

Minutes of the  
**BOARD OF TRUSTEES**  
**OF NORTHERN ILLINOIS UNIVERSITY**  
June 17, 2004

**CALL TO ORDER AND ROLL CALL**

The meeting was called to order by Chair Gary Skoien at approximately 9:10 a.m. in the Clara Sperling Sky Room of Holmes Student Center. Recording Secretary Sharon Mimms conducted a roll call of Trustees. Members present were Trustees Robert Boey, George Moser, Myron Siegel, Barbara Giorgi Vella, Student Trustee Kevin Miller and Chair Skoien. Not present was Trustee Manuel Sanchez. Also present were Board Parliamentarian Kenneth Davidson and President John Peters. With a quorum present, the meeting proceeded.

**VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING**

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

**MEETING AGENDA APPROVAL**

After discussion with President Peters and review of the printed agenda before us, Chair Skoien said, I propose creation of a Consent Agenda that would immediately precede the beginning of the President's Report for today's meeting, and move President's Report Number 41, Action Items 9.a.(2), (3) and (7); Actions Items 9.c.(1), (2), (3) and (6); and our receipt of Information Items 9.b.(2) and (3), and 9.c.(5) to that Consent Agenda. Also, we need to add our election of officers to the circulated agenda as Item 5.a. The Chair asked for a motion to approve the revised meeting agenda. Trustee Moser made a motion to approve the meeting agenda as amended. Trustee Siegel seconded the motion. The motion was approved.

**REVIEW AND APPROVAL OF MINUTES**

It was moved by Trustee Boey and seconded by Student Trustee Miller to approve the minutes of the March 18, 2004 regular Board of Trustees Meeting and the April 30, 2004 Special Board Meeting. The motion was approved.

**CHAIR'S COMMENTS/ANNOUNCEMENTS**

Chair Skoien welcomed everyone to the June meeting. We traditionally take care of a lot of business at our June Board Meetings, he said, and today is no exception. This is our last regularly scheduled meeting before the end of the fiscal year and, as such, we have a number of loose items to tie up, new plans to get underway and ongoing responsibilities for which the beginning of the new fiscal year requires new updates and new mandates. Dr. Peters and his team are here to report on the budget, which we will be talking about a lot today. The final outcome in Springfield is still anybody's guess. That makes our jobs harder, but it comes with the territory. And after three years of budget crisis, it is just one more obstacle in the path of progress.

Economists tell us that better days are just around the corner. I know from talking to some of my fellow Trustees and know from my own business that the economy in our worlds has turned around. So it seems like this long cycle is ending. But the business of educating tomorrow's leaders continues, and so we come here today to make decisions on the details that govern the day to day life of Northern Illinois University – technology, purchases, new partnerships, faculty rewards, long-term construction projects. These and other proposals push us forward into a new year with a new class of students who expect the very best from NIU.

With that very brief introduction, I would like to move directly into the first item at hand, the election of Board of Trustees officers for Fiscal Year 2005. The Chair recognizes Trustee Vella to nominate the Board's elected Officers for FY05.

Chair Skoien, Trustee Vella stated, I place into nomination the following slate of officers to be elected for FY05:

Chair	Gary Skoien
Vice Chair	Barbara Giorgi Vella
Secretary	George Moser
Fourth Member of the Executive Committee	Manny Sanchez
Trustee Civil Service Merit Board Representative	Barbara Giorgi Vella

Chair Skoien asked for a motion to approve the slate of new elected officers as presented by Trustee Vella. Trustee Siegel so moved, seconded by Trustee Moser. The motion was approved.

Chair Skoien made the following comments.

Congratulations to all of us. I want to personally thank you, fellow Trustees, for your vote of confidence. Having just finished a full year as your chair, I have had a very compressed 12 months of on-the-job training, and I appreciate being able to bring all that I have learned into a second year of leadership. It is a tremendous honor to serve the citizens of Illinois through this Board. It is clear that our public universities play a critical role in the revitalization of the state's economy. And nowhere is that more evident than here at NIU, the public university of choice for the vibrant Chicagoland region.

I have been very proud over the last three years to watch this university maintain its commitment to our region and its students in spite of the devastating budget cuts. That is a real testament to the leadership of President Peters and his team and to the dedication of our very loyal and talented faculty and staff.

When I moved into the Chair's seat a year ago, I emphasized our need to operate with maximum efficiency and accountability. Little did I know at that time just how efficient we would be forced to become. Nonetheless, I know I speak for the entire Board when I say that we are impressed with the manner in which our faculty and staff have maintained the quality of our academic programs during this very difficult period. This is not to say that I or any members of this Board fail to understand the sacrifices or compromises that have been made. We know that larger class sizes, fewer teachers and aging facilities are having an affect. But we have not laid off existing employees or shut down departments. We have been able to proceed with summer school, and we continue to send about 5,000 well-prepared graduates out into the world each year. By any measure, these accomplishments exemplify efficiency, accountability and productivity.

When I took over as chair last summer, I said we needed to focus our limited resources on enhanced educational experiences, critical public service and stepped-up economic development activities. In spite of all the limitations placed on this university over the past year, I am proud to say we have found a way to succeed in each of these areas. We have seen a steady increase in student internship and cooperative education opportunities. Technology updates have brought state-of-the-art computers to more students in more locations around campus than ever before. The number of employers attending NIU job fairs continues to increase, giving our graduates a tremendous leg up in the competitive entry level job market, and I could go on.

The point is that NIU faculty and staff continue to find ways to enhance the educational experience of our students. And in spite of unprecedented cutbacks in state funding, we have slacked off in neither public service nor economic development. In fact, this past year has seen a huge surge in those activities at NIU. At a previous meeting, we were treated to an excellent presentation on NIU's P-20 (Preschool through Graduate School) Initiative. We learned how NIU is leading the way statewide in programs that treat learning as a continuous experience and seek new ways to smooth transitions between grade levels up to and including graduate school. Just

last month, President Peters helped christen the new EigerLab in Rockford. Many community leaders believe that EigerLab holds the promise of economic recovery for that region, which has lost more than 20,000 manufacturing jobs in the last decade. NIU is more than just another partner in this new venture, our presence convinced federal funding agents to make this lab a reality. Beyond that, NIU brings the largest, single, funded project to the lab this fall, a \$2.5 million operation aimed at creating a new generation of U.S. military vehicles. Again, I have more examples than we have time, but suffice it to say that our outreach and economic development efforts have not only contributed but have thrived over the past 12 months.

Last year at this time, I called on NIU to step up its efforts in private fundraising and public advocacy. Both of these initiatives have likewise succeeded in very difficult times. Foundation President Mallory Simpson will give us a report on these efforts in a few moments. But at the risk of upstaging her, I would point out that our fundraising efforts have also continued to progress over the past 12 months in spite of the lingering recession. Likewise, our efforts at public advocacy have firmly established NIU as a leader in this state and nationally on key higher education issues.

President Peter's vision of NIU as the nation's premiere regional public university has provided the framework for a host of new initiatives all aimed at raising NIU's profile around the state and across the country. All that said, the sense I have about NIU right now is that we are not in the same place we were three years ago before these devastating budget cuts dashed so many dreams. But in the end, we are doing better than expected. In the face of tremendous challenge, NIU is refining its focus and finding new ways to excel. We are well-positioned for Illinois' economic recovery and have succeeded in keeping the needs of our students uppermost in our minds.

I want to thank you, fellow Trustees, for all your advice and counsel during this past year and for your pledges of support in the year ahead.

I would like to welcome University Advisory Committee representatives who may be present this morning: Dr. Suzanne Willis, Dr. Paul Loubere, Dr. William Tolhurst, Dr. Xueshu Song, Ms. Beverly Espe and Ms. Sara Clayton. I understand, Dr. Willis, that Dr. Loubere, Ms. Espe and Ms. Clayton will be changing their roles after this meeting. For these UAC representatives who are going to be completing their service this month, I want to state our very special appreciation for your many efforts and successes.

It has been a pleasure working with everyone on these things. I really have nothing to say about the budget situation, which it seems I have been saying something about pretty much every time I have been here. It just gets more and more unbelievable, and we will just have to see what happens. But given the experience we have had through these past couple of years, I have every faith that we will handle it with grace, with openness and in the best possible way as we have done up to this point. This is also my last meeting. I am moving on within the university, but I will no longer be Executive Secretary. I want to say what a pleasure it has been working with all of you and observing this aspect of how the university runs, which is something I had essentially no knowledge of as a faculty member. It has been an excellent learning experience, and I have enjoyed it very much.

Thank you very much, Sue, Chair Skoien said. The level of grace with which we handle the budget cuts will probably depend on the percentage that the budget cuts actually end up being. But thank you very much for your comments. Your insights have been more than welcome to this Board. We really appreciate your support and that of all of your fellow colleagues for the actions that we have had to take, more importantly, that John and his team have had to take.

Let me just take a minute, Trustee Boey said. We have already thanked Dr. Willis for all of her years of cooperation and effort at our Academic Affairs Committee meeting two weeks ago. So, all we want to say now is, thank you again Sue, and best wishes in your new duties.

I want to thank you also, Sue, Trustee Siegel said. The one thing I want to say from my perspective is, and I am sure the rest of the Board feels this way, we are very grateful for what I would term a special relationship that this Board has with all of the faculty and staff at this university. I have had the

opportunity to see some of the things that go on at the other schools in this state, and they are not fortunate enough to have the relationship that this Board has with the faculty and staff here at NIU. I am very grateful that we have the kind of relationship that has given us this great level of trust between this Board of Trustees and you, your colleagues and all of the NIU faculty and staff that allows this university to do things that others have not been able to do. Yes, there have been some difficult times. But because of this relationship, we have been able to get through it better than anyone else. And if we can continue to keep that strong bond between our faculty and staff and this Board, we can continue, now and in the future, to survive this period of time and recover faster and better than anyone else. So thank you for continuing that tradition.

We need to bid adieu to Greg Paveza, President Peters said, an American Council on Education Fellow, a very prestigious fellowship, who has been with us for a year. He has been a lot of fun to have around. You have learned a lot from us, Greg, and we have learned from you. Now, I am pleased to say that Greg is going to be taking the position of Associate Vice President for Academic Affairs and Chief Academic Officer on the Lakeland Campus of the University of South Florida effective July 1.

## **PUBLIC COMMENT**

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

## **REPORTS OF BOARD COMMITTEES AND BOARD LIAISONS**

### **Executive Committee**

There was no report from the Executive Committee.

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

Committee Chair Robert Boey reported that the Academic Affairs, Student Affairs and Personnel Committee met on Wednesday, June 2. At that meeting, the Committee considered and endorsed the following action items: Faculty Promotions, Tenure, and Promotions with Tenure for the 2004 and 2005 Academic Year; a Request for a new Specialization in Advanced Special Education Practices within the M.S. Education in Special Education. The committee also heard reports on the following information items: a summary of program reviews completed for 2003 and 2004.

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

Committee Chair Barbara Giorgi Vella reported that the Finance, Facilities and Operations Committee met on June 2, 2004. At that meeting, the Committee considered and approved recommendations for the Fiscal Year 2006 Budget Guidelines, the Fiscal Year 2005 purchase of copy paper, the Grant Complex Fire Code Remediation and the Gilbert Drive Parking Lot Reconstruction. The Committee also received periodic and annual reports including: the Summary Report of Transactions in Excess of \$100,000; a report on investments; a progress report on active capital projects with a budget over \$100,000; Fiscal Year 2004-2005 appropriated budget update; and Fiscal Year 2005 tuition rates. And we heard a presentation on PeopleSoft. Many of the items addressed by the Finance, Facilities and Operations Committee are included in the President's Report for Board approval at today's meeting.

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

Committee Chair Siegel reported that the Legislation, Audit and External Affairs Committee had not met since the last Board of Trustees meeting. However, he said, I attended both the House and Senate appropriations hearings and took the opportunity to criticize the IBHE and how it handles capital project rankings. I also pointed out that we at NIU have received only about 35 percent of the capital dollars our Illinois peer institutions received on a per capita basis. The message was not lost on either the Senate or the IBHE. We continue to fight to preserve the funding we now have without further cuts. The financial problems of the state are no secret, but the amount of the shortfall is still in controversy. Party leaders

are meeting tomorrow in Chicago and, hopefully, progress will be made toward a budget that will not adversely impact us. The LAEA Committee's next meeting will be in August.

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

The last meeting of the Illinois Board of Higher Education was held on June 8 at Richland Community College in Decatur, President Peters reported. Among the items of interest to the Board that the IBHE took up was a resolution honoring Kevin O'Kelly, who served as a student member of that board for a year or two. Kevin is a former NIU student, and he was praised for his service. The IBHE board accepted the Annual Report on Underrepresented Groups in Higher Education, a report that went to the Governor and the General Assembly. This year, that report spent considerable time analyzing and reporting on services to disabled students. That is of special interest to the current chair of the IBHE, Jim Kaplan. The board also heard a report and an update on its ad hoc utilities committee. I believe Dr. Williams and Trustee Boey serve on that committee, which is just being organized. Their purpose is to find ways to jointly and collectively purchase energy and perhaps other economies of scale. The other report was an organizing report on the new Priorities, Productivity and Accountability Committee (PPA). They are launching a major evaluation of university missions, programs and faculty productivity. We have no representatives on that committee. The Public University Presidents representative is Lou Hencken from Eastern Illinois, and he is keeping the presidents and chancellors informed.

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

The Civil Service Merit Commission met on May 19, 2004, in Urbana, Trustee Vella reported, and I attended telephonically. Highlights of the meeting included the following. Bruce Friefeld, from Governors State University, was elected chairman of the board. The board approved the discharge of an employee from the University of Illinois at Urbana-Champaign for recurring unauthorized and unexcused absences. The FY05 budget was adopted. The development and implementation of a new diversity initiative program was approved. In addition, we heard various reports, including the activities of the agency. The next meeting of the board is scheduled for September 15.

### **Northern Illinois University Foundation**

Trustee Boey, Foundation liaison, deferred to Mallory Simpson, President of the Foundation, for this report. As usual, Ms. Simpson said, your Board of Trustees meeting immediately precedes our Foundation Board meeting. You will be interested in knowing that tomorrow, in addition to our regular business meeting, the Foundation Board has been asked to participate in a half-day workshop facilitated by an Association of Governing Boards leader, on the topic of "Enhancing Foundation Success." What that really means is increasing the board's active involvement in prospect identification, cultivation and solicitation – just another sign that the Foundation Board is very enthusiastically committed to advancing the university.

During the year at prior meetings, I have reported that our giving totals were running about 30 percent ahead of last year's pace and cautioned you that we might not sustain it through the rest of the year. However, we have more than sustained it. Our giving this year is up about 42 percent. Some very large gift commitments are responsible for that, and I will tell you a bit more about those later. The incredible value of private support becomes more obvious against the backdrop of reductions in state funding that have hit our program hard as well and have somewhat constrained the pace of growth we had hoped for, though the news is good. Total gifts received to date total \$12.3 million, 42 percent more than our total last year and far exceeding our goal of \$10.5 million. We always work hard until the bitter end of our fiscal year, and we are still expecting several major commitments to come in during the next couple of weeks.

We track giving categories every which way to make sure that we are hitting all of our underlying goals, and we have experienced increases in almost all of our gift categories. Cash gifts from all sources are up 63 percent this year. Cash gifts from individuals, which is the primary focus of our development program efforts, have more than doubled this year. Cash gifts from alumni are up 75 percent. Last year, we had one cash gift of \$100,000 or more. This year, the number of cash gifts of \$100,000 or more, major commitments, is eight. At the high end of our base annual fund program, the number of \$2,500 gifts is up 43 percent, and the number of \$1,000 gifts is up 38 percent.

Leadership commitments to the Alumni and Visitors Center are reflected in the numbers I just presented, Ms. Simpson reported. Gifts and pledges to that project total nearly \$4.5 million, which is nearly 70 percent toward our goal of \$6.2 million. On June 27, the Foundation Board is hosting another event at Ravinia to cultivate additional donors to the Alumni and Visitors Center. We will be showing a virtual tour of the Alumni and Visitors Center as our new marketing opportunity. We also will be unveiling a very special donor recognition opportunity called The Circle of the Seal, a very prominent, prestigious, special donor recognition opportunity, which will be for gifts of \$100,000 or more. Imagine a university seal about 8 feet in diameter on the floor of the Alumni and Visitors Center surrounded by two foot blocks which will have individual donor names inlaid in bronze. In addition to the Alumni and Visitors Center initiative, for the last two years we have been placing special emphasis on raising endowment dollars in each of our colleges for faculty, student and program support. This year alone, nine new endowed scholarships have been established totaling nearly \$1.5 million. Total dollars committed for endowments of all types during the past two years is \$3.5 million. And two weeks ago I had the pleasure of attending the Annuitants Association meeting and reported to that group that during the last two years their members have committed \$1.1 million to their institution. This is truly remarkable. As part of our marketing plan for building the endowment, the Foundation hosted a luncheon for endowment donors and prospects in April. At your places is a booklet called "Giving to Learn, Learning to Give," which describes all of our current endowed funds.

As always, I will close with major gift announcements. The first gift I would like to announce is one we call a megagift, Ms. Simpson said. Dean Promod Vohra successfully pursued a gift of engineering software, which has a market value of more than \$14.2 million and a gift credit value of \$5.7 million, for the College of Engineering and Technology. This software gift from Unigraphic Systems will allow NIU's engineering students the advantage of working with one of our most technologically advanced systems in the nation. Dr. Vohra has been a tremendous partner in our development efforts. Lester Smith, a retired NIU employee, had a history of making small, consistent gifts to the university and recently made a six-figure commitment to endowed scholarships in music and art. Originally, he had planned on making an estate gift and then decided, why wait. So he has made his cash commitment, but he is also leaving NIU in his estate plans. Thomas and Shirley Scott made another major commitment. Thomas is a graduate of the College of Education. They have previously supported scholarship and program endowments in the College of Education and have just committed \$100,000 to the Alumni and Visitors Center, and they will receive special donor recognition in The Circle of the Seal. Richard Ryan, who is not an alumnus, but is a member of the Foundation Board of Directors has recently made the decision to give \$250,000 to NIU – \$100,000 of that will go to the Alumni and Visitors Center and the remainder, \$150,000, will go to the Summer Night Theatre Program in the College of Visual and Performing Arts. We are very pleased about Richard's enthusiastic support of NIU. Dean Harold Kafer was instrumental in working with us on the solicitation of that gift.

Clearly, it has been a great year for private gifts to NIU. Our donor numbers are increasing, the number of high-end annual fund donors has increased, and the number of major gift commitments coming in each year is higher than ever before. The work of many people is reflected in this success – from the President to the deans to the Trustees who support Foundation activities, to the Foundation Board and the development team. We have been engaging the help of the entire university in development. So, on behalf of the Foundation Board of Directors, I thank you for your support.

## **EXECUTIVE SESSION**

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

## BOARD OF TRUSTEES MEETING RECONVENED

Chair Skoien reconvened the public meeting of the Board of Trustees at approximately 11:30 a.m.

## CONSENT AGENDA APPROVAL

Chair Skoien asked for a motion to approve the items placed on the consent agenda earlier in the meeting. They include President's Report No. 41 Action Items 9.a.(2), (3) and (7), 9.c.(1), (2), (3) and (6), and Information Items 9.b.(2) and (3) and 9.c.(5). Trustee Boey so moved, seconded by Trustee Vella. The motion was approved.

## PRESIDENT'S REPORT NO. 41

President Peters congratulated everyone on their newly elected Board positions. As we have all heard, there is uncertainty surrounding our FY04 Budget, the President said. As you are well aware, we are doing what we can to promote the IBHE's flat budget proposal for next fiscal year. That has been our position, and that will continue to be our position. To that end, last week my staff and I coordinated a joint letter from all of Illinois' public university presidents and chancellors to all members of the General Assembly. That letter not only made it clear that we are unified in our view but also asked the legislature to include higher education in discussions about increased funding for education.

Following is an excerpt from that letter, which was sent to the Springfield and district offices of every member of the General Assembly:

*"Recognizing our state's difficult budget situation, we emphasize the role of our universities in new job creation, technology transfer and workforce training necessary to sustain economic growth. Current budget proposals which call for increased K-12 funding fail to include our universities in the public education continuum. This is a serious oversight with potentially devastating results. With nearly 80 percent of new jobs requiring college degrees, Illinois' public universities are critical partners in maintaining the viability and fabric of a vibrant society."*

Following dozens of meetings and conversations with my counterparts around the state, the President said, I can report without hesitation that the leadership of Illinois' public universities believes that "enough is enough." We have done more than our fair share to help alleviate the state's financial problems, and the time has come for our elected officials to find other sources of savings and/or new sources of revenue to rectify the situation.

Today, Dr. Steve Cunningham and Mr. Ken Zehnder are in Springfield testifying in my place at yet another emergency appropriations hearing. In their testimony, Steve and Ken will point out that NIU has lost more than \$40 million over the past three years; that we have been forced to eliminate more than 150 positions; and students in more than 900 of our classes have been impacted by larger class sizes, fewer course sections and the substitution of courses where appropriate. Dr. Cunningham is telling lawmakers this morning that we have seen a 21 percent increase in applications for fall, but we have had to freeze admissions and turn away many qualified students. I believe we have turned away almost a thousand fully qualified students for admission.

As the budget stalemate continues, Dr. Peters said, some politicians are threatening a state government shutdown if agreement is not reached by July 1. We were asked to address that possibility in our testimony today as well. Dr. Cunningham is telling members of the House Appropriations Committee that in order to fulfill our obligation to more than 5,000 summer school students, in order to meet payroll and pay our bills after July 1, in order to keep from shutting down the university in less than two weeks, we will be required to borrow from limited internal and possibly even external sources to keep operating. Even that will not tide us over for very long. I want everyone to know what is at stake for us in the budget stalemate.

In the meantime, the work of this university goes on, and that is what you see reflected in this agenda. We continue to educate students, to plan for future programs, to make new discoveries, provide services

and share our expertise. In other words, we are fulfilling our mission to the state and the region regardless of the politics that swirl around us.

Before I move to the rest of the agenda, President Peters said, I would like to offer my thanks one more time to the faculty and staff who have made it possible for us to have anything called "business as usual." For their patience, perseverance and goodwill, we are all continually and sincerely grateful. We want to thank the Board for your support on behalf of the staff, the students and the faculty, because without your support, this would have been a very difficult time. I am comforted because of our shared governance, and the fact that we are so together as an institution. We will weather all of this. I do not know if we will come out stronger, but we will come out intact.

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

##### **Agenda Item 9.a.(1) – Gilbert Drive Parking Lot Reconstruction – Capital Project Approval**

We have a wonderful new parking road area by Gilbert, the President said. That was a project the Board approved at \$750,000. After we actually began the project, we found electrical ductwork and other things six inches down that were not on the schematics. We had to rebury those at an additional cost of \$60,000. I am now recommending that the Board approve updating that budget from \$750,000 to \$810,000. Chair Skoien asked for a motion to approve the Gilbert Drive Parking Lot Reconstruction budget increase to \$810,000. Trustee Vella so moved, seconded by Trustee Boey. The motion was approved.

##### **Agenda Item 9.a.(2) – Grant Complex – Fire Marshal Code Remediation – Capital Project Approval Agenda Item 9.a.(3) – Fiscal Year 2005 Copy Paper – ITS Document Services and Materials Management**

Consent Agenda Items.

##### **Agenda Item 9.a.(4) – Fiscal Year 2006 Budget Guidelines**

Last year, the President said, we moved the budget for FY05 that was proposed for FY04. On page 27, you can see what we received in recommendations from the IBHE and the Governor, which was nothing. So, we are moving the same budget and the same priorities, which put faculty and staff salaries on top, utility and general price increases, fire protection and the rest of the list are all high priorities. I move that budget with great hope that something may happen. Chair Skoien asked for a motion to approve the FY06 Budget Guidelines. Trustee Boey so moved, seconded by Trustee Vella. The motion was approved.

##### **Agenda Item 9.a.(5) – PeopleSoft Student System Report**

As you know, Dr. Williams said, we have gone through a series of steps in the implementation of the Student PeopleSoft System for our campus. The major reason for our staging the implementation has been the ongoing suit between Oracle and PeopleSoft regarding Oracle's attempted hostile takeover of PeopleSoft. Therefore, given the fact that so many dollars are involved in this transaction for the student system, we have tried to minimize the financial risks. At this juncture, we have four options, and they have been summarized in the handout that is being circulated.

The first option is that we can wait and not do anything further with the implementation of the student system until the litigation concerning Oracle and PeopleSoft is totally resolved. Under this option, we would put the software we have purchased on a shelf, which means we would not be making any progress at all towards the implementation.

The second option is to purchase minimal software and prepaid maintenance. In our original contract, we were able to negotiate some very attractive price savings that would expire June 30. By exercising Option 2, we would take advantage of those purchase option savings, but then we would be in a position, again, where we would not be able to take any further steps toward implementation. Everything, essentially, would be put on hold.



Option 3 includes what is proposed in Option 2 for the purchase of software and maintenance to take advantage of the discounts we have negotiated, but it also begins to mobilize the implementation. Some installation services would be included along with some staff training on the new student system. We would also engage an outside consultant to prepare an implementation plan for us. This would be very useful, because it would save time and resources by organizing the implementation, developing the appropriate steps to be taken, and it would also give us a game plan so that we can move quickly when we are ready to move forward with the project. We also would take advantage of further discounts to lock in prices for maintenance. Those of you in the business world know that the price of software is very minimal compared with the ongoing maintenance costs. Through this plan, we would lock in future maintenance costs for a period of five to ten years.

Option 4 would be the full implementation of the student system. At this point, that would be a commitment of about \$6 million. Option 2 would be an expenditure of approximately \$1 million; and Option 3, which includes the implementation of the planning services, would be about \$2.2 million.

We are in constant discussion with PeopleSoft, and they are looking deeper for possible discounts for us. At this juncture, in order to keep the project moving, the university is recommending to the Board that we pursue Option 3, which would take advantage of all the existing discounts and purchase price. It will allow us to move forward with the project, with training for staff, and also, give us the opportunity to get the implementation plan underway.

One of the things that we are concerned about is the risk factor, Dr. Williams said. Because of the discount and the insurance plan that PeopleSoft is offering to users and purchasers of their system, we would receive a discount covering the total \$2.2 million that we would have to expend in order to move forward with Option 3. In other words, the PeopleSoft insurance plan would cover our outlay of resources in order to pursue Option 3. That insurance plan says that if Oracle is successful in the courts and does take over PeopleSoft, and if the PeopleSoft systems are not maintained and continued, we would then be given three times the amount that we paid for software and maintenance as a guarantee. That, again, would cover the outlay for Option 3. Also, the PeopleSoft guarantee extends that coverage from two years to four years. These options were discussed in great detail with the Finance Committee. Therefore, the university requests Board approval to move forward with Option 3.

In reply to a question from one of the Trustees, Dr. Williams said that the Board put a surcharge in place last year that would support the total implementation of the Student System. The purpose of this item is to explain the issues of risk management and appropriate staging of the project.

Chair Skoien asked for a motion to approve the PeopleSoft Student System Report recommendation of pursuing Option 3 as stated above. Student Trustee Miller so moved, seconded by Trustee Siegel. The motion was approved.

#### **Agenda Item 9.a.(6) – Recommendations for Faculty Promotions, Tenure, and Promotions with Tenure for the 2004-2005 Academic Year**

We had a very extensive presentation on this item at the Academic Affairs, Student Affairs and Personnel Committee Meeting, President Peters said. Obviously tenure and promotion are important activities, and we have a very good process. I am proud to recommend the individuals indicated on pages 29 and 30 for promotion, tenure, and promotion with tenure. Chair Skoien asked for a motion to approve the Recommendations for Faculty Promotions, Tenure, and Promotions with Tenure for the 2004-2005 Academic Year. Trustee Siegel so moved, seconded by Trustee Boey. The motion was approved.

Every year I get a refresher course on tenure, Trustee Boey said. The term tenure has been misunderstood many times by people outside of the academic community. I like the way Provost Legg defines it very much. Tenure is not a goal; tenure is an accomplishment. A goal implies when you reach it, you can forget it. Whereas tenure as an accomplishment defines a continuing sense of achievement.

Due to Board Regulations, the Student Trustee stated that he would be abstaining on this vote. I do want to congratulate everyone and wish them the best of luck with their tenure and promotions, he said.

Trustee Boey	Yes	Trustee Vella	Yes
Trustee Moser	--	Student Trustee Miller	Abstain
Trustee Siegel	Yes		
Chair Skoien	Yes		

The motion was approved.

**Agenda Item 9.a.(7) – Request for New Specialization**

Consent Agenda item.

**Agenda Item 9.c.(4) – Fiscal Year 2005 Internal Operating Budget Interim Approval**

The last action item is Fiscal Year 2005 Internal Operating Budget Interim Approval. Your spreadsheet shows the preliminary approval, which is required by the Board, for both appropriated and nonappropriated funds so the university can operate this fiscal year. Among the nonappropriated funds are the income, revenue bond and auxiliary funds. We are asking for preliminary authority, and will bring the final budget back to the Board in September. Chair Skoien asked for a motion to give interim approval for the FY05 Internal Operating Budget. Trustee Vella so moved, seconded by Trustee Boey. The motion was approved.

**University Reports Forwarded from the Board committees**

**Agenda Item 9.b.(1) – Fiscal Year 2004-05 Appropriated Budget Update**

**Agenda Item 9.b.(2) – Fiscal Year 2005 Tuition Rates**

**Agenda Item 9.b.(3) – 2003-2004 Program Review Summary**

Consent Agenda items.

**Items Directly from the President**

**Agenda Item 9.c.(1) – NIU/FermiLab Neutron Cancer Therapy Agreement**

**Agenda Item 9.c.(2) – Fiscal Year 2005 NIU Foundation Professional Services Contract**

**Agenda Item 9.c.(3) – Annie Glidden Road Easement to the City of DeKalb**

**Agenda Item 9.c.(5) – Summary of Grant and Contract Awards**

**Agenda Item 9.c.(6) – Authorization to Enter into Intergovernmental Agreement for Federal Participation on West Campus Road Project**

Consent Agenda items.

**CHAIR'S REPORT NO. 29**

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

The first item in the Chair's Report involves the second reading of a set of proposed clarifying and conforming amendments to the Board's Bylaws. The Board's Parliamentarian periodically recommends adjustments and clarifications to the Board of Trustees Bylaws to assist the Board in its several functions. Proposals for revisions to Articles II and V were presented to the Board for First Reading at its March 18, 2004 meeting. These proposals remain unchanged from their First Reading content with the following exceptions. The Chair has asked that language be added for the creation of a two-year sunset on the new language in Article II, Section 2. This provisional change to Article II will provide the Board operational experience with new latitude for its committee meeting quorum management while not specifically making a long-term commitment to this approach. Article V, Section 1 now includes the position of elected delegate to the State Universities Civil Service Merit Board. In the list of Board leadership positions, the Chair is authorized to fill them by appointment should a vacancy occur between elections. In addition to removing obsolete language and providing updated language in some parts of Article V, the proposal reflects changes to conform the Bylaws to practices the Board has indicated a preference for in its operations, such as replacement appointments to cover vacancies that may occur during the year.

Chair Skoien asked for a motion to approve the proposal as presented. Trustee Vella so moved, seconded by Trustee Boey. The motion was approved.

**Agenda Item 10.b. –Executive Session Minutes Release**

The Illinois Open Meetings Act requires public bodies to review the minutes of their executive sessions on a semiannual basis and determine what parts of the minutes they should make available to the public because they no longer require confidential treatment, Chair Skoien said. I recommend that the Board approve release from confidentiality the specified sections of the executive session minutes on Action Item 10.b. Those sections that are still subject to confidentiality, together with sections from subsequent meetings, will be considered again in six months. The Chair asked for a motion to approve the release of Executive Session Minutes as stated. Trustee Vella so moved, seconded by Trustee Boey. The motion was approved.

**Agenda Item 10.c. –Resolution – Student Trustee Kevin Miller**

I want to personally thank you, Kevin, for your leadership and outstanding service to the Board of Trustees, Chair Skoien said. You have been a valued member of this Board and an excellent representative to the students. Your viewpoints have been heard here because of your insight and perspective. You did an outstanding job, and I would like to congratulate you. Chair Skoien presented the following resolution to Student Trustee Miller.

**RESOLUTION – STUDENT TRUSTEE KEVIN MILLER**

**WHEREAS** Public Act 89-4 created a body politic and corporate known as the Board of Trustees of Northern Illinois University to operate, manage, control and maintain Northern Illinois University in accordance with the rights, powers and duties vested by law in such Board; and

**WHEREAS** Kevin Miller was elected 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 tenth Student Trustee; and

**WHEREAS** in said position, Mr. Miller capably and honorably discharged those duties and responsibilities while at the same time keeping in the 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. Miller 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. Miller to all of the above-mentioned interests of this Board which included service as Student Association Senator, Senate Speaker and President, lobbying for NIU in Springfield for State resources for the University's mission, and support of the acquisition of a more contemporary student information system that would eliminate personal social security numbers as student identifiers.

**NOW, THEREFORE, LET IT BE RESOLVED** that the Board of Trustees of Northern Illinois University in formal meeting herein assembled, [and] extends its grateful appreciation to Mr. Kevin Miller for his outstanding and loyal service.

**BE IT FURTHER RESOLVED** that this **RESOLUTION** be presented to Mr. Miller and a copy of [the] 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. Kevin Miller.

Adopted in a regular meeting assembled this **17th** day of **June, 2004**.

**BOARD OF TRUSTEES OF  
NORTHERN ILLINOIS UNIVERSITY**

Gary J. Skoien  
Chair

Attest: George A. Moser  
Secretary



Student Trustee Miller made the following comments:

Good afternoon, everyone. I will try to keep my comments brief as possible. But those of you who know me may remember that my favorite line from the television series *The West Wing* is, "Anyone who uses one word, when they could have used ten, just isn't trying hard enough." Nonetheless, I will try to keep my comments as brief as possible.

Today is a day of mixed emotions for me. Since I first arrived on this campus back in the summer of 2000, I have been heavily involved in university governance in one capacity or another. Frankly, it has been my passion. I have been fortunate enough to have immense opportunities to effect a change on various issues at many different times, from helping implement the university's response to the September 11 terrorist attacks to pioneering the request to eliminate the use of Social Security Numbers as student identifiers. And I must add my good fortune to have the opportunity to work along with a truly great public servant himself and someone who not only served as my chief of staff but continues to serve as a cherished friend, Mr. Kevin O'Kelly. But all in all, I have been fortunate enough to succeed on many goals I set out to accomplish. My time, though, would not have been as successful as it was had it not been for dozens of talented people who supported me and enabled me to be standing where I am today.

That said, I owe many people endless thanks. But due to time constraints and my previous promise to try and keep it as brief as possible, I will only touch on a few key individuals. First and foremost, I would like to thank all of you, my fellow Board members, for welcoming me onto the Board and helping me with your tremendous insight and your perspective. Many times, when I did not understand an issue, you all were there and ready to fill me in and get me up to speed. And I do very much appreciate that. My time with you has been a most memorable one, and I will look back on it fondly. I would also like to thank President Peters for his outstanding leadership and support throughout these, now many difficult years. Always thinking 15 steps ahead of the curve, you have been a magnificent example for me personally and for the entire university community. So, thank you very much.

I also owe a special thank you to friends and colleagues in the University Honors Program. Without their steadfast support and understanding and flexibility, my effort to juggle the many facets of college life would not have been possible. Lastly, but certainly not least, I would like to thank Mr. Eric Johnson, the incoming Student Trustee, for his support, advice, creativity and, most importantly, for winning his election to the office he will soon occupy. So I can retire, so to speak, knowing that the office of Student Trustee is in more capable hands than my own.

In closing, I am reminded of a quote I often used during my many commencement addresses. John Adams said, "There are two types of education. One should teach us how to make a living and the other how to live." With that in mind, I would like to thank each of you gathered here today for helping me follow both of these educational paths and know that I will always look back at my time on the Board and times before and to come with fond memories and great appreciation. Thank you and God bless.

Thanks Kevin, Chair Skoien said, you are a little too modest. I do not think the Board had to explain anything to you. The Resolution mentioned that you were the tenth Student Trustee. I note that three of those former Student Trustees are present: Jesse Perez, Nolan Davis and James Barr. Speaking for the Board, the Chair said, one thing that has been amazing to me is the talent, the quality, the knowledge and the judgment that each of these individuals and you, Kevin, have added to the Board.

Chair Siegel made a motion to approve the resolution honoring Student Trustee Kevin Miller, seconded by Trustee Vella. The motion was approved.

Congratulations to you, Kevin, Trustee Siegel said. We wish you much luck. You have been great to work with. We have been very fortunate, 99 percent of the time, to have good Trustees from our student body.

I endorse what Gary and Myron have said, Trustee Boey commented. It is remarkable how fortunate we continue to be on this Board to have Student Trustees like yourself and your predecessors. Certainly, you exemplify the role model they have established. Thank you for being such a great Student Trustee, and best wishes for the future.

I would also like to thank you for your maturity and your insight and for giving us the perspective of the students, Trustee Vella said. I wish you well on your future.

Kevin, you have done a remarkable job, President Peters said, and you have carried the torch for a long line of student elected trustees and student government leaders at Northern Illinois that makes this such a special place. We are very proud of you and expect to hear great things from you for the future. Thank you.

#### **Agenda Item 10.d. –Oath of Office Ceremony for New Student Trustee**

Now I would like to welcome our new Student Trustee-Elect, Eric Johnson, Chair Skoien said. Eric is the fourth elected Student Trustee for the University. He is a 2001 graduate of Glenbard West High School in Glen Ellyn. At NIU, Eric is a senior public administration major and is planning to seek a law degree after graduation. Actually, Eric introduced himself to me in Collinsville about a month ago at the state Republican Convention.

Eric brings a wealth of experience with him, the Chair said. He has been very active in governmental affairs serving a series of roles ranging from an internship with Congressman Hastert to membership on the NIU Athletic Board and University Council. Eric has served the Student Association as a Senator-at-Large, Director of Governmental Affairs, Chief Justice of the SA Supreme Court and Chief of Staff. At age 19, he was the youngest elected official in the state serving as a DeKalb County Board member. We are delighted to have you join the Board this year, Eric. Your service in student and community government and experience on campus has provided you with a depth of knowledge that will be a tremendous asset to this Board. This Board takes the opinions and counsel of the Student Trustee very seriously, and we are looking forward to working with you next year. Chair Skoien administered the oath of office to the new NIU Student Trustee, who will take office effective July 1, 2004, as follows:

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

Chair Skoien also presented the new Student Trustee with a Board of Trustees lapel pin. It is something I prize and treasure, as do all the members of the Board, the Chair said, because Trustees are the only ones allowed to wear them. Congratulations.

Student Trustee-Elect Johnson made the following remarks:

I am going to try to keep it very brief. It is quite an honor following such big shoes as Kevin Miller's. And, as we see, I have a lot of "Whereases" to follow-up on in the coming year. I am

extremely excited to join this Board of Trustees. Over the last three years, Dr. Peters and this Board and his staff have repeatedly told us of the budget problems facing NIU; yet, every time we turn around, the university is doing great things and making great achievements. In spite of all this, we have opened the convocation center and Barsema Hall. We have seen campus beautification on the Central Campus. The students who work out at the Recreation Center this fall are going to be privileged to see the renovated Field House. Our faculty and staff are doing such amazing things in spite of all the problems and challenges facing them. And this Board has stepped up to the challenge every time. I look forward to working with them in the future. I could not do this without the help of family and friends throughout the year. Family and friends have provided emotional support, and in my parent's case, most importantly, financial support. It is a great honor. I look forward to this upcoming year. And I look forward to doing the work of representing the students. It is going to be a fun year. Thank you.

Eric then introduced his parents, James and Sharon Johnson, and his sister, Ashley.

#### **NEXT MEETING DATE**

Chair Skoien announced that the next meeting of the Board of Trustees is scheduled for Thursday, September 18, in DeKalb.

#### **ADJOURNMENT**

There being no Other Matters, Chair Skoien asked for a motion to adjourn. Student Trustee Miller so moved, seconded by Trustee Boey. The motion was approved. The meeting was adjourned at approximately 12:30 p.m.

Respectfully submitted,

Sharon M. Mimms  
Recording Secretary