ITEMS FORWARDED BY THE BOARD COMMITTEES (CONT.)

Agenda Item 9.a.(1) – Fiscal Year 2000 Budget Guidelines (cont.)

Chair Boey continued discussion on the Fiscal Year 2000 Budget Guidelines. If we didn't get the 3% increase in our FY99 general price increase, Trustee Siegel asked, why would we not ask for the compounded 3% additional in FY00? That question is for the general price increase as well as utility increases, Trustee Siegel said, because it would seem to me that by not asking for what we should have had in FY99, we should be accumulating and compounding it in FY00 to catch up. President La Tourette said it was probably somewhat worse than Trustee Siegel had indicated because it had been several years since the university had had either a general price increase or a utility increase. The President said he would be willing to change this recommendation if the Board felt the university should ask for a larger amount.

Trustee Siegel said he thought we were sending the wrong message to the legislature by asking for less and cutting elsewhere rather than continuing to present our increasing needs. He suggested that the general price increase, as well as the utility increase, be either compounded or raised to 6%. Trustee Siegel also had a similar question on the computer system line because last year the university asked for roughly \$3 million and received a hundred thousand. This year the university request is for \$1,950 million. He asked if that should not be \$2,950. Trustee Raymond said \$1,950 million was the correct figure. The matter was discussed in the Finance Committee, and while we would certainly like to get the \$2.9 million, Trustee Raymond said, we only received a hundred thousand last year and have not been very successful in these requests. The thought was that by asking for a little less, we might have a better chance of obtaining what we need. I am very concerned about that one in particular, Trustee Raymond said, because there is a time-sensitive option to buy equipment that is going to expire if we do not get the funds from the legislature. It is a tragedy that the legislature has chosen to ignore this request.

Chair Boey suggested the Board take this matter under advisement since it had been thoroughly discussed at the Finance Committee meeting, and if there is a need to change it, it can be done separately.

President La Tourette added that it might be that we are looking at the wrong target here. The legislature has never seen these figures. These are the requests the university makes to the Board of Higher Education. If you really need to make this point, it should be made directly to the legislature. He said the university might develop a Board letter to send along with this request to key people who believe the universities always receive everything they ask for, which is certainly not true. In reality, the university asked for a lot more than was recommended by the Illinois Board of Higher Education. This Board of Trustees has been, responsible in holding cost increases down, President La Tourette said, and at the same time trying to state very clearly what we need, but those statements do not always reach the legislature. Dr. Eddie Williams agreed with the President and said the problem has been taking the university's request to the Board of Higher Education. One of the things we have decided to do since the numbers were not supported by the IBHE is come back this year with a two-year strategy. So, we are saying the price has not changed, but it could be funded over two fiscal years. That is why the number was reduced, Dr. Williams

said, but we could still move forward with the project while the funding takes place over the two fiscal years.

Trustee Siegel said he would be prepared to make a motion to modify those items if the Board felt it was appropriate, or, as Chair Boey suggested, approve the item as is and modify it later. Chair Boey said he felt much more comfortable not making changes too quickly after having gone through a full committee discussion.

President La Tourette said that if the Board was going to come back and look at this again, he would like to have Kathy Swanson give them some advice between now and then on how they might make the proper point to the legislature. Year after year under the Edgar administration, the legislature has said that every time the IBHE has presented a budget, we have given you what you asked for, so why are you saying you have needs that are not being met. When they see a request from the Illinois Board of Higher Education, they think that it is what the universities asked for and approve it thinking that is all we requested. Trustee Raymond asked if that had been communicated. President La Tourette said it has been communicated, but the message is hard to get through.

Trustee Grans said she felt they should not discuss this now. In fairness to the Committee, she said, we should approve it as it is, possibly with some direction to the Finance Committee and/or to the Legislation Committee to come up with a strategy. President La Tourette said the university could make a presentation to the Board at the September meeting, indicating an appropriate strategy on this issue to make clear to the legislature what the university's real needs are before they are changed by the IBHE. Chair Boey agreed, saying he thought that as a rule committee decisions should not be debated in the full Board meetings.

Ms. Swanson said she thinks the universities are making progress in communicating the difference between the requests given to the IBHE and what comes from them as our recommended budget. This year, for the first time, the ISL forms that every agency, including all universities, must complete for the appropriations committees, included requests for documentation indicating what our original requests were to the Board of Higher Education. That has occurred since Vice President Williams and Ms. Swanson have been making consistent inquiries about this issue over the last two years. This would indicate, Ms. Swanson said, that the appropriations leadership, appropriations staff members and leadership of the parties within the caucuses in the General Assembly are becoming aware of this. Dr. Larson said that both the Faculty Senate and the University Council now have committees with legislative oversight duties. When the time comes, he said, I am sure we could marshal a significant letter-writing campaign from all constituencies, students, staff, faculty and administration. I just want the Board to be aware that that option is available for them to try to get the message across.

Chair Boey asked for a motion to approve the Fiscal Year 2000 Guidelines as presented in this meeting. Trustee Myles so moved, seconded by Trustee Grans. The motion was approved.

Agenda Item 9.a.(2) – FY99 Salary Increment Allocation Guidelines

This was a recommendation for a 3.2% general merit increment for faculty and staff. In addition to that, President La Tourette said, we are recommending a market equity adjustment averaging 7% for a designated Civil Service clerical classification group. There was also a 3% increment for graduate students. A separate pool was established to make some selected increases in graduate student stipends that are below the level of competition. Funds are also available for both for faculty and staff promotions. The President emphasized that the 7% designated for the Civil Service clerical classifications was an average and did not mean that everyone would receive 7%. The 3.2% for the clerical staff will be separated and be determined on merit. There is another pool of money which amounts to 7% of the base that will be allocated on a fixed dollar amount, depending on where the classification stands relative to the target. This is basically to try to raise these classifications to an average comparable to the same classifications in code agencies of the State, Dr. La Tourette said. That means there will be differential amounts by classification in order to move everyone up in a way that will move our average to where we are competitive. We are moving everyone up proportionately so that the average will move up. Chair Boey asked for a motion to approve this set of increment guidelines. Trustee Raymond so moved, seconded by Trustee Myles. The motion was approved.

Agenda Item 9.a.(3) – FY99 Tuition Recommendation

President La Tourette said he wanted to take this occasion to declare a victory in the budget situation that evolved from a drop in enrollment. The loss of approximately 2,000 students over a short period of time resulted in a shortfall of about \$6.5 million in tuition revenues coming into the university. In looking at that problem, we decided to address it in two different ways. One was to offer an attractive retirement plan to faculty and staff, and the other was to make all possible efforts to increase our enrollment again. After the decline in the number of seniors in high school from 1987 to 1995, the President said, we are seeing an increase again. That drop in northern Illinois was from 102,000 high school seniors in 1987 down to about 85,000 in 1995. High school seniors have been creeping up and will continue to do so for a number of years into the first decade of the 21st Century. The President estimated that the increase between now and around the year 2008 would be about 12%. The university has cut its budget problem from \$6.5 million down to \$3.2 million as a result of the retirement plan and enrollment increases. That \$3.2 million is already covered by the recision we took a year ago, President La Tourette said, and now we are going to rebate the recision planned for FY99. Dr. Williams and the President have very carefully looked at the budget, and the university will be rebating 75% of that last recision, at the division level. That is a rebate of \$1.35 million on the basis of the original cut at \$1.8 million. Dr. La Tourette said there was some unevenness in staffing that would have to be addressed. To rebate the \$1.35 million, President La Tourette said, the university was establishing the following priorities in this order: (1) program areas that are under enrollment pressure, because if enrollment can be increased, the university will have more dollars; (2) efforts to expand recruitment and retention. If we can recruit more students or retain more students, that will improve the budget situation; (3) general undergraduate education improvement; (4) particular areas where the unevenness of the impact of retirements has caused personnel problems; and (5) new initiatives. NIU, the

President said, is in a very good budget situation compared to other universities across the Midwest that had very large enrollment declines and cut their budgets very quickly in a very unproductive way. NIU has managed to work this out over a three-year period of time, he said, and it is time now to return to the campus at least a substantial part of the most recent recession. The funds will be returned starting in July on a priority basis.

The tuition recommendation is to correct a problem with out-of-state tuition, President La Tourette said. Years ago, the in-state tuition was about 33% of the total cost of instruction — 33% paid by the student, two-thirds by the State. Unfortunately, the State proportion has dropped off steadily, so that now on the average, it is estimated that students at the undergraduate level are paying 43% of the cost of instruction. Because years ago, the State established a 3:1 ratio for out-of-state students, they charged three times what in-state students were charged, assuming that would cover the cost of instruction. Now, because of the shift in the in-state burden on students, the out-of-state students are paying 130% of the cost of instruction at the 3:1 ratio. This adjustment allows us to bring that in line, the President said, and will allow us to be a little more competitive in attracting students across the state borders. He asked approval to drop the out-of-state tuition rate for next year from \$9,000 to \$7,500 or a 2.5:1 ratio with the in-state rate. Chair Boey asked for a motion to approve the new lower out-of-state tuition rate. Trustee Myles so moved, seconded by Trustee Raymond. The motion was approved.

Agenda Item 9.a.(4) – Fiscal Year 2000 Appropriated Capital Budget

The capital appropriation budget for the Fiscal Year 2000 was reviewed by the Finance, Facilities and Operations Committee. The top four priorities listed on page 19 have been on the list for years now, the President said, and they have moved up now because Altgeld Hall and the water retention project have been funded. Chair Boey asked for a motion to approve the Fiscal Year 2000 Appropriated Capital Budget. Trustee Raymond so moved, seconded by Trustee Grans. The motion was approved.

Agenda Item 9.a.(5) – FY99 Nonappropriated Capital Budget

The nonappropriated capital budget is generated from university resources. Basically, the President said, this is the budget for the bond revenue/auxiliary enterprise area, and, again, the projects listed are high priority problems. This item was discussed in detail by the Finance and Facilities Committee. Chair Boey asked for a motion to approve the FY99 nonappropriated Capital Budget. Trustee Siegel so moved, seconded by Trustee Raymond. The motion was carried.

Agenda Item 9.a.(6) – FY99 NIU Foundation Professional Services Contract

The President said this is a mechanism by which a relationship can be retained between the university and a university-related organization. The university provides some support to the Foundation and they provide services back to the university. In fact, he said, the value of the services coming back from the Foundation probably far exceed the value of the contract because they are the fund raising arm and all funds received by the Foundation are for the benefit of the university. He then asked for Board approval of this contract. Trustee Siegel

made a motion to approve the FY99 NIU Foundation Professional Services Contract, seconded by Trustee Grans. The motion was approved.

Agenda Item 9.a.(7) – Depository Account

The University would like to establish a depository account with the TCF National Bank that would allow the university to administer the NIU *OneCard* I.D. program. The President asked Board approval for the depository account to be established. Trustee Myles so moved, seconded by Trustee Siegel. The motion was approved.

Agenda Item 9.a.(8) – Printing Services Copier and Controller System Agenda Item 9.a.(9) – Miscellaneous Commodities, Parts and Services

President La Tourette took these items together because they are standard contracts the university enters into every year. Agenda Item 9.a.(8) is to provide equipment for printing copier services. Agenda Item 9.a.(9) consists of two contracts to provide supplies for building maintenance, heating plant, janitorial services and other shops. Chair Boey called for a motion to approve the items. Trustee Siegel made a motion to approve the two as separate motions, seconded by Trustee Raymond. The motions were approved.

Agenda Item 9.a.(10) – Commonwealth Edison Easement Modification

The Finance, Facilities and Operations Committee sent this recommendation to the Board to grant an easement to Commonwealth Edison to install the lines that will provide power to the new facility for IASBO, with whom the university has a contract. Granting the easement will allow them to put the utilities underground, making the property much more attractive. Chair Boey asked for a motion to approve the ComEd easement modification. Trustee Grans so moved, seconded by Trustee Raymond. The motion was approved.

Agenda Item 9.a.(11) – Illinois Association of School Business Officials (IASBO) Lease-Purchase Agreement

As plans and specifications for the new IASBO building progressed, an opportunity emerged to enhance the building also provide the university with up to 3,154 square feet of additional space. This additional space consists of 2,844 square feet at the lower level which can later be finished to accommodate emerging program and university space requirements, plus an additional 310 square feet of exclusive NIU computer lab space on the first floor. President La Tourette stated that this would allow more lease space for the university's public administration program to use and a larger facility when the building was paid off and returned to the university by IASBO. Chair Boey asked for a motion to approve this adjustment in the university's lease-purchase agreement with IASBO. Trustee Grans so moved, seconded by Trustee Myles. The motion was approved.

Agenda Item 9.a.(12) – Request for New Degree Programs

The Academic Affairs, Student Affairs and Personnel Committee, endorsed the establishment of a Master's of Physical Therapy (M.P.T.) degree and the establishment of a B.S. degree in Health Sciences. This reflects the changing need for education for professionals in the physical therapy area, President

La Tourette explained, and will provide the kind of master's program that will lead to appropriate certification and the counterpart undergraduate program that will support it. Chair Boey asked for a motion to approve the new degrees. Trustee Siegel so moved, seconded by Trustee Raymond. The motion was approved.

Agenda Item 9.a.(13) – Request to Delete Existing Program and Specialization

This was a request to delete the M.A. in Theatre Arts as a result of a very careful review of this area, its needs and student demand. The M.F.A., established a number of years ago, Dr. La Tourette said, has priority in terms of student interest, enrollment demand and the department's attention. The university would also like to request the deletion of the Specialization in Art Therapy within the M.A. in Art, which is no longer viable in terms of student interest and university priorities. Chair Boey asked for a motion to approve the deletion of both the M.A. in Theatre Arts and Specialization in Art Therapy within the M.A. in Art. Trustee Siegel so moved, seconded by Trustee Raymond. The motion was approved.

UNIVERSITY REPORT FORWARDED FROM THE BOARD COMMITTEES

Agenda Item 9.b.(1) – 1997-98 Program Review Summary

President La Tourette said that Northern Illinois University has taken program review very seriously for over 25 years. Though it is sometimes painful to delete programs, sometimes deletions are appropriate so that resources can be moved to program areas that are more viable or have a higher priority. The President recognized Dr. Lynne Waldeland and the fine work done by the Provost's staff in this area. I would like to recognize the Academic Planning Council in particular, the President said, because those are the faculty and staff who spend a great deal of time examining our programs and making sure that they are up to date and viable and that they are meeting student needs.

ITEMS FORWARDED DIRECTLY FROM THE PRESIDENT

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

Grants and contracts in FY98 to date total just over \$24 million. President La Tourette said the university seemed to be experiencing approximately the same level of outside grants and contracts this year as last year. There are a lot of the questions about outside funding that relate to the federal government and now, even more so, to the tobacco bill. But there would have been some additional federal funding, the President said, especially for medical research and some related scientific research if that bill had been approved by the Senate.

Agenda Item 9.c.(2) – Employee Recognition Programs for Professional Excellence

The university has programs that recognize Presidential Teaching Professors and Presidential Research Professors and a program recognizing Excellence in Undergraduate Teaching. President La Tourette introduced Dr. Carroll Moody asking him to say a few words about these awards and to introduce the people who could be present at the meeting. President La Tourette reminded the Board that when someone is designated a teaching professor, usually that person is involved in a good deal of research. And as we turn to our Presidential Research

Professors, he said, we usually find very good teachers. So, what we are really recognizing are some special or unique features of our faculty in both areas. Faculty that fall into these two categories are people who carry their weight, are involved with students, are involved with their research, and are often involved with public service.

Dr. Moody said they were very pleased to have the recipients of the 1998 Presidential Teaching Professors, the Presidential Research Professors and the recipients of the Excellence in Undergraduate Teaching Award at a luncheon. Dr. Moody introduced two recipients of the Presidential Teaching Professorships: Professor Kuo-huang Han from the School of Music and William A. Oleckno from the School of Allied Health Professions. Unable to attend the meeting was C. Daniel Dillman from the Department of Geography, who very appropriately as a Teaching Professor, Dr. Moody said, was teaching a class.

Dr. Moody went on to introduce the Presidential Research Professors: Professor Theodore Kisiel from the Department of Philosophy and Professor Lee Barnes Peck from the School of Art. Those who could not be present were David Hedin, a professor in the Department of Physics, who was attending a professional conference, and Daniel Gebo from the Department of Anthropology, who was in the Philippines doing research.

Dr. Moody said that a couple of the 1998 Excellence in Undergraduate Teaching Award recipients were able to attend the luncheon but none were able to attend the meeting because they were carrying out some of their professional responsibilities. The award recipients were David S. Ballantine, Department of Chemistry and Biochemistry, Linda M. Johnson, Department of Accountancy, and Jay A. Stravers, Department of Geology.

President La Tourette asked Andy Small, President of the Operating Staff Council, to introduce the 1998 Operating Staff Outstanding Service Award Recipients. I am very pleased and honored to talk about the staff at any time, Mr. Small said, and this is a particularly good time for us to talk about the staff in recognizing and honoring these Outstanding Service Award recipients. Mr. Small went on to give a brief description of the four recipients, who were unable to attend the meeting. The first recipient was Jim Fluckey, who has worked for Northern Illinois University for 30 years as a Data Processing Analyst in the Administrative Information Services area. Jim was involved in installing the first mainframe computer system at Northern and has worked on every mainframe computer installation project since that time. The second recipient, Janice Eisele, is our first foreign winner, Mr. Small said, in that she is our first recipient who is not on the campus proper. She is from the Rockford Education Center. Janice took on responsibilities for catering arrangements for external clients, when necessary started work at six thirty and when necessary, stayed until nine o'clock at night. Everything she does, her supervisor says, she does solely to make NIU look good. Currently, Mr. Small said, Janice is making NIU look good and at the Rockford Center working hard. The third recipient, Mary Anne Erickson, works in the Ombudsman's Office. She has worked at Northern for 14 years, has trained five different ombudsmen in that time. Our fourth recipient, Harlan Walley, is the laboratory animal caretaker in the Biology Department. Harlan is also a 30-year employee at Northern. Harlan is a well-recognized authority on bats, snakes, lizards and Illinois fresh water flora and fauna. He has

taught anthropology classes, been asked to preserve museum specimens, and helps art students studying medical art illustration.

Mr. Small said the operating staff is a group of 1,725 employees at NIU. The recognition program has been in place for 15 years. This year, he said, we have honored our 41st through 45th recipients of the Outstanding Service Award, a program of which we are very proud.

At this time, Mr. Small continued, I would also like to take a moment to recognize the Board of Trustees for the staff. On June 11, we had our first staff appreciation day in which we recognized people who make a difference for the staff, those staff employees who did something that was above and beyond the call of duty and those people in the administration who helped us out this year. Certainly, he said, it is appropriate to honor the Board of Trustees for their help in what they have done for the staff, not just this year, but also in the past. Mr. Small said the staff truly appreciated the Board's help in bringing about a marked difference at the university. The following certificate was distributed to each member of the Board of Trustees from the Northern Illinois University Operating Staff council.

Northern Illinois University Operating Staff Council

The NIU Operating Staff wish to certify that *[Board Member's Name]*, in recognition for help and dedication shown to the Operating Staff at Northern Illinois University, is hereby named a friend of the staff. We appreciate everything the Board of Trustees does for us and look forward to working with you in the future.

President La Tourette introduced Joan Greening, incoming President of the Supportive Professional Staff Council, who substituted for Jim Russell who could not be present. Ms. Greening will officially assume office on August 16. She introduced the 1998 Presidential Supportive Professional Staff Awards for Excellence recipients. The Supportive Professional Staff also recognized four people this year who cover a wide variety of functions on the university campus. All of these people have been or were nominated by either peers or professors that they work with who also collected letters of support and gathered the application materials.

The four people were present at the meeting and were recognized: Tsui-Yee Dorothy Chow, a Counselor in the CHANCE Program; Kay Lutz, a Senior Assistant director for the Office of Admissions; Steven Pace, Associate Director of Budget and Planning; and Robert Snow, Director of Budgets and Records for the College of Law.

President La Tourette expressed his appreciation and gratitude to all the faculty and staff who do such a great job and said he was very pleased that some of them could be present to receive their recognition.

CHAIR'S REPORT NO. 10

Agenda Item 10.a. – Higher Education Procurement Rules

Chair Boey stated that the Board was being asked to approve the repeal of current higher education procurement rules and then approve the adoption of the *Emergency Higher Education Procurement Rules* to replace them. He asked for a motion to do so. Trustee Myles so moved, seconded by Trustee Grans. The motion was approved.

Agenda Item 10.b. – Executive Session Minutes Release

Executive Session Minutes from Executive Sessions of the Board of Trustees as well as the Finance, Facilities and Operations Committee were reviewed for release. Trustee Siegel made a motion to release these minutes as proposed, seconded by Trustee Myles. The motion was approved.

OTHER MATTERS

The Chair recognized Joy Molano, the Student Association President, and asked her to introduce any officers with her. Ms. Molano introduced Paul Lencioni, Deputy Treasurer.

Chair Boey said that Steve Kovacs had been a great Student Trustee, participated in all the important issues and articulated well. He then asked for a motion to approve the following Resolution honoring Student Trustee Steven Kovacs and have it included in the record.

RESOLUTION

WHEREAS Steven D. Kovacs was selected by his constituents at Northern Illinois University to represent their interests and has faithfully served the Board of Trustees of Northern Illinois University as its third Student Trustee; and

WHEREAS in said position, Mr. Kovacs capably discharged those duties and responsibilities while at the same time keeping in mind the interests of all of the people of the State of Illinois in addition to the well-being of Northern Illinois University; and

WHEREAS Mr. Kovacs has demonstrated devotion to, cooperation with and support for the Board, Northern Illinois University, and the faculty, staff, and student personnel of same; and

WHEREAS the Board of Trustees and Northern Illinois University have received the benefit of his helpful insights which have been of special worth; and

WHEREAS the Board of Trustees wishes to officially express its appreciation for the many far-reaching contributions by Mr. Kovacs to all of the above-mentioned interests of this Board,

NOW THEREFORE BE IT RESOLVED that the Board of Trustees of Northern Illinois University in formal meeting herein assembled,

extends its grateful appreciation to Mr. Steven D. Kovacs for his outstanding and loyal service.

BE IT FURTHER RESOLVED that this **RESOLUTION** be presented to Mr. Kovacs and a copy of this document be placed in the official files of this Board as a part of the permanent record of the great State of Illinois and as a lasting tribute to the performance and accomplishments of Mr. Steven Kovacs.

Adopted in a regular meeting assembled this **18th** day of **June**, 1998.

**Board of Trustees of
Northern Illinois University**

(SEAL)

Chair

Attest: _____

Secretary

Trustee Siegel moved to approve the resolution, seconded by Trustee Raymond. The motion was approved.

BOARD OF TRUSTEES OFFICES

As you know, we had the election today, Chair Boey said, and I wanted to thank my fellow Trustees, whom I consider as my colleagues and friends for electing me Chair, and it is with great pride and humility that I accept your vote of confidence. I thank you for the trust you have placed in me and want to assure you that I will continue to carry out this role simply as one person representing the judgment and goodwill of seven dedicated individuals. The unity of purpose with which this Board has pursued its tasks has not gone unnoticed around the state. Time and time again, Chair Boey said, I have been told by state officials and university leaders from around the state that NIU's Board of Trustees is looked upon as an example of effective, independent university governance. I am constantly impressed by each and every one of my colleagues around this table in their abilities to understand and articulate complex subjects, he went on, and their abilities to develop consensus about those issues. I believe that the successes we have enjoyed over the past year provide us with a template on which to focus our efforts in the coming twelve months. For example, the Chair said, enrollment is up. We passed an innovative tuition plan. We have enjoyed considerable success in the legislature and continue to build our lobbying program in Springfield. We have purchased 200 acres on the West Campus and, perhaps just as important, we succeeded with legislation that allows NIU to develop a public/private partnership on that land for potential research efforts. The West Campus Master Plan has come to fruition during our tenure this past year. The expansion of the university's presence in Hoffman Estates was made possible by a generous gift this year and the guidance of this Board. And, we had the distinct pleasure of seeing funding come through for our beloved Altgeld Hall allowing that historic structure to serve yet another generation of students in the coming century. These are just a few of this year's accomplishments we can look on and take pride in as a Board. The common theme, Chair Boey said, always and as usual, is "unity of purpose — what is best for the university."

Agenda Item 12.a. – Oath of Office Administered to Student Trustee

Chair Boey asked Board Secretary Jim Myles to administer the oath of office to the new Student Trustee, who will assume his seat on the Board of Trustees as of July 1.

As a Trustee at Northern Illinois University, and prior to this, as a Trustee with the Board of Regents, Trustee Myles said, I want you to know that you will be joining the ranks of some very dedicated student trustees. I can honestly say that all of them have been very great people. Board Secretary Myles then administered the following oath to Joseph Sosnowski, the new Student Trustee.

I, Joseph Sosnowski, 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 I will faithfully discharge the duties of Trustee for the Board of Trustees of Northern Illinois University to the best of my abilities.

Chair Boey extended his congratulations to Mr. Sosnowski. The Chair said, agreeing with Trustee Myles, that the Board was confident that Mr. Sosnowski would continue in the great tradition the Board has been very fortunate to have in the caliber of the Student Trustees. He then invited Mr. Sosnowski to say a few words.

Well, I do have some very big shoes to fill, Mr. Sosnowski observed. The past three student trustees I have known fairly well and they have lived up to the standards I think a student trustee embodies, and they have done a very good job. I can only hope that I follow in that tradition. And hopefully I have the experience and the knowledge to become a very capable member of the Board. It is a great honor to be before you this afternoon, and it is a great honor to take a seat with people who, around the state, are regarded as the very best Board of Trustees the state of Illinois has. It is also a great honor to work under Northern Illinois University's system of shared governance, a system where students, faculty and administrators can come together and really discuss the problems and come up with very feasible solutions together. And I think by working together, Mr. Sosnowski said, we truly have made Northern one of the best universities in the state.

During my time as a Student Trustee, I hope to see solid plans laid for a possible multipurpose arena that would allow students to come and graduate together in a very nice convocation center, a place that would provide our athletic teams with a nice place to both play and practice. I hope to work together with everyone to continually lobby for more capital funds so we can continue to improve our campus, keep it up to date and renovated. Finally, I hope to continue to work together with everyone on receiving more regularly appropriated funds so we can provide the very best of academic programs in the state and pay the salaries our professors deserve. I know everybody here works on that very hard, and I look forward to working with each and every one of you. There is one thing I definitely do know we will accomplish this year, Mr. Sosnowski summarized, and that is working together again to make NIU a university that we are all proud of, and I look forward to working with each and every one of you.

NEXT MEETING DATE

The next meeting of the Board of Trustees will be held on September 17.

The Chair then asked for a motion to adjourn the meeting. Trustee Myles so moved, seconded by Trustee Siegel. The motion was approved.

The meeting was adjourned at approximately 3:33 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

FISCAL YEAR 2000 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 coming fiscal year. The budget request, by state statute, is submitted to the Board of Higher Education (IBHE) for review, revisions and inclusion in the IBHE Higher Education Operating Budget recommendation to the General Assembly and the Governor. To ensure the timely preparation and submission of the university's Fiscal Year 2000 budget request to the IBHE, salary, price and programmatic levels need to be approved by the Board in early summer for later presentation to the IBHE. In establishing the Fiscal Year 2000 requests, the Finance, Facilities and Operations Committee reviewed the following guidelines for budget development:

1. 5.5% Faculty and Staff Salary Increase Pool: To continue the program begun in FY99 of addressing salary competitiveness and market catch-up of salaries provided to university faculty and staff.
2. 3% General Price Increase: To meet the increased cost of goods and services provided to the university.
3. 5% Fire Protection Increase: To cover projected cost increases for local fire protection services.
4. 10% Library/Technology Increase: To continue meeting the unique increases for library and technology materials and equipment.
5. \$350,000 Medicare Increase: To provide sufficient funds to meet mandated contributions for Medicare.
6. \$4,600,000 in Program Priorities Requests: Continue programmatic efforts to enhance and strengthen academic commitments in undergraduate education, technology, distance education, expansion of on- and off-campus programs, and assessment and faculty development, and university commitments to workforce development.
7. \$3,450,000 in Nonacademic Program Improvements: The university will continue its requests for the establishment of an adequate funding base for deferred maintenance and the replacement of core computer systems that provide critical management and operational data. These two programs are urgently needed to maintain the university's physical and financial base.

**Comparison of Budgetary Guidelines
(\$ in thousands)**

	BOT FY99 Guidelines	IBHE FY99 Recommendation*	BOT Recommended FY00 Guidelines
Salary Increase Pool	5.5%	3.7%	**5.5%
General Price Increase	3.0%	0.0%	3.0%
Fire Protection	3.0%	0.0%	5.0%
Library/Tech Increase	10.0%	10.0%	10.0%
Utility Increase	3.0%	0.0%	3.0%
Medicare Increase	\$ 330.0	\$ 25.9	\$ 350.0
Sick Leave Increase	\$ 597.7	\$ 17.0	5.5%
Program Priorities***	\$ 4,470.0	\$ 1,147.0	\$ 4,600.0
Deferred Maintenance	\$ 1,500.0	\$ 275.0	\$ 1,500.0
Computer Systems	\$ 2,950.0	\$ 100.0	\$ 1,950.0

- * Governor supported the IBHE Recommendations
- ** Includes funds for faculty/staff salary enhancements
- *** Program Priorities detail attached

**DETAIL ON PROGRAM IMPROVEMENTS, DEFERRED MAINTENANCE
AND COMPUTER SYSTEMS**

Undergraduate Education

Funds for undergraduate education would go for section support in the core competency courses, including developmental courses, general education courses, and courses for majors in fields in which the retirement plan or the unexpected departure of faculty may lead to bottlenecks in required courses. New funding for undergraduate education would also provide support for the expansion of current peer tutoring and peer advising activities, increase resources to the Advising Information and Referral Center, and support greater coordination of the general education program and the UNIV 101 courses. Another important priority is staff support for dual admissions programs with community colleges and the Illinois Articulation Initiative and additional support for the use of web technologies in student support offices, including Admissions, Registration and Records, and Student Financial Aid.

Technology

New funding for technology would support the addition of more smart classrooms across the campus and allow the university to create an Office of Instructional Development to provide support for faculty in learning how to utilize new instructional technologies. Now that the tenured and tenure track faculty are connected to the backbone, the next priority is faculty training in maximizing the effective use of instructional technology in course delivery.

Distance Education

The university's distance education activities continue to expand, and faculty interest outstrips the institution's ability to support distance education. New

funding would allow for the purchase of additional equipment and for faculty training in distance education delivery of courses via interactive videoconferencing and the Internet. It would also help with the mounting cost of line charges for interactive video delivery.

Expansion of On- and Off-Campus Programs

The university will seek new funding to expand on-campus programs with a significant amount of unmet demand, including computer science and several of the programs in the health professions. The university also will seek funding to support the off-campus delivery of undergraduate programs in business and technology and to provide additional support to several graduate programs with significant off-campus demand which existing resources do not permit the programs to meet.

Assessment and Faculty Development

The university seeks additional funding for assessment and general faculty development activities. A new plan to integrate assessment activities and results with the program review process will require additional funding to assist departments and programs in their assessment efforts. Also, the use of new instructional technologies and new forms of distance education will require new forms of assessment to determine the comparative effectiveness of new modes of course delivery.

Workforce Development

The university will seek additional funding for a request developed last year to bring hiring patterns into closer proximity with enrollment patterns. Funds will be used for intensified recruitment efforts to fill vacancies which are likely to attract potential employees from outside the immediate area and for training and development activities designed to retain minority faculty and staff currently in place.

Deferred Maintenance

The university is continuing its request begun two years ago for funding to establish a deferred maintenance base that would provide a continuing reserve for capital repairs and maintenance for its state-funded buildings. While the Illinois Board of Higher Education has recommended a total of \$645,700 to fund this initiative, only the most critical of deferred maintenance needs may be addressed with this allocation, as the university estimates that a base of \$3 million would be appropriate to provide sufficient funds to keep up with its ongoing deferred maintenance needs. Recognizing the need to phase in this request, the university seeks funding for \$1.5 million in Fiscal Year 2000 with an additional request for \$1.5 million in Fiscal Year 2001.

Computer Systems

The university seeks funds to replace its current Human Resource Information System while upgrading and supplanting several major auxiliary computer systems. Implementation of a new Human Resource System will address a number of key problem areas within our present system, including establishment of a position control system able to integrate with our new financial accounting

system scheduled to come online during FY99. Replacement is also critical since the university relies on the data provided from the Human Resource System to monitor and track all personnel contracts and records, which comprise some 80 percent of the university's budget.

As a result of these reviews, there may be some additions or refinements to the programmatic efforts briefly summarized above.

Recommendation: The university recommends Board of Trustees approval of the Fiscal Year 2000 Budget Guidelines as presented.

FY99 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, a process that typically occurs at the beginning of each fiscal year. 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 FY99 NIU appropriations bill (HB455) was passed by the general assembly and approved by the Governor on June 5, 1998. Accordingly, the FY99 salary increment guideline would incorporate a 3.2 percent general merit increment. An additional market equity adjustment totaling 7.0 percent of the salary base comprised of designated Civil Service clerical classifications will be centrally distributed to clerical employees on an equal per capita basis specific to each classification. For purposes of administering and verifying the FY99 increment, the 3.2 percent merit specification will pertain to four independent employment categories, comprising salary pools, within which total adjustments will be made consistent with the FY99 increment guidelines. These categories are as follows:

1. Regularly appointed instructional faculty (including department chairs)
2. Regularly appointed Fair Labor Standards Act (FLSA)-exempt employees (excluding instructional faculty)
3. Regularly appointed hourly Civil Service employees (excluding designated clerical classifications)
4. Regularly appointed hourly Civil Service employees serving in designated clerical classifications

The FY99 increment authorization also provides for a total 3.0 percent increment to be provided to graduate assistant positions. Additional funds will be allocated by the Provost to address Graduate Assistant salary levels in specific disciplines in coordination with the college deans and the Graduate School.

Employees on temporary contracts who are reappointed during FY99 may receive salary increases in conjunction with the reappointment subject to the availability of funds.

The effective dates for FY99 salary incrementations will be July 1 for administrative, professional, civil service, and faculty employees who are appointed on a 12-month basis. For regular faculty, the incrementation date will

be at the beginning of the contract period or August 16. The FY99 increment guidelines pertain to non-negotiated faculty and staff.

Recommendation: The university recommends approval of the FY99 salary increment guidelines.

FY99 TUITION RECOMMENDATION

Summary: The Board of Trustees and Northern Illinois University are committed to providing the highest quality educational experience available at the least possible cost, especially in terms of tuition charged to our students. In a recent review of the total cost of the educational experience at NIU in comparison with peer institutions and other state universities, educational costs at Northern are quite comparable and, given the quality of the instructional programs offered, NIU is an exceptional bargain.

Historically, out-of-state tuition rates have been set at some multiple of the in-state rates to reflect the full cost of instruction. When in-state rates covered approximately one-third of the cost, with state support providing the remaining two-thirds, it was reasonable to establish a 3 to 1 ratio for out-of-state rates. However, state support for the cost of instruction has eroded over the past three decades to a point where in-state students pay considerably more than one-third the cost. The continued use of the 3 to 1 ratio means that out-of-state students now pay proportionately more than what was originally intended when the multiple-rate system was established. Current data, for example, indicates for undergraduate students that given the average cost of education per FTE student, in-state students pay 43.2 percent of this cost while out-of-state students pay 129.5 percent of the cost. As a result, the 3 to 1 tuition rate guideline, which has been in effect over the last 30 years, does not accurately reflect the reality of today's tuition rates and educational costs. In fact, the data trend implies that a more equitable out-of-state tuition rate guideline would be in the 2/2.5 to 1 range.

The university therefore seeks to bring out-of-state tuition rates more in line with the actual cost of education. While the cost data clearly justifies such an adjustment, an appropriate tuition rate would also provide a very valuable strategic advantage which would assist the university in attracting more out-of-state students. The university, in fact, has already launched several initiatives designed to improve enrollment and diversity on the campus. More appropriate tuition rates for out-of-state students will serve to enhance these initiatives and also allow greater focus on the nearby markets of southern Wisconsin, northwestern Indiana and eastern Iowa, and further take advantage of existing initiatives underway in the East St. Louis area. This overall program will provide increased enrollments with more regional diversity among our students.

Recommendation: The university requests Board of Trustees approval to reduce Fall 1998 out-of-state tuition rates to 2.5 times the corresponding in-state tuition rate. For a full-time (15 hrs.) undergraduate out-of-state student, this tuition rate will be \$7,500 per year. For a full-time (12 hrs.) graduate out-of-state student, this tuition rate will be \$6,960 per year. Rates will again be reviewed as part of the Fiscal Year 2000 tuition and fee determinations.

FISCAL YEAR 2000 APPROPRIATED CAPITAL BUDGET

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 dates and other requirements. For example, October 1 is the IBHE's deadline for submission for Fiscal Year 2000 capital requests. The capital budget request consists of two principal categories of capital projects that profile the university's requirements for capital improvement and construction projects in order of priority. Table 7.0 lists major projects which typically exceed an estimated budget of \$1 million or require phasing of planning, construction and equipment appropriations. Table 7.OR 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 tables provide a summary of the Fiscal Year 2000 capital request.

Recommendation: The university recommends Board of Trustees approval of the Fiscal Year 2000 Capital Budget Request. The university will submit the Capital Budget Request to the Illinois Board of Higher Education for consideration and inclusion in the statewide Fiscal Year 2000 IBHE capital budget recommendation.

Table 7.0

**SUMMARY OF CAPITAL BUDGET REQUESTS
Listed in Priority Order for Fiscal Year 2000**

<u>Priority</u>	<u>Project Description</u>	<u>Project Code</u>	<u>Budget Category</u>	<u>Amount Requested</u>	<u>Cumulative Total</u>
1	Founders Library Basement Buildout	00-1	Remodeling & Rehabilitation	\$4,455,871	\$4,455,871
2	Campus Chilled Water Production & Distribution	00-2	Utility Improvement	7,830,700	12,286,571
3	Campus Infrastructure Improvements Campus Roadway Repair/Electrical Distribution	00-3	Utility Improvement	7,173,000	19,459,571
4	Stevens Building Renovation	00-4	Remodeling & Rehabilitation	7,000,742	26,460,314
5	Montgomery Hall HVAC System Rehabilitation	00-5	Utility Improvement	2,457,700	28,918,014
6	Elevator Rehabilitation and Renovation	00-6	Remodeling & Rehabilitation	970,300	29,888,314
7	College of Health and Human Sciences – Gilbert Hall Renovation	00-7	Planning	494,646	30,382,960
8	College of Business – Wirtz hall Renovation – Phase II	00-8	Planning	269,800	30,652,760
9	Reavis and Watson HVAC Upgrades	00-9	Utility Improvement	2,500,000	33,152,760

Table 7.0R

**SUMMARY OF CAPITAL BUDGET REQUESTS FOR REPAIR AND RENOVATION PROJECTS
Listed in Priority Order for Fiscal Year 2000**

<u>Priority</u>	<u>Project Description</u>	<u>Project Code</u>	<u>Budget Category</u>	<u>Amount Requested</u>	<u>Cumulative Total</u>
1	Music Building Humidification Repair	00-R1	Remodeling & Rehabilitation	\$263,800	\$263,800
2	Nursing School – HVAC Air Intake Repair	00-R2	Remodeling & Rehabilitation	192,480	456,280
3	DuSable Hall Classroom Renovation	00-R3	Remodeling & Rehabilitation	500,240	956,520
4	Swen Parson & Davis Hall Stone Repair	00-R5	Remodeling & Rehabilitation	273,420	1,229,940
5	Stevens Building - Replace Chiller	00-R5	Remodeling & Rehabilitation	286,780	1,516,720
6	ADA Project - Install Visual Fire Alarms	00-R6	Remodeling & Rehabilitation	148,220	1,664,940

Summary of Capital Budget Requirement Projects for Fiscal Year 2000

00-1 Founders Library Basement Buildout

In previous years, Northern Illinois University submitted an addition request for the Founders Library in the Capital Budget. The overriding need for the library is provision for collection and volume shelving space. After investigation into the addition, on- and off-campus storage sites and rental facilities, the renovation of the existing, excavated basement of the library proves to be the most efficient and cost-effective method to pursue. The adaptation of the basement would provide needed space for compact shelving for less active volumes and collections in order to alleviate the space storage in the rest of the facility. Planning Funds were appropriated in FY97.

00-2 Campus Chilled Water Production and Distribution

In March 1991, NIU completed the final phase of a comprehensive study of university utility systems. NIU's consultant, SEGA Associates of Overland Park, Kansas, provided a comprehensive report on the condition, recommended rehabilitation, and improvement of electrical, steam, domestic water, natural gas and chilled water distribution systems. Of major importance to the university was that portion of the study dealing with cooling systems. Since NIU does not have a central chilled water production facility, buildings that are centrally air-conditioned have their own chilled water systems. These systems are, for the most part, at or near the end of their life expectancies. The cooling towers range from fair to poor condition campuswide. Many of the chillers are inaccessible and cannot be replaced without significant excavation and on-site demolition. Most of the chillers on campus utilize R11 or R12 refrigerant, neither of which has been produced since 1995. The funds requested for the first phase of this project will provide preliminary planning, schematic design, and construction documents for a new chilled water plant and distribution systems, which will serve eleven buildings on East Campus, and upgrades to serve Central Campus facilities.

00-3 Campus Infrastructure Improvements – Campus Roadway Repair/Electrical Distribution Rehabilitation

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 much 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, and a section of Stadium Drive West. 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 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.

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

00-4 Stevens Building Renovation

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.

00-5 Montgomery Hall HVAC System Replacement

Montgomery Hall was constructed in 1967 as a Biological Sciences research and instructional building. The HVAC chilled water system is the original system designed and installed during construction nearly 30 years ago. Many components such as fans and pumps will surpass their intended useful life in the near future.

The objective of the proposed 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 will be replaced while all hoods will be retrofitted with monitor controls, sash sensors, alarms and air flow valves. All building controls will be updated. Asbestos abatement in some areas will also be necessary.

00-6 Elevator Rehabilitation & 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. The existing controllers are not equipped with the necessary fire protection technology and do not comply with local and national codes. 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, Swen Parson Halls, and the Health Center.

00-7 College of Health and Human Sciences - Gilbert Hall Renovation

The College of Health and Human Sciences was identified in the Space Allocation Study of 1994 as the most under-spaced college on NIU's main campus. In addition, the college occupies space in 12 different buildings for five

departments/schools and the college office. The allocation study identifies Gilbert Hall as underutilized housing space that could be converted into the College of Health and Human Sciences facility in order to consolidate some of the dispersed locations. Gilbert Hall, constructed in 1950, was designed as a men's dormitory and contains 49,000 net assignable square feet. Not only the relocation of the college into Gilbert Hall, but the sheer age of the facility, requires modification to the systems and interior as well as asbestos abatement during renovation. Currently, the facility does not have air-conditioning, and the electrical and heating systems need to be replaced because they 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 college in the building.

00-8 College of Business - Wirtz Hall Renovation

This project represents Phase II of the total improvements to Wirtz Hall. Phase I included replacement of heating and air-conditioning systems as well as roof replacement. This phase will provide improvements for programmatic spaces and building efficiency. The need for an upgraded and remodeled building to house the College of Business is substantiated by the dramatic changes in the type of physical facilities needed by a modern business college to support new learning outcomes and increased interaction with the business community, the lack of appropriate space for the College, and the strategic importance of a business college with strong ties to the business community for the accomplishment of the mission of the university. Plans for the College of Business focus on the consolidation of the entire College into Wirtz Hall, which it has shared with another college. The College will be housed in a remodeled, dedicated building that will provide classrooms that 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 would provide funding for the planning and design phase of Wirtz Hall Remodeling.

00-9 Reavis and Watson Halls HVAC Upgrades

Both Reavis and Watson Halls are classroom/faculty office buildings with identical HVAC systems, which are 35 years old and can be described as forced air dual duct systems (one heat duct/one cooling duct) with units mounted in walls controlling room temperature. During the last two years, difficulty keeping constant temperature-humidity and air flow has surfaced in both buildings stemming from not only the age of the equipment, but the inaccessibility of it for maintenance purposes. Recessed wall units are completely sealed behind masonry leaving no openings for repair of internal parts. In addition, repair parts for the entire systems are no longer manufactured or available. This project would remove and replace the recessed wall units, dampers and temperature controls.

Summary of Capital Budget Repair and Renovation Projects for Fiscal Year 2000

00-R1 Music Building Humidification Repair

Humidifiers in the Music Building are either not working properly or not at all. The humidity can and does fall below 20 percent during the winter months. This is a serious problem for the hundreds of thousands of dollars in musical instruments (NIU equipment) with wood components, particularly pianos and organs, and the Music library holdings such as books and music (NIU commodities). Humidity should be maintained within a range of 45-50 percent. In the winter months of heating, damage is reoccurring for the wood instruments and paper library holdings. Replacement of damaged pianos alone would cost over one million dollars. This project would replace the humidification units within the Music Building.

00-R2 Nursing School - HVAC Air Intake Repair

In response to concerns expressed by School of Nursing occupants, an indoor air quality (IAQ) study was commissioned by the university in 1997. The contracted firm conducted field tests and sampling of gases and particulates in and around the facility per guidelines established by the American Industrial Hygiene Association and the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE). Results were within those guidelines, with one exception. Recorded levels of carbon dioxide in the building were unusually high, indicating insufficient mixture of outside air with recirculated air. This deficiency was tracked to rooftop air-handling units that are not equipped for fresh air intake. This project is to replace and/or reconfigure air-handling equipment in the building to allow outside air intake, conditioning and distribution, thereby improving indoor air quality.

00-R3 DuSable Hall Classroom Renovations

DuSable Hall, a four-story, 180,000 square foot building constructed in 1969, is the university's largest and most utilized classroom facility. Serving primarily the College of Liberal Arts and Sciences, DuSable's classroom usage is 80 percent throughout the day and evening hours. Given the high volume use, combined with its three-decade-old systems, an evaluation of the physical aspects of the facility has been undertaken. The total cost of renovating the facility is approximately five million dollars. The university intends to employ institutional funds as well as some capital appropriated funds in order to implement the remodeling in phases. The first phase has been undertaken by university funds. This project would continue the rehabilitation as Phase II.

00-R4 Swen Parson & Davis Hall Stone Repair

A number of campus buildings require stone repair, tuckpointing and caulking in order to prevent moisture infiltration and water damage on the interiors. Davis Hall was recently tuckpointed on three sides of the exterior. The south side was not completed due to the construction and staging of Faraday West, which was in progress concurrently. Swen Parson Hall, one of our older buildings on campus, stone repair, tuckpointing and caulking was originally requested in FY92. The

campus masons have attempted to keep the parapets and masonry walls-foundation from further deterioration. However, they can no longer patch without major repairs. Our computer center, Bursar's Office, and Law School are housed in Swen Parson. The university has made significant investments in equipment and infrastructure in the facility, which must be protected from the destruction caused by water damage from moisture leaks in the stone work.

00-R5 Stevens Building - Replace Chiller

The existing air-conditioning chiller is more than 20 years beyond its expected life. It requires excessive maintenance time and material with some major parts no longer available. It is also relatively energy inefficient and has no back-up system in case of an outage. This project would replace the existing chiller and cooling tower with two smaller chillers.

00-R6 ADA Project - Install Visual Fire Alarms

During 1993-94, Pedriana Gustafson, Inc., an architectural and interior design firm, was commissioned by the Capital Development Board to complete an assessment of General Revenue facilities for the purpose of identifying Americans with Disabilities (ADA) compliance needs. Pedriana Gustafson, Inc. completed the survey of the campus and identified 372 items. The first 150-158 items are to be addressed through funding made available from the state for the purpose of achieving ADA compliance in 1995. A review of the remaining items unfunded in the compliance plan was completed by NIU staff and compiled into eight projects. The first of which is to provide accessibility signage in 14 facilities which was requested in FY98. The second project addresses the need for visual fire alarms in 6 of the 26 facilities requiring installation of these devices.

FY99 NONAPPROPRIATED CAPITAL BUDGET

Summary: The FY99 Nonappropriated Capital Budget consists of two principal categories, both presented in Table 10.0. 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, planning for future capital projects, infrastructure and site/roadway/utility improvements. The attached table and brief descriptions provide a summary of the FY99 Nonappropriated Budget. Beginning in May 1999, the Nonappropriated Capital Budget will be submitted in tandem with the Appropriated Capital Budget. As a result, Board of Trustees approval will be sought for Appropriated and Nonappropriated Capital Budgets for the identical fiscal year, thus providing a more timely and coordinated capital budget process.

Recommendation: The university recommends Board of Trustees approval of the FY99 Nonappropriated Capital Budget.

Table 10.0

**PLANS FOR NONINSTRUCTIONAL CAPITAL IMPROVEMENTS
FOR THE FY99 BUDGET YEAR**

<u>Project Name/Description</u>	<u>Project Code</u>	<u>Budget Category</u>	<u>Anticipated Source of Funds</u>	<u>Total Project Cost</u>	<u>Cumulative Total</u>
Neptune East - Roof Replacement of Neptune East and Main Office (Deferred Maintenance)	99-1	Remodeling & Rehabilitation	Revenue Bond – Repair and Replacement Reserve	\$ 250,000	\$ 250,000
Evans Field House – Bleacher Repair (Deferred Maintenance)	99-2	Remodeling & Rehabilitation	Revenue Bond – Repair and Replacement Reserve	181,800	431,800
Aggregate Amount Budgeted for Remodeling and Rehabilitation Projects Under \$100,000	99-3	Remodeling & Rehabilitation	Revenue Bond – Repair and Replacement Reserve	959,150	1,390,950
Aggregate Amount Budgeted for Deferred Maintenance Projects Under \$100,000	99-4	Remodeling & Rehabilitation	Revenue Bond – Repair and Replacement Reserve	451,300	1,842,250
Aggregate Amount Budgeted for Site Improvement Projects Under \$100,000	99-5	Site Improvements	Revenue Bond – Repair and Replacement Reserve	47,000	1,889,250
Aggregate Amount Budgeted for Planning and Study Projects Under \$100,000	99-6	Planning	Revenue Bond – Repair and Replacement Reserve	62,500	1,951,750

Plans for Noninstructional Capital Improvements for the Budget Year FY99

99-1 Neptune East - Roof Replacement of Neptune East and Main Office

The roof on Neptune East is a built-up roof which was installed when the building was originally constructed in 1960. The size of the roof is 19,600 square feet. Due to the old age of the roof, it has developed a number of major leaks that cannot be effectively repaired. This leakage is currently preventing the use of four residence rooms. A thermo scan of the roof has also indicated that the insulation under the roof is wet. The scope of work will be to design, to prepare construction documents, and to perform a survey to determine the level of asbestos content of the roof and related areas. It will include labor, material and equipment to remove the existing roof and insulation, to remove and dispose of asbestos, to replace insulation and to construct a new roof.

99-2 Evans Field House - Bleacher Repair

The bleachers in the Evans Field House require structural repairs and replacement of the electric motors that power the extension and retraction of the bleachers. Presently, structural repairs are needed to facilitate the rolling of the bleachers. Due to the difficulty of the rolling of the bleachers over a number of years, the electric motors have burned out. Currently, the north, south and west bleachers have to be manually pushed in and out in order to accommodate the use of the Evans Field House facility as both an athletic and physical education facility. This presents safety hazards for employees required to manually extend and retract the bleachers. In addition, these problems have resulted in extremely high maintenance costs to ensure that the bleachers can be used for athletic events. The scope of work will be for the labor, material and equipment to make structural repairs to the bleachers. This includes the replacement of all electrical motors and any bleacher components that are worn or damaged so the bleachers can be safely used and can be automatically extended and retracted.

99-3 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. Elevator upgrades, electrical and lighting upgrades, renovations of offices and other areas and installations of new carpeting 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; (e) to ensure that NIU staff can effectively and efficiently service the needs of the students; and (f) 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.

99-4 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, roof replacement, boiler repairs, carpet replacement, toilet partition replacements, elevator rehabilitations, door replacements, and shower head replacements 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 the life of the facilities. In addition, aesthetically pleasing areas are less likely to be vandalized and will encourage the university community to take pride in their surroundings.

99-5 Aggregate Amount Budgeted for Site Improvement Projects Under \$100,000

Two site improvement projects under \$100,000 per project have been identified internally by departments responsible for areas within their respective facilities. This includes lighting and electrical service in the Huskie Stadium tailgate area. Presently, the Physical Plant Electrical shop must bring in temporary generators to provide electrical service to the Stadium tailgate area. Permanent lighting and power distribution would reduce costs and potential safety risks. The other proposed site improvement project is to provide landscaping on the west side of the Holmes Student Center. This landscaping is to ease the entry to the Carl Sandburg Auditorium and to make the area more suitable for those waiting for buses.

99-6 Aggregate Amount Budgeted for Planning and Study Projects Under \$100,000

Four planning and study projects under \$100,000 per project have been identified internally by departments responsible for areas within their respective facilities. The Holmes Student Center Cafe renovation design, Grant Complex water service problem, Neptune Complex and Douglas Complex heat and steam problems, and Recreation Center and Evans Field House flooring/carpet replacement are among the planning and study projects. The scope of work would include (1) identifying the problems, (2) defining the scope of the program, (3) identifying alternative solutions to meet the needs of the users, (4) designing and writing specifications, and (5) creating project budget estimate and time schedules.

FY99 NIU FOUNDATION PROFESSIONAL SERVICES CONTRACT

Summary: The Northern Illinois University Foundation contract supports the fund raising 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 personal services, indirect costs and program expenditures to meet the contract obligations. The contract amount reflects an approximate 3 percent increase over the FY98 contract amount of \$332,000.

Recommendation: The university recommends Board of Trustees approval of the Northern Illinois University Foundation contract for FY99 in the amount of \$342,000.

DEPOSITORY ACCOUNT

Summary: Northern Illinois University requests approval to open a depository account with TCF National Bank - Illinois of Burr Ridge, Illinois. The new account will be used as a depository for funds received and disbursed in conjunction with the NIU *OneCard* ID program.

The establishment of an account with TCF National Bank - Illinois of Burr Ridge, Illinois, will provide the university with a segregated account to receive, manage and settle funds related to the campus debit card plan. The university will make deposits and further disburse funds to and from this clearing account based on the reconciliation of card transaction activity. In addition, the TCF National Bank branch located in the Holmes Student Center will serve as a site on campus where cardholders can make deposits to their individual NIU *OneCard* campus debit accounts.

Recommendation: The university requests Board of Trustees approval of TCF National Bank - Illinois of Burr Ridge, Illinois, as a designated depository, with authorized signature authority granted to Senior Vice President Eddie Williams, Associate Vice President Kathe Shinham and Director of Treasury Operations Tammy Farley.

PRINTING SERVICES COPIER AND CONTROLLER SYSTEM

Summary: The Printing Services Department provides copying equipment throughout the university community. Copiers located in the libraries and other public access areas are provided with control mechanisms for operation using a debit or credit card, and may be run using coins. Proposals were requested for the campus copier/copy card controller system, pricing to be based on an all-inclusive per copy cost, including all equipment, toner and full maintenance. The proposal is to establish an order for FY99, with options for three one-year renewal terms. The contract will cover approximately 210 copiers.

Recommendation: The university requests approval of the Board of Trustees for a purchase order as follows:

Gordon Flesch Co., Geneva, IL..... \$680,000

Funding is to be provided by Auxiliary Enterprises and Activities - Printing Services.

**MATERIAL DISTRIBUTION CENTER
MISCELLANEOUS COMMODITIES, PARTS AND SERVICES**

Summary: The Material Distribution Center provides miscellaneous commodities, repair parts and supplies to building maintenance, heating plant, janitorial services, and other shops. A wide range of supplies from basic plumbing fittings to shop equipment and heating/AC systems are purchased from the recommended vendors. Within the expenditure authority requested there are both renewal orders based on FY97 bids and new orders based on FY98 bids. Approval was given for FY98 on September 25, 1997.

Recommendation: The university requests Board of Trustees approval to process open orders with the following suppliers in a not-to-exceed amount:

<i>Columbia Pipe & Supply Co., Aurora</i>	<i>\$350,000</i>
<i>Thrall Distribution, Loves Park, IL</i>	<i>\$350,000</i>

Funding is to be provided through Auxiliary Enterprises and Activities - Material Distribution Center - Facilities Maintenance.

COMMONWEALTH EDISON EASEMENT MODIFICATION

Summary: In accordance with the terms of the lease/leaseback agreement between the Illinois Association of School Business Officials and Northern Illinois University (BOT approval June 12, 1997), it is the responsibility of the university to demolish the structures on the site, rough grade the area, and relocate the overhead power lines located through the center of the site. Demolition of the structures has been completed; however, the relocation of power lines remains to be accomplished, and Commonwealth Edison requires the grant of a new easement from the university. The new easement will extend from Normal Road to Carroll Avenue on the southern edge of the block parallel with Lincoln Highway and will serve all of the university buildings on the block.

Recommendation: The university requests Board of Trustees approval to grant a new easement to Commonwealth Edison Company on the block bordered by Lincoln Highway and Lincoln Terrace and Normal Road and Carroll Avenue. All power lines will be buried and all power poles will be removed. The abandoned Commonwealth Edison easement, which is located through the center of the block, will revert to the control of the university.

**ILLINOIS ASSOCIATION OF SCHOOL BUSINESS OFFICIALS (IASBO)
LEASE-PURCHASE AGREEMENT**

Summary: At the June 12, 1997 meeting, the Board of Trustees formally approved the lease/leaseback agreement with the Illinois Association of School Business Officials (IASBO) for the construction of an approximate 10,000 square foot building that would be shared between IASBO and the university under a twenty-five year contractual agreement. After the initial term of the lease, the building will become the sole property of the university. As the plans and specifications for the new facility have progressed, there has emerged an opportunity to enhance the building in terms of scope and program and also provide the university with up to 3,154 square feet of additional space. This additional space consists of 2,844 square feet at the lower level which can later be finished to accommodate emerging program and university space requirements, plus an additional 310 square feet of exclusive NIU computer lab space on the first floor. The university, given current and future space needs, considers it prudent to thoroughly investigate and, where feasible, pursue avenues that will assist with our critical campus space shortfall, especially when constructing a new facility.

Recommendation: The university requests Board of Trustees approval to amend the lease/leaseback agreement with the Illinois Association of School Business Officials to adjust the university rental space from 5,250 square feet to 8,404 square feet. The increase would include 2,844 square feet of additional space in the lower level plus a dedicated computer room of 310 square feet for a total of 3,154 square feet. This additional space will be provided at approximately \$6.99 per square foot, not to exceed \$30,000 per year.

REQUEST FOR NEW DEGREE PROGRAMS

All new degree programs require the approval of the Board of Trustees and the approval of the IBHE. Generally, new degree program requests are submitted to the Illinois Board of Higher Education on July 1 of each year. These new program requests have received all required curricular approvals at the department, college and university levels and the concurrence of the Provost.

The following two new degree proposal requests are linked. The proposed new undergraduate degree, a B.S. in Health Sciences, would be available only to students who are admitted to the proposed new professional program in physical therapy, which will culminate in a Master in Physical Therapy (M.P.T.). The baccalaureate degree within this structure marks the completion of an appropriate amount of undergraduate work and complies with Graduate School expectations that students in graduate programs will have earned a baccalaureate degree.

Master of Physical Therapy (M.P.T.) and B.S. in Health Sciences

Description: The School of Allied Health Professions in the College of Health and Human Sciences seeks approval to offer a Master's of Physical Therapy (M.P.T.). This is a 40 to 42 semester hour applied professional program. The professional program builds on physical therapy coursework undertaken in the third and fourth years of students' undergraduate study. Students will be admitted to the program as undergraduates in their junior year and will earn a B.S. in Health Sciences after completion of 127 hours. The total professional physical therapy curriculum, including courses earned at the undergraduate and graduate level, requires 103 to 105 semester credit hours.

Rationale: The need to develop a master's level program in physical therapy arises because the professional organization that oversees education in physical therapy, the American Physical Therapy Association (APTA), and its accrediting unit have established that the entry-level degree for physical therapists must be a graduate degree by the year 2002. Recent changes in state laws and in healthcare delivery patterns now permit physical therapists to practice without the necessity of patients being referred by a physician. This is the major reason for the decision by the APTA to require a graduate degree for entry to the field. The proposed curriculum and program structure conforms to the expectations of the American Physical Therapy Association for an accreditable physical therapy program.

The proposed curriculum consists of an interlocking undergraduate and graduate degree structure that will allow students who enter the university as freshmen to graduate with a master's degree in five years. At the end of the sophomore year, after completing the general prerequisites, students who qualify will be admitted to the professional physical therapy curriculum. At the end of 127 hours the students

will be awarded the B.S. in Health Sciences; they will then take an additional 40 to 42 semester hours to earn the M.P.T.

An advantage of this structure is that students who enter the university as freshmen hoping to prepare for careers as physical therapists will know at the same point in their careers as they do now in the existing B.S. program in Physical Therapy whether or not they have been accepted for admission into the program. If they are not admitted, they still have their entire junior and senior years to complete another major. (In our current program, over 90 percent of those who come to Northern and enroll in pre-physical therapy but are not admitted to the professional part of the program remain at Northern and major in other fields.) The program's structure is also flexible enough to accommodate transfer students and students who already hold baccalaureate degrees but who now wish to earn an M.P.T.

The existing curriculum associated with the current B.S. in Physical Therapy has been completely reconfigured to accommodate the new structure of the interlocking degree programs. Students admitted to the program will proceed in lockstep through the six semesters of the professional curriculum. Students will complete clinical experiences in both the undergraduate and graduate components of the professional program; clinical experience during the programs will total 28 weeks. The university will admit classes of 36; thus, by the third year of the new program structure, the combined professional program will be serving 108 majors.

Costs: In FY96, the university received \$275,000 to expand the physical therapy program. This funding was sufficient to double the size of the program from 48 to 96 students. By careful scheduling of students through the three years of professional courses, the program will be able to offer this curriculum without additional new resources and will, in fact, serve 108 students in the new curricular structure instead of the 96 projected in FY96.

Recommendation: The Academic Affairs, Student Affairs and Personnel Committee endorsed this request for the linked new programs culminating in a Master of Physical Therapy, and the university recommends Board of Trustees approval.

REQUEST TO DELETE EXISTING PROGRAM AND SPECIALIZATION

The final authority for the deletion of academic degree programs resides with the governing boards of public universities. The university seeks approval of two programmatic deletions. These have come about as a result of the university's ongoing program review process and the special review of graduate programs carried out in 1996-97. These requested deletions were brought to the Academic Affairs, Student Affairs and Personnel Committee of the Board of Trustees after receiving approval from curriculum committees at the department, college and university levels and the concurrence of the Provost.

M.A. in Theatre Arts

Description: Since 1972 the School of Theatre Arts has offered an M.A. in Theatre Arts, an initial graduate degree in theatre. The program appealed primarily to students who intended to go on to doctoral studies in theatre or, in some cases, to high school teachers who wished to enhance their theatre expertise. As the result of the 1996-97 review of graduate programs at the university, the faculty has decided to delete the program and to concentrate its resources on the M.F.A. program in theatre arts.

Rationale: The M.A. in Theatre Arts was initiated in 1972. This program was the standard "liberal arts" graduate degree in theatre, preparing people for doctoral study and adding to their knowledge of theatre. Over the years, the School of Theatre Arts hired faculty with more applied expertise in acting, directing, scenic design, lighting and dance; and in 1982 the school received permission to offer an M.F.A. in Theatre Arts. This professional degree has proven far more popular than the M.A. with students who plan to seek careers in theatre. The enrollments in the M.A. have become quite small since the advent of the M.F.A., consistent with the national trend. The School of Theatre Arts began considering the future of the M.A. at the time of its last program review in 1990-91 and has been engaged in discussions about its future for the last eight years. Given the strong demand for the M.F.A. and the need to allocate resources to the areas of highest demand, the school has decided to eliminate the program.

Students currently enrolled in the program have been informed of the plan to eliminate the program, and admissions will cease as of the Fall 1998 semester. The five students enrolled as of Fall 1997 will be permitted to complete their degrees. Three of them were scheduled to graduate in May or Summer 1998. The other two will complete their degrees by the end of the 1998-99 academic year.

Costs: The faculty is fully utilized in offering the B.A., B.F.A. and the M.F.A. programs. The M.A. had very few dedicated courses, but what faculty and staff time was going to the M.A. will be reallocated to other programs for which demand outstrips the current faculty resources. The deletion of the program will not have

a negative impact on student opportunities, faculty assignments, or other programs.

Specialization in Art Therapy (within the M.A. in Art)

Description: The School of Art seeks to eliminate a 27-hour specialization in Art Therapy that has been offered within the M.S. program in Art.

Rationale: Because of recisions and internal reallocations, the School of Art has found it difficult to maintain the specialization in Art Therapy. At the time of the last program review the licensed art therapist required for the course was a temporary hire, and the Academic Planning Council recommended that the School of Art make a decision either to devote additional resources to the specialization and hire a regular faculty member in this role or consider eliminating this specialization. Given other needs, the School of Art has decided to eliminate the position of a licensed art therapist and thus can no longer offer the program. No new students have been accepted since Fall 1996. The elimination of the specialization in Art Therapy will not affect any current faculty or students because there are no students enrolled and because the school has not employed a faculty member dedicated to this specialization since 1996.

Costs: No staff has been assigned to this program since 1996 so no additional savings will result from this deletion.

Recommendation: The Academic Affairs, Student Affairs and Personnel Committee endorsed these requests and the university now seeks the approval of the Board of Trustees.

Chairs Report No. 10

June 18, 1998

HIGHER EDUCATION PROCUREMENT RULES

Summary: The Illinois Procurement Code (Public Act 90-572) was signed into law by the Governor on February 6, 1998 and becomes effective July 1, 1998. This new statute repeals the *Illinois Purchasing Act* upon which our *Joint Rules of the Illinois Public Universities: Procurement and Bidding* is based. As a result, the university must adopt operating rules and procedures which implement the requirements of the new Procurement Code. These rules and procedures are necessary for day-to-day operations and do not focus on broader issues of jurisdiction and statutory authority.

Recommendation: The university requests that the Board of Trustees approve the repealing of the current *Joint Rules of the Illinois Public Universities: Procurement and Bidding* effective with the close of business on June 30, 1998, and the adoption of the Emergency *Higher Education Procurement Rules* effective with the start of business on July 1, 1998. The Emergency Procurement Rules are consistent with the new Procurement Code with respect to terminology, dollar thresholds, terms and conditions of the competitive selection process, and construction awards. The final rules should be completed this fall and will be brought to the Board for adoption.

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. 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 April 1998 of either the full Board of Trustees or committees of the Board which have not previously been released from confidentiality.

Upon review and advice of the Board's Parliamentarian and legal counsel, the following sections of Executive Session Minutes for the relevant period are proffered for release from confidentiality:

December 11, 1997 – NIU Board of Trustees

1. Approval of Minutes of Previous Executive Sessions
2. Collective Bargaining
- 3.a. Property Matters
- 3.b. Property Matters
- 4.a. Personnel Matter
- 4.b. Personnel Matter
- 5.a. Chair's Matter – Personnel Matter

February 6, 1998 – NIU Board of Trustees Finance, Facilities and Operations Committee

1. Property Matter

February 19, 1998 – NIU Board of Trustees

1. Personnel Matter

April 23, 1998 – NIU Board of Trustees

2. 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 six months.