



**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY**



1895



PROCEEDINGS

July 1, 2002 - June 30, 2003

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY**

Officers

Manuel Sanchez, Chair
Gary J. Skoien, Vice Chair
Robert T. Boey, Secretary
Kenneth L. Davidson, Parliamentarian
Eddie R. Williams, Treasurer
Anne C. Kaplan, Assistant Secretary/Assistant Treasurer
George M. Shur, Second Assistant Secretary*
Kathryn A. Buettner, Second Assistant Secretary**
Sharon M. Mimms, Recording Secretary

Appointed Members

Expiration of Term

Catherine M. Adduci - Chicago	January 17, 2005
Robert T. Boey - DeKalb	January 15, 2007
George A. Moser - Barrington Hills	January 15, 2007
Manuel Sanchez - Lisle	January 15, 2007
Myron E. Siegel - Bannockburn	January 17, 2005
Gary J. Skoien - Inverness	January 17, 2005
Barbara Giorgi Vella - Rockford	January 17, 2005

Student Member

Jesse Perez	June 30, 2003
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John G. Peters, President
Northern Illinois University
301 Lowden Hall
DeKalb, IL 60115

**George Shur retired effective March 2003*

***Kathryn Buettner replaced George Shur effective March 2003*

PROCEEDINGS
of the
Board of Trustees
of
Northern Illinois University
July 1, 2002 - June 30, 2003

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President's Report

No. 32

September 19, 2002

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
9:00 a.m. – Thursday – September 19, 2002
Clara Sperling Sky Room**

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



1. Call to Order and Roll Call
2. Verification of Appropriate Notification of Public Meeting
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 - 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
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b. University Reports Forwarded from the Board Committees

- (1) Fiscal Year 2002 Annual Report on Capital Activities *Information*
- (2) Fiscal Year 2002 Annual Report of Transactions Involving Real Property *Information*
- (3) Fiscal Year 2002 Report of Tuition and Fee Waivers *Information*
- (4) Fiscal Year 2002 Annual Report of Cash and Investments *Information*
- (5) Periodic Summary Report of Transactions in Excess of \$100,000 *Information*
- (6) Fiscal Year 2004 Programmatic Budget Requests *Information*
- (7) Fiscal Year 2002 Results Report *Information*
- (8) Professional Excellence Awards for Faculty and Staff *Information*
- (9) Fiscal Year 2002 External Funding for Research, Public Service and Instructional Projects *Information*
- (10) Higher Learning Commission Accreditation Update *Information*

c. Items Directly from the President

- (1) Summary of Grant and Contract Awards *Information.....*

10. Other Matters

11. Next Meeting Date

12. Adjournment

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

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

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

Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
September 19, 2002

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Manuel Sanchez at approximately 9:10 a.m. in the Clara Sperling Sky Room of Holmes Student Center. Recording Secretary Mimms conducted a roll call of Trustees. Members present were Trustees Catherine Adduci, Robert Boey, George Moser, Myron Siegel, Barbara Giorgi Vella, Student Trustee Jesse Perez and Chair Sanchez. Trustee Gary Skoien was present via teleconference. Also present were Board Parliamentarian Kenneth Davidson and President John Peters. With a quorum present, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

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

MEETING AGENDA APPROVAL

Chair Sanchez proposed that President's Report No. 32 Action Items 9.a.(3), 9.a.(4), 9.a.(5), 9.a.(6), 9.a.(7), 9.a.(9) and 9.a.(11), and our receipt of Information Items 9.b.(1), 9.b.(2), 9.b.(3), 9.b.(4), 9.b.(5), 9.b.(6), 9.b.(7), 9.b.(8), 9.b.(9), 9.b.(10), 9.b.(11), 9.b.(12) and 9.b.(13), and 9.c.(1) to that Consent 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 Trustee Vella to approve the minutes of the June 20, 2002 Board of Trustees Meeting. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Chair Sanchez welcomed everyone to the first meeting of the fall semester. The students are back, the campus is beautiful, the Chair said, and, like all of you, I am excited to be back for another wonderful year at NIU. This is a wonderfully exciting time for us for many reasons, not the least of which involves the opening of two brand new buildings: Barsema Hall and the convocation center. We are preparing for our formal dedication ceremony next Monday at Barsema hall, and I would encourage all of you to attend that event if at all possible. If you have not seen it yet, I guarantee it will bowl you over. For most of us who have been on the Board for a while, we have watched a number of new building projects develop through the planning, approval and construction stages. I think I speak for all of us when I say that the construction of Barsema Hall has been an extremely exciting, special experience. Not only because it is the university's first and only privately funded building, but also because it has literally risen, start to finish, in about 12 months. That is extremely unusual by any standard, much less the typical building schedule at a university, encumbered as we sometimes are by government processes. We will be hearing more about Barsema Hall a little later in our meeting. Dennis and Stacey Barsema will be on hand to see their dream for NIU come true, and I hope you can be there to help celebrate that occasion.

Many of you were on hand last month for the opening of our other major campus landmark, the Chair said, the long-awaited NIU convocation center. For any of you who attended the opening, you will recall that there was a copy of an article in the booklet handed out that evening, which originally appeared in the 1971 *Norther* yearbook. And I can recall back in 1966, 1967 and 1968 being stuck in the Field House saying it was just a pipe dream. It was nice to think about it, but to think that in 1971, a year after I left here, somebody was astute enough and visionary enough to write an article like that, and for it to come to

fruition – notwithstanding a delay, albeit 31 years later – speaks volumes for the fact that NIU never ever stops continuing to grow in stature, continuing to grow here in DeKalb, in Rockford, in Naperville and in Hoffman Estates. I think we are the most exciting higher education institution in this state, Chair Sanchez said, and I am very proud to be an alumnus of NIU and the chair of this Board. But, when we had that ceremony, I was taken by the excitement, not just of the alumni, but of the potential this now presents for our students, our Athletics Department, concerts and many other things. Already, it is a wonderful jewel for our campus and for this university.

I do not think most of us had a full understanding of the scale of that facility until we saw it filled with 5,000 students and parents at Huskie Bash, Chair Sanchez continued, or with 7,000 appreciative fans at the Bill Cosby performance. I came away from both events convinced that the convocation center will truly change the face of campus and community life. On the Bill Cosby event, how refreshing it was to have entertainment for the length of time that he entertained us without break and not using any of the horrible words that it seems so many “artists” feel compelled to use to entertain our children and adults these days. It was truly refreshing and proves that if you bring the right entertainment, they will come. What a great statement for us to start out with a class act like Bill Cosby.

I want to once again thank Eddie Williams and his staff for their fine work on both of these projects.

We have seen a lot of new developments since last we met as a full Board. Among the most significant developments of this new semester has been news of record enrollment numbers. I understand our official tenth-day count puts us close to 25,000 students, a number we have not seen at Northern in quite some time. There is much to celebrate in those numbers, because they show that NIU is clearly becoming a more and more popular choice for talented students. At the same time, I want to go on record giving credit where credit is due, the Chair said. Members of the faculty, I want you to know that this Board does understand what you have done to make things work in a year with less money and more students. President Peters and Provost Legg have talked to us at length about the increased pressure on faculty to maintain personal attention within the context of larger class sizes, an extremely difficult challenge that you are all dispensing quite wonderfully, and we are proud of you. As a Board, we are committed to seeking additional resources to help deal with the increased demand, and we appreciate the efforts you have put forth on behalf of our students.

On a personal note, Chair Sanchez said, I was happy to see a significant increase in the number of new Latino students in the breakdown of our enrollment numbers. As you know, this has been something of a cause for me. Another national study was in the news a couple of weeks ago that pointed to new concerns about Latino student achievement in college. I am proud to be part of a university that is looking for answers, and not excuses, for these issues and that is gaining a reputation as a good and welcoming place for talented Latino students.

Finally, I want to comment, again with pride, on the many displays of campus unity we saw last week during the many September 11 observances. I was happy to see that our campus hosted a number of panel discussions and lectures aimed at looking for solutions to the conflicts that lead to such tragedies. I also thought that the focus of the main campus events was very good, honoring the memory of those who died by reaching out in service to others. I understand that the first-ever volunteer fair held in conjunction with the September 11 events was a tremendous success and will likely become an annual event. It is fitting that NIU, a university that is so strongly committed to unity in diversity, outreach and social justice, would choose to commemorate the anniversary in that way. Thank you, NIU faculty, staff and students, Chair Sanchez said, for getting our fall 2002 semester off to such a terrific start.

The Chair welcomed University Advisory Committee (UAC) representatives Dr. Suzanne Willis, Dr. Paul Loubere, Dr. William Tolhurst, Dr. James Lockard, Ms. Beverly Espe, and Ms. Sara Clayton. I would like to add my own welcome, Dr. Willis said, particularly to our new members, Bill Tolhurst from the Philosophy Department, who is replacing Dolly Jones, and Paul Loubere from the Geology Department, who is filling out the unexpired term of Dan Griffiths. Due to his new position, Dr. Griffiths is no longer eligible to serve on the University Advisory Committee, she explained. Bev Espe is President of the Supportive Professional Staff Council; Sara Clayton is President of the Operating Staff Council and Jim Lockard is in the final year of his three-year term. I was reelected in May as Executive Secretary of the

University Council and President of the Faculty Senate, Dr. Willis said, and I am very pleased to be with you once again.

To second what you said about the enrollments, Dr. Willis continued, we are delighted that NIU is showing its quality in attracting as many students as we have, and we are pleased that we have record numbers of students. We do not, of course, have record numbers of faculty, and that is a problem. As an analogy, in my younger days I used to do a lot of running in these little 10K races, where you can put on a spurt of energy near the end, and people would look and say "Well!" But you cannot keep that up. And that is about where we are as a faculty now. We are sprinting, but we cannot keep it up. I understand that this is a state problem and that it has ramifications and causes well beyond this university, and we certainly appreciate your awareness of it and anything you can do to help as well.

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

REPORTS OF BOARD COMMITTEES AND BOARD LIAISONS

Executive Committee

There was no report from the Executive Committee.

Academic Affairs, Student Affairs and Personnel Committee

Committee Chair Barbara Vella reported that the Academic Affairs, Student Affairs and Personnel Committee met on September 4. At that meeting, the Committee considered and approved the following items for action: collective bargaining agreements with the Illinois Fraternal Order of Police, the International Union of Operating Engineers and the United Brotherhood of Carpenters and Joiners; the appointment of acting vice provost for research and Dean of the Graduate School, Dr. Daniel T. Griffiths; and the decision to grant Dr. Nourredine Boubekri tenure in conjunction with his appointment as professor and Chair of the Department of Industrial Engineering. The Committee heard reports on the following information items: the Fiscal Year 2002 Results Report; professional excellence awards for faculty and staff; Fiscal Year 2000 external funding for research; public service and instructional projects; and the Higher Learning Commission accreditation update, our preparation for accreditation with North Central Association.

Finance, Facilities and Operations Committee

Committee Chair Robert Boey reported that the Finance, Facilities and Operations Committee met on September 4. At that meeting, the Committee considered and approved the following action items: Fiscal Year 2004 appropriated and nonappropriated capital budgets; Fiscal Year 2003 internal budget; capital project requests for Gilbert Drive reconstruction and Holmes Student Center Ballroom renovation; resolutions supporting the creation of and university representation on the DeKalb County Metropolitan Planning Organization; expenditure authority for equipment for geology and environmental research equipment. The Committee received a very informative presentation from Dr. Ross Powell of NIU's Geology Department regarding the exciting research project being conducted in Antarctica. The Committee also received reports, including the following: Fiscal Year 2002 annual report on capital activities; transactions involving real property; cash and investments; obligation of financial resources; and tuition and fee waivers; and transactions in excess of \$100,000. These items, and others addressed by the Finance, Facilities and Operations Committee, are included in the President's Report that President Peters will present for Board approval.

In addition, Trustee Boey said, the Trustees who sit on both the Academic Affairs and Finance Committees had a general discussion regarding the state of the campus, how beautiful it is and all the major projects being completed. We also heard a report from Provost Ivan Legg about the academic situation, which is in very good standing. There is a need to focus on the strategies that will make

Northern Illinois University the automatic alternate for those students who wish to have an alternate choice to the University of Illinois, instead of that university in Indiana or Iowa or Michigan.

Legislation, Audit and External Affairs Committee

Committee Chair Siegel reported that the LAEA Committee had not met since the last Board Meeting. However, he did say that the Committee is working on some issues with Kathy Buettner and that they are also monitoring what is going on legislatively both here in Illinois and in Washington.

Illinois Board of Higher Education

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

Universities Civil Service Merit Board

Trustee Vella, Board liaison to the University Civil Service Merit Board, said that the board met on September 18 and voted on employee issues, none of which were related to NIU.

Northern Illinois University Foundation

Trustee Boey deferred to Foundation President Mallory Simpson for the Foundation report. At the June meeting, Ms. Simpson said, I was predicting that we would be close to achieving our goal for the last fiscal year. I am happy to announce that we exceeded our goal by more than one-half million dollars. We feel especially good about having done that last year in view of this economy, the market conditions and given the fact that giving for the year was actually very flat nationally.

As reported by Chair Sanchez earlier, Ms. Simpson said, we are anticipating the opening celebrations for Barsema Hall. Stacey and Dennis are bringing about 15 family members to join them in addition to the family in the Midwest. You are all well aware of the many people within the university who had a hand in the success story of Barsema Hall and making the gift happen, especially President Peters and Dr. Williams. But one who has not had much public attention is John Bass, Director of Gift and Estate Planning. Without John's direct involvement throughout this whole process, NIU might not have received a gift of such magnitude. We thank you, John (Bass), for your passion, professionalism and truly expert guidance through this. In Development, we are notorious for sort of patting someone on the back and the next day saying, so what you have you done for us lately. But I wanted to have this moment for John to truly relish as we approach the celebration of what he has helped to bring about. The Development team, especially John, working with David Graf, has been hard at work this past year to secure naming gifts for spaces within Barsema Hall. To date, 11 spaces have been named.

With the completion of Barsema Hall, the Foundation's role as developer is coming to a close. This was a very significant and exciting undertaking for the Foundation Board of Directors. At this time I would like to introduce board member Bill Nicholas. As the Foundation Board liaison to the project team, Bill has provided tremendous service throughout this whole process during the contract and construction stages.

I am excited to be here today, Mr. Nicholas said. Compared to many people involved in this project, I played a relatively insignificant role, he said, but I am very pleased to have had an opportunity to play a role. Before we ceremonially hand over the ownership from the Foundation to the university, I want to sprinkle a little gratitude as well. This has been a process that has been remarkable for its partnerships. Certainly, lightning struck, in large part, because of John Bass and his chemistry with the Barsemas and Mallory about two and a half years ago. And as the germ of the idea began to take some shape, John Peters came on board and was instrumental in bringing the power of the university to it. The next big step to make this idea tangible was to come up with the design. Dr. Williams was the key player at that point and has continued to be a key player throughout this whole process. He and his staff worked with the architectural firm of HKM Architect and Planners, Inc. to bring many iterations of the vision that the Barsemas, Dr. Graf and the university had at that time. It was a remarkable performance in a short period of time that demonstrated we could produce this vision. And now, Mr. Nicholas said, the building has been completed. He asked Board Chair Sanchez, Mallory Simpson and John Bass to join him at the podium. In behalf of the NIU Foundation, the developer of this project, Mr. Nicholas said, it is our great pleasure to hand over the keys to Barsema Hall.

On behalf of Northern Illinois University, its faculty, its staff and its students, Chair Sanchez said, this is a truly distinct honor, and something that could not have been envisioned years ago as even a possibility. To bring this to fruition is a magnificent statement, not just about the Barsemas, but about the partnerships you talked about that made this happen – with the support of the Foundation, the President, executive members of management and just about everybody. Also, David Graf and the Business School were instrumentally involved in completing this picture. I think we have the most state-of-the-art business school in the country, not just in the state of Illinois. So, it is a distinct privilege to accept this building on behalf of the Trustees.

Our new College of Business building is truly a jewel, Chair Sanchez said. The meticulous attention to detail in design, the cutting-edge technology throughout the building, and the functionality designed into Barsema Hall make it a truly fitting home for the outstanding programs offered by the College of Business.

Two years ago, Chair Sanchez said, Dennis and Stacey Barsema dared to dream that they could bring a world-class business facility to Northern Illinois University. All those who have been inside Barsema Hall will tell you that they have provided just that. It is difficult to find words to adequately express how great our gratitude is to them.

Of course, making that dream a reality required a lot of hard work and cooperation, the Chair continued, so I would be remiss if I did not also offer words of thanks to the many others who helped bring the project to fruition. We have already talked about Dr. Eddie Williams' contribution and how instrumental he and Dean David Graf were. They were both instrumental in the design and construction of Barsema Hall, ensuring that it would meet the specific needs of the college for many years. Think of it, he said, the Barsemas have their vision, the college has its needs, and somehow, mystically, we were able to bring them together to result in the beautiful product we have today. I am certain that both those gentlemen would hasten to add that much of the credit for the success of this undertaking belongs to the many individuals who served on the project teams that worked diligently to ensure that the building was completed on time, on budget and up to the standards set by the Barsemas.

I have already made mention of the contributions of Bill Nicholas and the Foundation Board, Chair Sanchez said, but we must also tip our hat to Mallory Simpson and all those, including John Bass of the NIU Foundation, who helped shepherd this project from gift to completion – a phrase I became familiar with thanks to Mallory, her boss and the Foundation team. And, we extend our thanks to President Peters who provided leadership and direction to all of those involved in this momentous undertaking.

Bill (Nicholas), on behalf of the Northern Illinois University Board of Trustees, Chair Sanchez said, I am delighted to formally accept Barsema Hall. It is already a tremendous source of pride for the faculty, staff, students and alumni of this university, and I am certain it will remain such for many decades to come.

EXECUTIVE SESSION

Chair Sanchez asked for a motion to close the public meeting to conduct an executive session to discuss the following subject authorized by the Illinois Open Meetings Act: personnel matters as generally described under §2(c)(1) and §2(c)(3) 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 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

Because Chair Sanchez had to leave, he asked Trustee Moser to chair the remainder of the meeting. Acting Chair Moser reconvened the public meeting of the Board of Trustees at approximately 11:07 a.m.

CONSENT AGENDA APPROVAL

Acting Chair Moser asked for a motion to approve the items placed on the consent agenda earlier in the meeting. They include President's Report No. 32 Action Items 9.a.(3), 9.a.(4), 9.a.(5), 9.a.(6), 9.a.(7), 9.a.(9) and 9.a.(11), and our receipt of Information Items 9.b.(1), 9.b.(2), 9.b.(3), 9.b.(4), 9.b.(5), 9.b.(6), 9.b.(7), 9.b.(8), 9.b.(9), 9.b.(10), 9.b.(11), 9.b.(12) an 9.b.(13), and 9.c.(1). Trustee Siegel so moved, seconded by Trustee Adduci. The motion was approved.

PRESIDENT'S REPORT NO. 31

I am going to abbreviate my remarks today, President Peters said, because in two weeks, on Thursday, October 3, I will be giving the State of the University Address. At that time, I will have a great deal to say about the status of the university and some of the things we need to accomplish this year in a time of growth and stress and uncertainty.

We have had a record increase in enrollment from last year to this year, President Peters announced, the largest single year increase in 25 years. We are right at a total of 25,000 students, including on-campus, off-campus, undergraduate, graduate and law students. New freshman enrollment is at 2,032, an increase of 8.0 percent from last year. That, of course, is putting stress on dormitories and parking, because most of those freshmen have brought cars to campus. There were 2,445 new transfers, an increase of 5.0 percent, and 90 percent of those are community college transfers. Forty percent of our undergraduate enrollment is transfer. Therefore, he said, we have about 18,000 undergraduates and a total, so far, of 6,500 graduate students, an 8.3 percent increase. But graduate students keep registering throughout the semester, so the final number will be higher. The number of Honors new freshmen increased by 4.0 percent to 109.

The freshman class has a higher percentage of women, the President said, which is normal. We have a large increase in Latino students, and we are pleased with that. Even though our numbers are up, the quality of the freshman class is as good as or better than it was last year. On average, we are at an ACT of 23.12; so the quality remains high. There have also been some interesting increases within the colleges. Liberal Arts increased 5.0 percent, but Health and Human Services, which has been down in enrollment for several years, had a 23.0 percent increase this year. Engineering, which has also been down, is up 22.0 percent. Education is up 16.0 percent. Chair Sanchez said in his remarks that the Trustees know and appreciate the hard work of the faculty and staff in preparing for this large enrollment, the President said. Sue Willis used the metaphor of the marathon runner and the sprint at the end. I will use the metaphor of the rubber band that has been stretched too far. Both metaphors are true, and we must find more resources and get more instructional resources to accommodate these students.

We had the formal transfer of Barsema Hall from the NIU Foundation, the developer of record, to the university, President Peters announced. The Barsemas are in town this week. We are having a dinner on Sunday night and then an open house at Barsema Hall on Monday. Because we have talked so much about what a wonderful structure it is, if you have a chance, please go see that building. But you have to go in and see it operate as an academic building to understand its power and what it will mean to the College of Business and to Northern Illinois University.

I cannot stress enough how the convocation center has changed not only the landscape, President Peters said, but the feel and the reputation of NIU. That also is a living, breathing organism. For the opening act to be Bill Cosby was truly a high wire act. I do not think DeKalb has ever seen traffic like that, but they should get used to it. What a wonderful way to start! Chair Sanchez referred to our beautiful campus, and it is beautiful. I was talking to our UNIV101 class recently, and a freshman student asked me, "President Peters, when is the construction going to end at NIU?" Without thinking, my immediate response was, "I hope never." That is the nature of this institution: Move forward, move forward, move forward. Right now, there is a lot of dust flying, but we will get there. Thank you, Trustees, for helping us make that dust fly.

UNIVERSITY RECOMMENDATIONS FORWARDED BY THE BOARD COMMITTEES

Agenda Item 9.a.(1) – Fiscal Year 2004 Appropriated Capital Budget Request

The capital request for 2004 has two forms, President Peters stated. One is the requests that consist of large projects over a million dollars. The other is capital renewal projects, which are smaller items of \$100,000 up to not more than \$1.5 million. One never knows what the budget will look like for the state, but there usually is money for capital, so I would like to turn your attention to three of our capital improvement requests. Our top priority is the Stevens Building, which is the Theatre building. It is in major need of renovation and is working its way up on the IBHE priority list. That is a \$17 million project. We hoped to receive planning money last year, but did not because of the budget. This year we are pushing for both the planning and full funding monies.

The second priority is the Wirtz Hall renovation and some electrical infrastructure repair on campus, Dr. Peters said. This is largely because we are moving Health and Human Services into Wirtz once it is vacated by the College of Business. The building needs HVAC and sprucing up, and we are requesting about \$11 million to accomplish that.

The third priority, which comes from the academic side of our university, is the need to build a rather substantial Computer Science and Technology Center at a price of about \$26 million. The growth of computer science has been phenomenal. The department is spread out in three locations. The number of majors is increasing. The number of service courses the Computer Science Department offers is phenomenal. All the other technological needs we have for small classrooms and generalized technology class rooms make this a good project for us. The capital improvement lists, shown on page 16 of the report, are not as substantial, but are very much needed. Acting Chair Moser asked for a motion to approve the Fiscal Year 2004 capital budget request recently submitted to the Illinois Board of Higher Education. Trustee Siegel so moved, seconded by Trustee Adduci. The motion was approved.

Agenda Item 9.a.(2) – Fiscal Year 2004 Nonappropriated Capital Budget

The nonappropriated capital budget consists of nonstate dollar local fund projects that we would like to move forward, President Peters said. These are things that must be done to rehabilitate the campus. Acting Chair Moser asked for a motion to approve the Fiscal Year 2004 nonappropriated capital budget. Trustee Siegel so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 9.a.(8) – DeKalb County Metropolitan Planning Organization (MPO) a Resolution of Support and Request for University Representation on Newly Established MPO

Another university recommendation that needs approval is the DeKalb County Metropolitan Planning Organization, Acting Chair Moser said. This is a resolution of support and a request for university representation on the newly established MPO. He then asked for a motion to approve the DeKalb County Metropolitan Planning Organization (MPO) Resolution of Support and Request for University Representation on the Newly Established MPO. Trustee Boey so moved, seconded by Trustee Vella. The Acting Chair opened the floor for discussion.

I think we all have some very strong feelings on this subject, Trustee Boey said. First of all, the Metropolitan Planning Organization deals with any county that has a population of 50,000 or more, and DeKalb just made that qualification. As a result of the population qualification, we are now designated to have an MPO. It is very important that the university makes clear where we fit in with this entire organization. Here is the reason for that. The MPO deals with transportation issues in DeKalb County. The Huskie Bus Line is the only public transit system in DeKalb County. It is also the third largest system in the state. Additionally, NIU has significant needs to provide upgrades and improve the roads and traffic patterns within the campus. We also have future plans to develop the 200 acres in the West Campus area, which would involve additional roads and transportation patterns. There are now 6,000 students living in NIU residence halls in the City of DeKalb, 6,000 more students in apartments in DeKalb, and 2,000 in the county area. That totals 14,000 in DeKalb and DeKalb County alone. The City of DeKalb has 36,000 citizens and residents in total, which includes the student count. It is because of the students at the university that the numerical qualification has been met for this area to be designated an urbanized area and to receive the MPO designation. So, it is very important that NIU have a place in this

organization as a voting member of the policy board. This is not unique, because the University of Illinois also has a similar organization in that area. They have a voting membership on the policy committee, and they actually chair the technical committee. So, number one, there is a precedent here and, number two, the numbers speak very clearly that NIU needs to be at the voting table. This is a very important issue for the Board of Trustees, Trustee Boey said, and I would encourage the Board, Mr. Chair, to direct the university to take whatever steps are necessary to convey this Board's sentiments.

Although we do not have much press here today, Trustee Siegel commented, this is an issue that I would think the local press would be very interested in. I think it would be very shortsighted for Northern not to have a position as a voting member on the Policy Committee as well as a voting position on the Technical Committee for the SA presidential designee. This is almost an outrage. First, the committee does not have to be restricted to six members; it can have any number of members, and there is a way to make room for our people on the committee. As Trustee Boey has already pointed out, in the count, there are 14,000 students. But that count does not include faculty and staff, who are also a part of Northern Illinois University, which would increase that count and the impact NIU has in this metropolitan MPO. Quite frankly, he said, based upon the way the current structure could be very embarrassing for local officials if the Governor does not approve the current committee structure at a later date. This is something that ought to be taken care of now. Room needs to be made on the Policy Committee. Room needs to be made on the Technical Committee. There is the risk of a possible loss of millions of dollars of federal transportation funds without Northern's involvement, not to mention the impact the MPO could have on our campus and the surrounding areas. I am surprised that the press has not picked up on this because these are big numbers – big dollars, big impacts and big problems – for the community and for Northern Illinois University if this MPO does not include our interests and voting representation in this MPO.

I suggest, Trustee Siegel said, that someone from the Board – and Trustee Boey is the perfect person for this, because he is here – take this resolution and deliver it to the Mayor to let the Mayor know exactly how we on this Board feel. We are going to be involved, and we would rather be involved as partners and work together. The potential loss of dollars is great. We need to be on those committees. So, please let the Mayor know how we feel.

I would also suggest that Student Trustee Jesse Perez go with me, Trustee Boey said, because he brings the students' point of view to the Mayor. This is a major concern to all the students, Student Trustee Perez commented, and I was going to volunteer to accompany Trustee Boey in meeting with the Mayor. It will be extremely important to have the students' input on decisions like this and to also include some of our student government leaders. In case the audience is not quite clear on how this impacts NIU, Trustee Boey said, I would like to ask Kathy Buettner to describe how this MPO affects our ability to do things in the future as a university.

As a result of the census in May 2002, Ms. Buettner explained, the new counts pushed DeKalb County into an urbanized designation by federal transportation law and standards. With this designation, federal law requires the creation of a Metropolitan Planning Organization. Several MPO's already exist in the state of Illinois, as well as across the country. One is now being created in DeKalb, and perhaps another in the Decatur area, as a result of the census counts. The Department of Transportation (DOT) has met with the university several times. They have met with the mayors of the individual communities in DeKalb County and the County Board. In these meetings, the DOT has encouraged the partnership and the creation of this MPO. The significance of the MPO is such that after May 2003, when this program takes effect, all surface transportation funds that are approved for this area must be designated by this MPO in a prioritized listing, which goes to the state and federal governments. From the university's perspective, and what I believe is the Board's concern, as we look to develop the West Campus and the transportation needs in that area and on Annie Glidden, if the community's priorities for the future are not set in a way that gives the university input into the process of setting those priorities, it could become a situation where federal funds might flow in for roads and road construction, and we would not be able to utilize those funds if our priorities are not adequately reflected in the MPO's surface transportation plan for DeKalb County. She emphasized that once statutorily created, this organization is created, in effect, in perpetuity. It is not something that is changeable on a routine or a daily basis. This is something that will be created to serve for the next 20 years.

I think the comments that have been made represent the strong sentiments of the entire Board, Acting Chair Moser said, and the Board desires that the university take steps to convey this message to the City of DeKalb, the County, the State, the Federal and/or other persons who would be in the MPO we have discussed.

Trustee Siegel asked that the motion be amended to approve that Trustee Boey, with Student Trustee Perez accompanying him, meet with the Mayor of DeKalb concerning NIU's participation in the MPO. Acting Chair Moser asked for a motion to approve the MPO resolution and the additional request that Trustee Boey and Student Trustee Perez, as representatives of the Board, meet with the Mayor of DeKalb with appropriate comments from this Board regarding our sentiments concerning NIU's participation in the MPO. Trustee Siegel so moved, seconded by Trustee Boey to approve the motion as amended. The motion was approved.

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

Consent Agenda Item.

Agenda Item 9.a.(10) – Appointment of Acting Vice Provost for Research and Dean of the Graduate School

Our long-time dean, Jerry Zar, has retired, President Peters said, and we have yet to complete the search for a permanent replacement. Therefore we ask Board approval to name Dan Griffiths, a long-time member of the faculty and former Executive Secretary for the University Council, as the Acting Vice Provost for Research and Dean of the Graduate School. As I commented in the Academic Affairs Committee Meeting earlier this month, Trustee Boey said, we are very fortunate to have someone like Dan who is willing to step up and take on this very important position for us. Acting Chair Moser asked for a motion to approve Dr. T. Daniel Griffiths as the Acting Vice Provost for Research and Dean of the Graduate School. Trustee Vella so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 9.a.(11) – Appointment with Rank and Tenure

Consent Agenda Item.

UNIVERSITY REPORTS FORWARDED FROM THE BOARD COMMITTEES

- Agenda Item 9.b.(1) – Fiscal Year 2002 Annual Report on Capital Activities**
- Agenda Item 9.b.(2) – Fiscal Year 2002 Annual Report of Transactions Involving Real Property**
- Agenda Item 9.b.(3) – Fiscal Year 2002 Report of Tuition and Fee Waivers**
- Agenda Item 9.b.(4) – Fiscal Year 2002 Annual Report of Cash and Investments**
- Agenda Item 9.b.(5) – Periodic Summary Report of Transactions in Excess of \$100,000**
- Agenda Item 9.b.(6) – Fiscal Year 2004 Programmatic Budget Requests**
- Agenda Item 9.b.(7) – Fiscal Year 2002 Results Report**
- Agenda Item 9.b.(8) – Professional Excellence Awards for Faculty and Staff**
- Agenda Item 9.b.(9) – Fiscal Year 2002 External Funding for Research, Public Service and Instructional Projects**
- Agenda Item 9.b.(10) – Higher Learning Commission Accreditation Update**

Consent Agenda items.

ITEMS DIRECTLY FROM THE PRESIDENT

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

Consent Agenda items.

NEXT MEETING DATE

Acting Chair Moser announced that the next meeting of the Board of Trustees is scheduled for Thursday, December 5, 2002.

ADJOURNMENT

There being no Other Matters, Acting Chair Moser asked for a motion to adjourn. Trustee Siegel so moved, seconded by Trustee Boey. The motion was approved. The meeting was adjourned at approximately 11:33 a.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

FISCAL YEAR 2004 APPROPRIATED CAPITAL BUDGET REQUEST

Summary: The Appropriated Capital Budget Request is prepared in the fall prior to the budget year in order to meet the Illinois Board of Higher Education (IBHE) and state capital project review and approval submission schedules. The Capital Budget Request consists of two principle categories of projects that profile the university's requirements for capital improvements and construction projects that typically exceed an estimated budget of \$1 million or require phasing of planning, construction and equipment appropriations. The "Capital Renewal" category lists repair and renovation projects with estimated budgets in excess of \$100,000 (but less than \$1.5 million), which are not included in the campus permanent improvement operating budget allocation. Requests may include improvements to existing facilities and systems, building additions, infrastructure and site/roadway/utility improvements. The attached table provides a summary of the FY04 Capital Request.

Recommendation: The university requests Board of Trustees approval of the FY04 Capital Budget Request. The request will then be submitted to the Illinois Board of Higher Education for consideration and inclusion in the statewide FY04 IBHE Capital Budget Recommendation.

Table C101
SUMMARY OF BUDGET YEAR CAPITAL IMPROVEMENT REQUESTS
LISTED IN PRIORITY ORDER
Northern Illinois University

Fiscal Year 2004 Request
(in thousands of dollars)

UNIVERSITY PRIORITY	PROJECT DESCRIPTION/BUDGET CATEGORY	TOTAL ESTIMATED PROJECT COST	STATE FUNDS			NON-STATE FUNDS
			BUDGET YEAR REQUEST	PRIOR YEAR	FUTURE YEAR	
<u>REGULAR CAPITAL PROJECTS</u>						
1	Stevens Building Renovation	<u>16,902.98</u>	<u>16,902.98</u>	-	-	-
	(Planning)	1,485.57	1,485.57			
	(Remodeling)	13,809.29	13,809.29			
	(Equipment)	1,608.13	1,608.13			
2	Electrical Infrastructure & Wirtz Hall Renovation	10,944.31	10,944.31	-	-	-
3	Computer Science and Technology Center	<u>26,391.83</u>	<u>26,391.83</u>	-	-	-
	(Planning)	1,903.79	1,903.79			
	(Building)	19,291.64	19,291.64			
	(Equipment)	5,196.40	5,196.40			
4	Academic Buildings Improvements [HVAC & Window Replacement]	14,666.47	14,666.47	-	-	-
5	Hoffman Estates Facility (Building) - Off Campus Project	<u>28,302.42</u>	<u>19,157.62</u>	1,314.50	-	7,830.30
	(Planning)	1,314.50		1,314.50		
	(Building)	21,987.92	19,157.62			2,830.30
	(Land)	5,000.00				5,000.00
6	Campus Roadway Repair & Reconfiguration	5,155.56	5,155.56	-	-	-
7	Gilbert Hall Renovation	<u>16,304.16</u>	<u>886.85</u>	-	15,417.31	-
	(Planning)	1,311.28	886.85		424.43	
	(Remodeling)	14,575.88			14,575.88	
	(Equipment)	417.00			417.00	
8	Elevator Rehabilitation & Renovation (Remodeling & Rehabilitation)	3,102.11	3,102.11	-	-	-
9	Campus Signage & Wayfinding	4,336.66	4,336.66	-	-	-
	TOTAL, REGULAR CAPITAL PROJECTS	<u>126,106.50</u>	<u>101,544.39</u>	<u>1,314.50</u>	<u>15,417.31</u>	<u>7,830.30</u>

Table C101
SUMMARY OF BUDGET YEAR CAPITAL IMPROVEMENT REQUESTS
LISTED IN PRIORITY ORDER
Northern Illinois University

Fiscal Year 2004 Request
 (in thousands of dollars)

UNIVERSITY PRIORITY	PROJECT DESCRIPTION/BUDGET CATEGORY	TOTAL ESTIMATED PROJECT COST	STATE FUNDS			NON-STATE FUNDS
			BUDGET YEAR REQUEST	PRIOR YEAR	FUTURE YEAR	
	<u>Capital Renewal Projects</u>					
1	Zulauf & Davis Halls Elevator Rehabilitation (Remodeling & Rehab.)	\$ 325.00	\$ 325.00			
2	Smart Classrooms (Remodeling & Rehab.)	\$ 564.00	\$ 564.00			
3	Campus Wayfinding and Landscaping Phase II	\$ 377.00	\$ 377.00			
4	Main Steam Tunnel Rehabilitation (Remodeling & Rehab.)	\$ 795.00	\$ 795.00			
5	Electrical Switchgear (Remodeling & Rehab.)	\$ 584.47	\$ 584.47			
6	Roof Repair & Tuckpointing (Remodeling & Rehab.)	\$ 341.56	\$ 341.56			
	TOTAL, CAPITAL RENEWAL PROJECTS	<u>\$ 2,987.02</u>	<u>\$ 2,987.02</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	GRAND TOTAL	<u>\$129,093.52</u>	<u>\$ 104,531.41</u>	<u>\$ 1,314.50</u>	<u>\$15,417.31</u>	<u>\$7,830.30</u>

Summary of Capital Budget Requirement Projects for the Fiscal Year 2004 Budget

1. 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.

2. Electrical Distribution and Wirtz Hall Renovation

This project is proposed to address three requirements of the university's primary electrical distribution systems and renovate Wirtz Hall. It is necessary to replace switchgear at the existing Glidden substation constructed in 1957 that feeds much of the central campus and for which new replacement parts are not available. Underground cables that are twenty or more years old are prime candidates for failure and must be replaced. To reduce load on existing circuits and improve failure recovery capabilities, new circuits must be established in the system.

This portion of the project will provide improvements for programmatic spaces and building efficiency. The need for an upgraded and remodeled building to house the Health and Human Sciences College is substantiated by the dramatic changes in the type of physical facilities needed by a modern college to support new learning outcomes and increase interaction with the health community. Plans will focus on the consolidation of the college's space needs into Wirtz Hall. The Health and Human Sciences College will be housed in a remodeled, dedicated building that will provide classrooms 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 will provide funding for the planning, design and construction of remodeling Wirtz Hall.

3. Computer Science and Technology Center

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

4. Academic Buildings HVAC and Window Replacement

Several buildings on campus are experiencing problems with air ventilation systems due to the age of the equipment. Three buildings of primary concern are Reavis, Watson and Montgomery Halls. Both Reavis and Watson Halls are classroom/faculty office buildings with identical 35-year old HVAC systems, and can be described as forced dual duct systems (one heat duct/one cooling duct) with recessed units mounted in the walls to control room temperature. Difficulty keeping constant temperature-humidity and airflow has surfaced in both buildings during the last two years stemming from not only the age of the equipment, but also the inaccessibility of it for maintenance purposes. Recessed wall units are completely sealed behind masonry leaving no openings for repair of internal parts. This project would remove and replace the recessed wall units, dampers and temperature controls.

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

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

5. Hoffman Estates Construction

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

6. Roadway Reconfiguration and Repair

Most roadways serving the NIU campus were constructed and are owned by the university, except Lucinda, Normal, Carroll, Locust and Annie Glidden. The majority of road construction coincided with the building surge in the 1950s and 1960s, though 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.

7. Gilbert Hall Renovation

The allocation study identifies Gilbert Hall as underutilized housing space that could be converted into academic and office space. Gilbert Hall, constructed in 1950, was designed as a men's dormitory and contains 49,000 net assignable square feet. Not only the relocation of the academic and office spaces into Gilbert Hall, but the sheer age of the facility requires modification to the systems and interior. Asbestos also needs to be abated from the facility 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 academic and office space in the building.

8. Campuswide Elevator Rehabilitation

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, to replace generators and SCR drives, and to install new

hall and car stations for Zulauf, Faraday, Graham, Montgomery, Davis and Swen Parson Halls and the Health Center.

9. Campus Signage and Wayfinding

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

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

**Summary of Capital Budget Repair and Renovation Projects
(Capital Renewal)
For the Fiscal Year 2004**

R1 – Zulauf Hall and Davis Hall Elevator Rehabilitation

The university seeks to rehabilitate passenger elevators in Zulauf and Davis Halls. After many years of service, these elevators have become the most difficult to repair and have extremely high maintenance costs. They provide an unacceptable level of performance, and the problems and breakdowns are appearing more frequent and varied. The existing controllers are not equipped with the necessary fire protection technology, and, therefore, do not comply with local and national codes. These elevators have been requested outside the regular capital budget due to the need to address their repair in the immediate future.

R2 - Smart Classrooms

Numerous classrooms throughout the campus are in need of updated audio, visual and instructional technology so that professors may stay current with teaching styles used at peer institutions across the nation. Several classrooms have already undergone similar renovations with positive effects. The university continues its efforts to maintain quality learning facilities that meet and exceed the expectations of students and faculty.

R3 - Campus Wayfinding and Landscaping Phase II

Wayfinding develops a sense of orientation for new students and visitors throughout their campus experience. Through the use of landscaping tools, new directional and identification signage and campus directories, the university will address the needs of the varied campus constituency in locating and traveling to their destinations in a timely fashion while laying the groundwork for a more comprehensive signage and wayfinding project. The university currently is requesting funds for the second phase of the ongoing wayfinding and landscaping project.

R4 - Main Steam Tunnel Rehabilitation

The main steam tunnel's concrete structure has deteriorated due to many years of service. At this point, the condition of the tunnel is worsening and the potential for the disruption of steam distribution to the main campus from the East Heating Plant is a growing concern. In addition, safety concerns to Physical Plant staff and Heating Plant staff will continue to arise during the ongoing maintenance required for the steam tunnel. Currently, the condition of the tunnel has made repairs and preventative maintenance difficult to perform and has resulted in high maintenance costs.

R5 - Electrical Switchgear

A number of the university's primary and secondary 4160-volt electrical distribution lines show signs of deterioration and are now in danger of failure. An inspection of the manholes used in the electrical cabling shows signs of wear and water infiltration. Most of these electrical lines were installed at the time the buildings were constructed. The condition of these lines will continue to worsen, and the potential for the disruption of electrical service to the main campus is a continuing concern.

R6 - Roof Repair and Tuck Pointing

A Fiscal Year 1999 Capital Development Board project was to replace portions of the roof on Still Gym, Still Hall and McMurry Hall. However, parapet deterioration at Still Hall was so widespread that extensive masonry repair was required to replace that roof, thereby siphoning funds from the Still Gym and McMurry Hall roof replacements to complete it. The university requests funds to complete roofing work on Still Gym and McMurry Halls.

FISCAL YEAR 2004 NONAPPROPRIATED CAPITAL BUDGET

Summary: The FY04 Nonappropriated Capital Budget consists of two principal categories, both presented in Table C107. Projects with estimated budgets in excess of \$100,000 are listed individually, while projects estimated under \$100,000 are presented in aggregate and categorized to enable tracking for management purposes. The Nonappropriated Capital Budget is developed from requests submitted by department heads and physical plant and facility users. Requests are prioritized and presented for approval and include improvements to existing facilities and systems, building additions, infrastructure and site/roadway/utility improvements. The attached table and brief descriptions provide a summary of the FY04 Nonappropriated Budget.

Recommendation: The university recommends Board of Trustees approval of the FY04 Nonappropriated Capital Budget.

TABLE C107
FISCAL YEAR 2004
PLANS FOR NONINSTRUCTIONAL CAPITAL IMPROVEMENTS

(in thousands of dollars)

<u>Project Name/Description/Budget Category</u>	<u>Anticipated Source of Funds</u>	<u>Total Project Cost</u>
Parking - Gilbert Drive Rehabilitation Deferred Maintenance (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 750.0
Dorland Building - North Roof Replacement Deferred Maintenance (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 380.0
Residence Halls - Safety Upgrades Deferred Maintenance (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 375.0
Douglas Hall - Student Room Carpeting Deferred Maintenance (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 300.0
Holmes Student Center - Hotel Tower Renovations Deferred Maintenance (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 250.0
Douglas Hall - Interior Painting Deferred Maintenance (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 200.0
Residence Halls - Landscape & Exterior Safety Improvements Deferred Maintenance (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 125.0
Lincoln Hall - Replacement of Student Room Draperies Deferred Maintenance (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 115.0
Aggregate Amount Budgeted for Deferred Maintenance Projects Under \$100,000 (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 453.5
Aggregate Amount Budgeted for Remodeling and Rehabilitation Projects Under \$100,000 (Remodeling & Rehabilitation)	Revenue Bond - R&R Reserves	\$ 428.8
Aggregate Amount Budgeted for Planning and Study Projects Under \$100,000 (Planning)	Revenue Bond - R&R Reserves	\$ 45.0

Plans for Noninstructional Capital Improvements for the Fiscal Year 2004 Budget

04-1. Parking – Gilbert Drive Rehabilitation

In coordination with Phase II of the Campus Chilled Water Production and Distribution project, Gilbert Drive will undergo rehabilitation. This roadway has a constant flow of vehicular and Huskie Bus traffic and has deteriorated to the point that maintenance is no longer feasible or effective. Recent patchwork to the surface has formed seams, which will create additional water leakage and further deterioration. The Chilled Water project has provided an opportune time to complete this rehabilitation project. The rehabilitation will include both the roadway and parking areas located on Gilbert Drive between Lucinda and College Avenues.

04-2. Dorland Building – North Roof Replacement

The north part of the Materials Management warehouse roof was installed when the building was originally constructed in 1971. Due to the age and condition of the roof, it does not shed water during heavy rainfalls. Should leakage occur, it will become substantial in a short period of time due to the large area of worn out tar and gravel covering the current roof. In addition, the warehouse stores numerous paper products and supplies for the university, and damage which could result in large dollar losses for the department. This project would include approximately 31,000 square feet and will be replaced with the traditional tar and gravel roofing.

04-3. Residence Halls – Safety Upgrades

Continuing efforts to meet and/or maintain compliance with state fire codes will require updates and maintenance to several areas of the residence halls. Self-closers will be installed on the doors of the dorm rooms, janitor closets, pressing rooms, storage areas and mechanical rooms. Removal of door stops from boiler and heater rooms, laundry areas, repair shops and storage spaces will be conducted as well as construction on all stairwells to ensure they are continuously enclosed. Also included is the installation of exit lights and horizontal exits, the repair and/or addition of emergency lights, and the replacement of electrical box covers and portable fire extinguishers.

04-4. Douglas Hall – Student Room Carpeting

The flooring in Douglas Hall consists of a mixture of carpeting and tile. The carpeting in the hallways and lounge areas is worn and stained. Tile flooring in the student rooms is stained and scratched and has worked loose in several areas. The tile has been patched over the years, resulting in mismatched flooring. This project proposes to install new carpeting in Douglas Hall, which will include 500 student rooms, the lounges and the hallways on all five floors of all four wings.

04-5. Holmes Student Center – Hotel Tower Renovations

The hotel section of Holmes Student Center consists of worn and outdated fixtures, furniture, and floor and wall coverings. This section has not been updated in over 30 years. The scope of this project will include replacing bathroom fixtures, vanities and furniture; installing new carpeting, wall coverings, drapes and spreads; and upgrading electrical and phone lines to accommodate current technology.

04-6. Douglas Hall – Interior Painting

The interior area of Douglas Hall has not been painted in several years. The student rooms, hallways and lounge areas are showing signs of peeling paint, surface scratches and areas where plaster is either peeling or missing. A well-maintained and routinely painted facility reduces the rate of deterioration and prolongs the life of the facility. Aesthetically pleasing areas are less likely to be vandalized and encourage the university community to take pride in their surroundings. The painting project would incorporate all five floors of all four wings of the building, including student rooms, doorframes, hallways and lounges.

04-7. Residence Halls – Landscape and Exterior Safety Improvements

The exterior areas and main entrances to the residence halls must be maintained and updated in order to provide desirable surroundings to the students and present a positive first impression to prospective students and their parents. In addition, maintaining these areas allows for the continued safety of the residence hall community. The scope of this project includes adding new receptacles and seating areas and creating various paved areas in front of the halls. Additional bicycle parking will be added to reduce chaining bicycles to trees and handicap ramps. Mulch and clay located around the entrances will be removed and replaced with black dirt, and various safety issues will be identified and addressed. University architects, masons, carpenters and grounds personnel will be utilized for this project.

04-8. Lincoln Hall – Replacement of Draperies in Student Rooms

The drapes in the student rooms of Lincoln Hall have not been replaced in over 15 years and are beyond repair. The drapes are stained and sun bleached, the linings are falling apart or missing, and the fabric is dry-rotted. This project will include replacing the drapes and linings in all rooms and installing new curtain rods.

04-9. Aggregate Amount Budgeted for Deferred Maintenance projects under \$100,000

A number of deferred maintenance projects under \$100,000 per project have been identified by departments for areas within their respective facilities. Rotation painting, re-coring locks, fire protection system updates, lighting upgrades, accessibility projects, door and floor replacements, restroom additions and updates, and electrical improvements are among the deferred maintenance projects. With the completion of these projects and the continuation of deferred maintenance projects in the future, the facilities will continue to be well maintained, which will reduce the rate of deterioration and prolong their lives. In addition, aesthetically pleasing areas are less likely to be vandalized and will encourage members of the university community to take pride in their surroundings.

04-10. 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 by departments for areas within their respective facilities. Among the remodeling and rehabilitation projects are installing elevator monitoring systems, renovating staff apartments and updating kitchens, remodeling meeting rooms, automating buildings with ventilation systems, mounting ceiling fans, and creating a fitness challenge course. 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 ensuring (a) that the facilities are well maintained; (b) the safety of the university community; (c) compliance to ADA requirements; (d) that NIU facilities provide an environment that is attractive to students; and (e) that the facilities are configured in the most optimal manner compatible with today's technology and with the university community's functional needs.

04-11. Aggregate Amount Budgeted for Planning projects under \$100,000

A planning and study project under \$100,000 has been identified within the Holmes Student Center. The Student Center is one of the most frequently used facilities on campus. The interior décor has not been updated since the original building was constructed in the late 1960s. Wall coverings, flooring, carpeting, signage and furniture in all public areas and meeting rooms will be included in this plan. The scope of the work would include (1) identifying the needs and 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 estimates and time schedules.

FISCAL YEAR 2003 INTERNAL BUDGET

Summary: Given the appropriation bill as approved by the legislature and signed by the Governor, Tables 1-4 provide a summary of the total university internal FY03 budget.

Recommendation: Pursuant to Board of Trustees *Bylaws*, the university requests Board of Trustees approval of the FY03 Internal Budget as follows:

Table 1
FISCAL YEAR 2003 INTERNAL BUDGET
Summary of Budgeted Revenue by Source
(\$ in Thousands)

	FY2002	FY2003
Appropriated/Income Fund Revenues		
General Revenue Fund	\$100,762.3	\$92,652.1
Education Assistance Fund ⁽¹⁾	17,413.8	18,284.5
State College and University Trust ⁽²⁾	10.1	10.1
Total Appropriated/Income Fund Revenues	\$118,186.2	\$110,946.7
Nonappropriated Revenues		
University Income Fund	\$62,557.8	\$66,334.5
Revenue Bond Operations	56,954.7	61,814.0
Auxiliary Enterprises	16,620.7	16,620.7
Gifts, Grants and Contracts	30,983.0	36,088.4
Local Funds	31,497.0	31,497.0
Total Nonappropriated Revenues	\$198,613.2	\$212,354.6
Total Anticipated Revenues	\$316,799.4	\$323,301.3

⁽¹⁾ Another General Revenue Fund

⁽²⁾ Generated from NIU license plate registrations

Table 2
APPROPRIATED FUNDS INTERNAL BUDGET
Fiscal Year 2002 - Fiscal Year 2003
(\$ in Thousands)

Object Classification	FY2002 Budget	Estimated FY2002 Expenditures	FY2003 Budget
Personnel Services	\$98,662.3	\$96,890.6	\$93,582.4
Social Security	408.9	408.9	408.9
Contractual Services	8,651.9	6,285.9	5,496.0
Commodities	2,021.4	2,021.4	1,971.4
Travel	609.5	609.5	559.5
Automotive Operation	163.5	163.5	138.5
Equipment/Library Books	4,822.8	4,072.8	2,822.8
Telecommunications	816.9	816.9	796.9
Awards & Grants and Federal Matching Funds	185.7	185.7	185.7
Repairs, Maintenance and Other Capital Improvements	1,843.3	1,843.3	1,443.3
Contribution to CMS for Employee Insurance *		3,541.3	3,541.3
TOTAL	\$118,186.2	\$116,839.8 **	\$110,946.7

* State required university contribution to the Employee Insurance Fund.

** State required budget reduction of \$1,346.4 equals the difference between the FY02 allocation and the estimated expenditures.

Table 3

APPROPRIATED FUNDS INTERNAL BUDGET
Allocation by Object Class per Fund
Fiscal Year 2003
(\$ in Thousands)

Object Classification	General Revenue	Education Assistance	State College & University Trust	Total
Personnel Services	\$79,028.8	\$14,553.6	-	93,582.4
Social Security	408.9	-	-	408.9
Contractual Services	3,859.5	1,636.5	-	5,496.0
Commodities	1,801.0	170.4	-	1,971.4
Travel	559.5	-	-	559.5
Automotive Operation	138.5	-	-	138.5
Equipment/Library Books	1,347.3	1,475.5	-	2,822.8
Telecommunications	796.9	-	-	796.9
Awards & Grants and Federal Matching Funds	175.6	-	10.1	185.7
Repairs, Maintenance and Other Capital Improvements	994.8	448.5	-	1,443.3
Contribution to CMS for Employee Insurance	3,541.3	-	-	3,541.3
TOTAL ALLOCATED	\$92,652.1	\$18,284.5	\$10.1	\$110,946.7

Table 4
NONAPPROPRIATED INTERNAL BUDGET⁽¹⁾
Fiscal Year 2002 - Fiscal Year 2003
(\$ in Thousands)

Object Classification	FY2002 Adj. Budget	Estimated FY2002 Expenditures	FY2003 Budget
Personnel Services	\$85,970.7	\$86,101.5	\$91,326.6
Social Security	1,400.0	1,420.7	1,493.0
Contractual Services	45,450.3	46,162.5	48,554.7
Commodities	16,670.2	15,993.8	18,184.0
Travel	2,750.0	2,790.1	2,851.2
Automotive Operation	644.3	623.4	647.3
Equipment/Improvements	10,601.5	10,925.5	13,147.0
Telecommunications	2,070.3	2,127.8	2,296.2
Awards & Grants	17,000.0	17,001.3	17,108.4
Indirect and Other	1,350.0	1,368.9	1,392.4
Debt and Repair Transfers	14,705.9	14,705.9	15,353.8
TOTAL	\$198,613.2	\$199,221.4	\$212,354.6

⁽¹⁾ Includes the Income Fund

**GILBERT DRIVE PARKING LOT RECONSTRUCTION
CAPITAL PROJECT APPROVAL**

Summary: Gilbert Drive is located on the far east end of campus and runs from Lucinda Avenue on the north to College Avenue on the south. Because it doubles as a crucial connection for vehicle access and as parking, the condition of the roadway has deteriorated beyond the point of repair. In addition, over the years, several utility improvement projects have crossed the street leaving pavement patches of various ages and sizes. The road is long overdue for reconstruction, but work has remained on hold, pending completion of the last known utility improvement to impact the street: installation of chilled water distribution piping the entire length of the road.

A Capital Development Board project is currently under contract for design and construction of this chilled water distribution installation. Construction documents for work on Gilbert Drive are 90 percent complete, and the CDB has scheduled bid opening in the fall of 2002. Construction will begin upon receipt of favorable bids and execution of construction contracts. That schedule leaves the university in the best possible position to begin planning and engineering reconstruction of the roadway so construction can immediately follow installation of the chilled water lines.

The configuration of Gilbert Drive has changed little over its 50-year life. Use of the street has changed considerably in that same time period. Where it once served two academic buildings, a dormitory and an athletic facility (Glidden Field), it now is in the middle of an East Campus academic and administrative complex and is a major thoroughfare for Huskie Bus traffic. Design for reconstruction will consider new turn radii for bus traffic, gravel base depth sufficient for the heavy traffic and efficient, safe parking spaces. Because it is one of the few mature tree-lined streets on campus, particular attention will be paid to retaining landscaping features.

The university will utilize the Qualifications-Based Selection (QBS) process to select and then contract an engineering firm for design of the construction. The anticipated schedule will be to begin construction following completion of the chilled water line installation.

Recommendation: The university requests Board of Trustees authorization to establish a project budget of \$750,000 for reconstruction of Gilbert Drive. Project costs will be paid from revenue bond reserves. The university further requests approval to execute purchase orders, contracts and issue work orders as necessary to design, bid and contract for this project.

**HOLMES STUDENT CENTER - BALLROOM RENOVATION AND EQUIPMENT
Capital Project Approval**

Summary: Major upgrade of the Duke Ellington Ballroom in Holmes Student Center has not been undertaken since its construction in 1968. Plans for renovating the room and replacing equipment have remained on hold, pending completion of roof replacement over the room. Abatement of the ballroom ceiling and replacement of the roof were approved by the Board of Trustees at its June 20, 2002 meeting, and design work has begun. That work is scheduled to begin in December 2002. The next step is to complete interior renovation on a similar schedule and minimize downtime for the ballroom.

The proposed renovation will integrate several operational components of the facility, which have been replaced or added on a piecemeal basis over the life of the room. Audio/Video and lighting systems originally installed are well beyond their useful life. The renovation will provide the infrastructure support for installation of new systems that blend into the aesthetics of the room. New equipment will be purchased for Audio/Video and lighting control.

Additional renovation is intended to upgrade the aesthetics of the room. Rehabilitation of the ceiling will be required after abatement takes place in December. Painting and application of acoustic panels on the walls will improve the look and sound of the room. The existing parquet floor remains usable, but will be refinished to improve its appearance and add to its useful life. The movable divider between the Ballroom and the Capital Room requires repeated repair and will be replaced. Where possible, the mid-sixties imitation wood grain laminates in the facility will be replaced or covered with new surfaces.

In addition, the stage curtain has been in place for more than thirty years and needs to be replaced. Fixed balcony seating shows similar signs of aging. New curtains will be purchased and balcony seating will be upgraded to give a fresh appearance to the room. Tables and chairs will be purchased to replace worn or broken pieces for use in the room. Overall, these combined efforts will return the Ballroom to a facility with integrated operational systems and coordinated decor.

Recommendation: The university requests Board of Trustees authorization to establish a total budget of \$600,000 for renovation and equipment purchases for the Duke Ellington Ballroom in Holmes Student Center. Project costs will be paid from revenue bond reserves. The university further requests approval to execute purchase orders and contracts and issue work orders as necessary for the design, bidding, procurement and remodeling of the facility.

**HOLMES STUDENT CENTER - ADA UPGRADES
Capital Project Approval**

Summary: The Board of Trustees approved a budget of \$410,200 for ADA upgrades in Holmes Student Center at its September 2001 meeting. The project was divided into two parts. Part A called for restroom modification to meet ADA requirements (initially the Sky Room, Huskie Den and the Main Gallery). Part B focused on modification of a freight elevator to meet ADA compliance for public access.

Bid results were higher than anticipated for restroom modification work. After consideration, the decision was made to execute contracts to remodel the Sky Room and Huskie Den restrooms only. The rationale for this priority is that ADA-compliant restrooms are available near the Main Gallery. Work is underway to complete restroom modifications.

This left a balance in the project of \$280,000 for Part B (work on the elevator). As a highly specialized form of construction, elevator construction consultants were utilized to evaluate the existing installation for conversion to public use. In that process, questions were raised on the structural requirements of new hoist equipment. To completely answer those questions, a structural engineer was contracted by the university and structural upgrade requirements were included in bidding documents.

Bid opening for the elevator work was held August 20, 2002. Unfortunately, the low bid amount was \$308,000. Although higher than estimated, university staff believes the bid reflects increased costs associated with structural upgrades and an increase in construction costs since the estimate was completed several years ago. The added cost of structural engineering and structural upgrades were not anticipated when the work was estimated.

This work is important for meeting federal requirements to provide access in this heavily used public building, and the university should move forward with the increased budget to get the work done. Given the significance of the ADA compliance work and given that the university has sufficient reserves to fund the additional costs, the university recommends proceeding with the low bid contractor to complete the elevator upgrade.

Recommendation: The university requests Board of Trustees authorization to increase the project budget by \$73,400 and establish a new total budget of \$483,600 for remodeling in Holmes Student Center to upgrade ADA access. Project costs will be paid from revenue bond reserves. The university further requests approval to execute purchase orders and contracts and issue work orders as necessary for the design, bidding, procurement and remodeling of the facility.

GEOLOGY AND ENVIRONMENTAL SCIENCES RESEARCH EQUIPMENT

Summary: A consortium with representatives from Germany, Italy, New Zealand, the United Kingdom, and the USA has been formed to conduct a study of past environmental and climatic changes affecting Antarctica. To partially fund this project, the NIU Geology Department has been awarded an NSF grant that will be supplemented with matching funds from the College of Liberal Arts and Sciences. These funds will be combined with contributions from the University of Nebraska (Lincoln), New Zealand and Germany and will be paid to Antarctica New Zealand (AntNZ), a government corporation in New Zealand, which will use the funds to purchase and customize a new drilling rig for use in the project.

Recommendation: The university requests approval of expenditure authority for FY03 as follows:

Antarctica New Zealand - Christchurch, New Zealand.....\$560,000

**DEKALB COUNTY METROPOLITAN PLANNING ORGANIZATION (MPO)
A RESOLUTION OF SUPPORT AND REQUEST FOR UNIVERSITY
REPRESENTATION ON NEWLY ESTABLISHED MPO**

Summary: In May 2002, the U.S. Census Bureau newly classified DeKalb County as an urbanized area (an area defined as a densely settled territory that contains at least 50,000 persons). This designation requires the creation of a Metropolitan Planning Organization. The Illinois Department of Transportation, in cooperation with the Federal Highway Administration and the Federal Transit Administration, is providing assistance to the County of DeKalb; Cities of DeKalb, Sycamore and Cortland; Northern Illinois University; and the transit district/agency(s) in DeKalb County to create this new Metropolitan Planning Organization. This new MPO will have a significant impact on the long-range transportation planning decisions in DeKalb County, including the Northern Illinois University campus.

The new DeKalb County MPO will administer the federally required planning process that assigns Surface Transportation Planning-Urban funds to local transportation projects and approves the use of all federal funds allocated toward surface transportation projects (including transit) in the metropolitan planning area. All surface transportation projects receiving federal funds must be included in the MPO's Long-Range Plan and Transportation Improvement Program recommendations to IDOT. It is very important that the University and the Student Association are represented on the governing and technical committees that will advise and operate the DeKalb County MPO.

Recommendation: The University recommends approval of the attached resolution supporting the creation of a DeKalb County MPO and a request for University voting representation on the MPO's Policy Committee, as well as University and Student Association voting representation on the MPO's technical committee.

RESOLUTION

WHEREAS on May, 2002 the United States Census Bureau released the list of regions that, as a result of the Census 2000, are now classified as urbanized areas (a densely settled territory that contains at least 50,000 persons); and

WHEREAS the County of DeKalb has been classified as part of the DeKalb urbanized area; and

WHEREAS the Illinois Department of Transportation, in cooperation with the Federal Highway Administration and Federal Transit Administration, are providing assistance to the County of DeKalb; Cities of DeKalb, Sycamore and Cortland; Northern Illinois University; and the transit district/agency(s) in DeKalb County to create a new metropolitan planning organization (MPO); and

WHEREAS this new DeKalb County MPO will be the operation that carries out the federally required planning process that assigns Surface Transportation Planning-Urban funds to local transportation projects and approves the use of all federal funds allocated toward surface transportation projects (including transit) in the metropolitan planning area; and

WHEREAS the new DeKalb County MPO is required to have Technical (appointed transportation and planning officials) and Policy (chief appointed and/or elected officials) Committees that are mandated to prepare a Long-Range Plan every three to five years; a Unified Work Program to contract for the planning funds; and a Transportation Improvement Program (TIP) to assign and approve the use of surface transportation funds; and

WHEREAS all projects in the Transportation Improvement Plan must first be identified in the Long-Range Plan, and all federal funds spent in the MPO planning area on transportation, other than aviation, must be included in the Transportation Improvement Plan; and

WHEREAS Northern Illinois University comprises a substantial geographical and population base within DeKalb County; and

WHEREAS the Huskie Bus Line provides transit service for NIU's 24,000+ students and members of the community on-campus and throughout the Cities of DeKalb and Sycamore; and

WHEREAS Northern Illinois University has many significant challenges ahead in planning and developing a safer and more efficient transportation infrastructure for the DeKalb Campus, including Annie Glidden Road and the future development of the West Campus; therefore

BE IT RESOLVED that the Board of Trustees of Northern Illinois University strongly urges the County of DeKalb and the Cities of DeKalb, Sycamore and Cortland to create this newly required Metropolitan Planning Organization (MPO) as soon as possible; and therefore,

BE IT FURTHER RESOLVED that due to the unique needs and important contributions of Northern Illinois University to the DeKalb County region that the Board of Trustees of Northern Illinois University requests that the newly constituted Metropolitan Planning Organization include university representation on the Policy and Technical Committees in the form of (a) voting membership for the President of NIU or Presidential designee on the Policy Committee and (b) voting membership for the President of the NIU Student Association (representing the Huskie Bus Line) or SA Presidential designee and voting membership for the University Chief of Operations or designee on the Technical Committee.

**BOARD OF TRUSTEES OF
NORTHERN ILLINOIS UNIVERSITY**

Manuel Sanchez, Chair
Attest: *Robert T. Boey, Secretary*



COLLECTIVE BARGAINING AGREEMENTS

Northern Illinois University negotiates with eight collective bargaining organizations representing different employee groups. Salary increases and other terms/conditions of employment for bargaining unit members are subject to negotiation, and final agreements are submitted for approval to the Board of Trustees. Reopeners normally occur at the beginning of the fiscal year. As these agreements are completed, the Academic Affairs, Student Affairs and Personnel Committee is notified. The following three collective bargaining agreements have been tentatively approved, ratified by the bargaining units, and will be submitted for approval to the Board of Trustees at the September 19 meeting.

- 1) **Bargaining Unit:** Illinois Fraternal Order of Police Labor Council representing approximately six Police Telecommunicator employees at the DeKalb campus.

Scope of Negotiations: Full Contract Reopener

Tentative Agreement for Board Action: A new 5-year agreement through June 30, 2007. Terms and conditions are consistent with university policies and guidelines.

- 2) **Bargaining Unit:** The International Union of Operating Engineers, Local 399 representing 35 Stationary Firemen, Stationary Fireman Helpers, Stationary Engineers, Lead Plant Stationary Engineers, and the Assistant Chief Plant Operating Engineer in the Heating Plant at the DeKalb campus.

Scope of Negotiations: Full Contract Reopener

Tentative Agreement for Board Action: A new 4-year agreement through June 30, 2006. Terms and conditions are consistent with university policies and guidelines.

- 3) **Bargaining Unit:** United Brotherhood of Carpenters & Joiners, Local 790, representing approximately 17 carpenters at the DeKalb campus.

Scope of Negotiations: Full Contract Reopener

Tentative Agreement for Board Action: A new 5-year agreement through June 30, 2007. Terms and conditions are consistent with university policies and guidelines.

Recommendation: The university recommends that the Academic Affairs, Student Affairs and Personnel Committee endorse these agreements and ask the President to forward them by means of the President's Report to the Board of Trustees for final action at its meeting on September 19, 2002.

**APPOINTMENT OF ACTING VICE PROVOST FOR RESEARCH
AND DEAN OF THE GRADUATE SCHOOL**

Dr. T. Daniel Griffiths has been asked to serve as Acting Vice Provost for Research and Dean of the Graduate School. Professor Griffiths received his undergraduate degree in biology from Earlham College, Richmond, Indiana and his M.S. and Ph.D. degrees from the University of Illinois, Urbana-Champaign. Following postdoctoral work at Washington University, he spent several years on the faculty at the University of Rochester. He left Rochester for Northern Illinois University in 1981 to help develop the new Ph.D. program in biological sciences at NIU. Besides being involved in the creation of the Ph.D. program, he has served on and chaired the personnel and graduate committees in the Department of Biological Sciences; has been a member of the Academic Planning Council; served on the Faculty Senate, the University Council and the University Advisory Committee; and served as president of the Faculty Senate and Executive Secretary of the University Council.

Professor Griffiths' research involves the repair of radiation-induced damage to mammalian cells. He has published numerous journal articles and book chapters, received approximately \$1,000,000 in external support from the National Institutes of Health (NIH), reviewed numerous scientific articles and reviewed grants for NIH and the National Science Foundation. He served for three years, one year as the assistant chair, on a review panel for Howard Hughes predoctoral grants. He has attended, presented papers and chaired sessions at numerous scientific meetings. Presently he is collaborating on research examining light-induced damage to the eye.

Recommendation: The university recommends that the Academic Affairs, Student Affairs and Personnel Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on September 19, 2002.

APPOINTMENT WITH RANK AND TENURE

Chair, Department of Industrial Engineering

Dr. Nourredine Boubekri has been selected as the new chair of the Department of Industrial Engineering after a national search. He has been recommended by the department, college and university for tenure with the rank of full professor in the Department of Industrial Engineering.

Currently, Dr. Boubekri is an associate professor of industrial engineering and director of the manufacturing engineering program at the University of Miami in Coral Gables, Florida. He also created and serves as the director of the University of Miami Manufacturing Research Institute and is the associate director of the University of Miami Industrial Assessment Center. Dr. Boubekri holds both a baccalaureate and master's degree in manufacturing engineering from Boston University and a doctoral degree in industrial engineering from the University of Nebraska at Lincoln.

Dr. Boubekri has published 20 articles in refereed journals, 10 book chapters and monographs, and presented 21 papers at national and international conferences. He has been awarded approximately \$2 million in grant funding as a principal or co-principal investigator, serves as the associate editor of the *International Journal of Science and Technology*, and is a grant reviewer for the National Science Foundation and the Natural Sciences and Engineering Research Council of Canada. Dr. Boubekri is also a manufacturing program evaluator for the Accreditation Board for Engineering and Technology (ABET).

Recommendation: The University requests that the Academic Affairs, Student Affairs and Personnel Committee endorse the decision to grant Dr. Nourredine Boubekri tenure in conjunction with his appointment as professor and chair of the Department of Industrial Engineering effective August 16, 2002, and ask the President to forward the recommendation by means of the President's Report to the Board of Trustees for approval at its meeting on September 19, 2002.

President's Report

No. 34

December 5, 2002

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
9:00 a.m. – Thursday – December 5, 2002
Clara Sperling Sky Room**

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



1. Call to Order and Roll Call
2. Verification of Appropriate Notification of Public Meeting
3. Meeting Agenda Approval *Action*..... 38
4. Review and Approval of Minutes of September 19, 2002 *Action*..... 41
5. Chair's Comments/Announcements
6. Public Comment*
7. Reports of Board Committees and Board Liaisons
 - a. Executive Committee
 - b. Academic Affairs, Student Affairs and Personnel Committee
 - c. Finance, Facilities and Operations Committee
 - d. Legislation, Audit and External Affairs Committee
 - e. Illinois Board of Higher Education
 - f. University Civil Service Merit Board
 - g. Northern Illinois University Foundation
8. Executive Session
9. President's Report No. 33
 - a. University Recommendations Forwarded by the Board Committees
 - (1) Finance and Facilities Altgeld Consulting *Action*... 53
 - (2) Center for Governmental Studies Web Portal-User Interface *Action*... 54
 - (3) Physics Department Research Equipment *Action*... 55
 - (4) Request for a New Degree Program *Action*... 56

- b. University Reports Forwarded from the Board Committees
 - (1) Higher Learning Commission Accreditation Update *Information*.....
 - (2) Semiannual Progress Report of Active Capital Projects with a Budget Over \$100,000 *Information*.....
 - (3) Quarterly Summary Report of Transactions in Excess of \$100,000 *Information*.....
 - (4) Quarterly Report on Investments *Information*.....
- c. Items Directly from the President
 - (1) Summary of Grant and Contract Awards *Information*.....
- 10. Chair's Report No. 23
 - a. Proposed Board of Trustees Meeting Dates for 2003 *Action*... 58
 - b. Executive Session Minutes Release *Action*... 59
 - c. Intergovernmental Agreement on the Metropolitan Planning Organization *Action*... 60
 - d. Board Officer Service Recognition Resolution *Action*... 61
- 11. Other Matters
- 12. Next Meeting Date
- 13. Adjournment

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

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

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

Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
December 5, 2002

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Manuel Sanchez at approximately 9:10 a.m. in the Clara Sperling Sky Room of Holmes Student Center. Recording Secretary Mimms conducted a roll call of Trustees. Members present were Trustees Catherine Adduci, Robert Boey, George Moser, Myron Siegel, Gary Skoien, Student Trustee Jesse Perez and Chair Sanchez. Not present was Trustee Barbara Giorgi Vella. 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

Subsequent to the printing of the Board Reports, Chair Sanchez said, three information items were added. Agenda Item 9.b.(2), the Semiannual Progress Report of Active Capital Projects With a Budget Over \$100,000; Agenda Item 9.b.(3), Quarterly Summary Report of Transactions in Excess of \$100,000; and Agenda Item 9.b.(4), Quarterly Report of Investments. Also, two action items were added to the agenda under the Chair's Report: Agenda Item 10.c., Intergovernmental Agreement on the Metropolitan Planning Organization and Agenda Item 10.d., Board Officer Service Recognition Resolution. The Chair asked a motion to add these items to the meeting agenda. Trustee Moser so moved, seconded by Trustee Boey. The motion was approved.

After discussion with President Peters and a review of the printed Revised Agenda before us, Chair Sanchez said, I propose the creation of a Consent Agenda that would immediately precede the President's Report for today's meeting and move President's Report No. 33 Action Items 9.a.(1), (2) and (3) and our receipt of Information Items 9.b.(1), (2), (3) and (4) and 9.c.(1) to that Consent Agenda. Trustee Adduci 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 Moser and seconded by Trustee Adduci to approve the minutes of the September 19, 2002 Board of Trustees Meeting. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Good morning to everyone, Chair Sanchez said, it is a pleasure for me to be here today at our last full Board meeting of 2002. Some of you may ask what I do – where has the year gone? I cannot believe that 11-plus months of this year have already passed, and the holidays are here. It seems like just yesterday we were talking about the new millennium and the year 2000. Now we are almost two years beyond, and I am awed by how quickly it has gone.

This has truly been a year of great accomplishments and great challenges, he said, and I would like to invoke the Chair's prerogative for just a few moments to comment on both. The year 2002 has been, in many ways, the year of dreams realized and dreams delayed. We have seen NIU become the university of choice for a growing number of talented young people as 2002 marked NIU's largest-ever single-year enrollment increase – and that bears repeating, the single-year largest enrollment increase. Why is that

more important today than ever with respect to what is happening in Springfield and the change in the administration? Because, for the last six years, thanks to a law that was passed, the Income Fund is controlled individually by each of the public higher education institutions. Frankly, we must do everything possible to see that that can never be undone and returned to the old way, where you had to collect the tuition, send it to Springfield and then the following year have it appropriated back to you. Think of the nightmare we would have here with this kind of increase in enrollment if we still had to rely, not on the tuition that's actually paid for the increased enrollment this year, but deal with last year's tuition because it was what had been appropriated for this year. That would wreak havoc on us, particularly given the budgetary constraints we are already facing. And now, I heard as recently as this week, the deficit is going to approximately \$3 billion. I just wanted to interject my position as Chair of NIU on that particular position. It will be articulated in many venues, including those that control this state.

We have seen a former NIU student come back to campus to open a magnificent new building that bears his and his spouse's names – Dennis and Stacey Barsema. We have seen thousands of students pour into our beautiful new convocation center for parties, concerts and sporting events. We have seen long-time faculty honored with the award of federal research grants that build and equip state-of-the-art facilities for their important work.

We have even cheered ourselves hoarse over a scrappy football team that lost five star players and still found ways to win – both on and off the field. I see Cary Groth is here and I see people from Intercollegiate Athletics, the coaching staff and some of the players. What a great weekend. There was all this big play about it, and it met, if not exceeded, expectations. In terms of victory, maybe not. But, in terms of pride, absolutely. Pride was omnipresent that weekend, whether you were in that football stadium or east, north, or west of there tailgating. I can say that for the 32 years since I left this institution, I have never seen such a return of pride to DeKalb as we saw that weekend. The weekend culminated with the basketball game and then the wrestling match. Speaker of the House Dennis Hastert was here for that weekend and the wrestling match, the first wrestling match I have ever witnessed. When I left that Sunday afternoon, that 40-minute ride seemed like the shortest ride ever, because I was floating. I was just so proud of what this university had accomplished and more excited about what the future has ahead for NIU and its students, faculty and staff. We are really blessed. And if we continue to receive the support from our alumni and from other benefactors, there is no reason that sense of pride cannot visit this campus on a regular basis. I cannot tell you, from the heart of an alum, class of 1970, how proud I was of that weekend. Thank you all for making it that, particularly for this old alum.

We have had many reasons to celebrate in 2002, and I am confident that we will continue to find exemplary people, programs and stories in 2003. What makes much of this so amazing to me is that it all happened against a backdrop of nearly unprecedented financial constraints. Budget cuts, budget give-backs, budget rescissions and worsening budget forecasts have been the order of the day since this time last year. President Peters sent out e-mails and notes universitywide to keep everyone abreast of the current budget situation, although I do not know where John has time to do anything besides revising, on almost a monthly basis, the cuts that need to be made. And yet, one year later, I am amazed at how Eddie Williams and his staff have found ways to pay for the exemplary academic program that we have and maintain the exemplary faculty and the management team that we have. The Trustees could not be prouder of what we have been able to do under incredibly difficult budgetary constraints.

As a Board, we have done all we can to lobby for NIU support. The best we can say is that things could be worse, that we have held the line, that we have told the NIU story in Springfield, and we believe we have done what we can to mitigate the impact. I believe we have made a difference, but we also know that is little comfort to dedicated faculty and staff who have foregone salary increases and who continue to be asked to do more with less. We are extremely grateful to the NIU community for its patience, understanding and generosity of spirit in these difficult times. If we needed those strengths in 2002, we are certainly going to need them again in 2003, for the news out of Springfield is about worsening deficits, disappointing revenues and ever-increasing budget shortfalls. Some estimates go as high as \$3 billion that will have to be made up, at least in part, by further cuts.

I know I speak on behalf of my fellow Trustees when I say that we are very impressed with the manner in which our president, John Peters, and his staff have readied the university for these difficult times. More than a year ago, John set forth a series of budget guidelines for the campus community, and they have

served us well through the ensuing months. Dr. Eddie Williams and his staff have similarly maintained a strong and determined hand in managing our way through the crisis, and we have the utmost faith in their ability to continue this important stewardship.

These are uncertain times, to be sure. We have a new Governor taking office next month, and new leadership in the both the House and the Senate. I know Rod and Patty Blagojevich very well, and count them among my friends. I know our Governor-elect to be a strong advocate of education at all levels, and I believe that NIU will fare well under his leadership. There are other Trustees on the NIU Board who have similar if not stronger relationships with the governor-elect. However, there were certain press releases, frankly, that discomfited some of us, and I am hoping that that was more political language used in the thick of a very tough race. And I am hopeful that this new governor and his staff will do the right thing for higher education.

We have, not just a good story, but a great story to tell. We are responsible, effective managers of state resources. We have the lowest administrative costs of any public university in the state. Our research and public service programs provide direct, tangible benefits to the people of this region, and our graduates are doing great things with their NIU degrees. We need to keep our focus in the weeks and months ahead, and continue to provide the best possible education for our 25,000 students. We live and work in the third-largest metropolitan region in the United States, and our role in that region is growing in importance.

We Trustees feel very privileged to serve NIU, and we will continue to do our part in the coming year to provide the guidance and support this institution and its students deserve.

On behalf of the entire Board, I would like to reiterate our thanks to the NIU faculty and staff for their excellent work this past year. On a personal note, I would like to thank my fellow Trustees, who have been there for this past year and a half under my chairmanship. It has really been a resource that I never have a chance, publicly, to share, but it is one of which I want you to be aware. This is the best Board of Trustees, not just in this state, but, I submit to you, in the country. We at NIU are privileged to have the leadership that we have. And when push comes to shove, this Board is one. We speak as one, and we will continue to speak as one, no matter what party or what governor is in Springfield. I just want to conclude by saying, again, that I am one very proud 1970 alum, and thank you for giving me the honor of chairing this Board. Thank you.

I want to really thank you for those comments and for the support of the Board, President Peters said, and we hope that we can continue to have your trust as we try to remain the best stewards possible of this great educational enterprise. Chair Sanchez made reference in his remarks to looking forward to working with Governor-elect Rod Blagojevich. Not many people know this, he said, but recently, Manny was named by Governor-elect Blagojevich to serve on the Higher Education Committee of his transition team. That's an honor, not only for our Board Chair, but also for this university. If you gauge Manny's remarks, I think you understand why I feel confident that our case will be made to this transition team. Congratulations, Manny, we know you will bring valuable perspective to those discussions and that you will represent your alma mater with distinction. Chair Sanchez thanked President Peters for his remarks, and said we will make this happen with the help of the State and Federal Relations staff.

The Chair welcomed University Advisory Committee (UAC) representatives Dr. Suzanne Willis, Dr. Paul Loubere, Dr. William Tolhurst, Dr. Jim Lockard, Ms. Beverly Espe and Ms. Sara Clayton. I am very pleased and heartened to hear of your relationship with the Governor-elect, Dr. Willis said, and I am looking forward to having higher education take its proper place in the priorities of the new administration. You know, of course, that the faculty does not see all that goes on behind the scenes, so we are kind of scrambling and trying to do as much as we can with what we have. Particularly since we are at this point in the semester – the last week of classes with final exams next week – the faculty is kind of frazzled. And the news out of Springfield, for the most part, is not helping. But we certainly are doing our best. We love NIU as much as anyone else does. This is our life and our careers, and we are giving it our all.

Well, we are the beneficiaries of that Dr. Willis, Chair Sanchez said, and thank you for the kind words and support. President Peters will introduce head football coach, Joe Novak and certain football team players. But before he does, the Chair said, when I talk about pride, I could not resist. I had to get out of

my seat and personally shake the hands of each of these players because so much of the pride I was talking about within that football stadium was engendered by their activities. And when I see that it is complimented by your activities off the field, just by your presence and the way you carry yourselves, he told the football team representatives, it is another heartfelt statement of pride, and you really carry the NIU banner very nicely.

Thank you, Mr. Chair, Dr. Peters said, this is a lot of fun and pride for me also. I would like to introduce our special guests. Head football coach Joe Novak is here with us today, and he has brought a number of players for us to meet. Not only did this year's team succeed in terms of what they did on the field, but they also succeeded in rekindling, as Manny has said, a tremendous amount of fan interest in NIU football. It was not just that they won games but that they played so hard and with such spirit. Saturdays at Huskie Stadium was the place to be this fall. As a matter of fact, over 140,000 Huskie fans attended our games this year. That is an average attendance for our home games this year of 21,000, which puts us just behind Marshall and Toledo in our league. That is attributable to the team and the excitement they cause there.

The young men Joe has chosen to introduce this morning are among the eleven – yes, I said eleven – NIU players who were chosen All-Mid-America Conference Players of the Year, the President said. That has got to be some kind of a record. Six of those eleven were First Team picks. In both categories, NIU led the league. We are proud of these players and what they have been able to accomplish this year. Without further ado, I will ask our head Huskie, Coach Novak, to come forward and say a few words.

It is a real treat to be here this morning, Coach Novak said, and to bring some of the players from our football team. It was an exciting year. I had the opportunity to come here last year, and we talked about championships and a championship game. I was hoping to be practicing today, and not here in this capacity. But we came up just a little bit short. However, we have here today our first team All Mid-American Conference Players, and five who made second team Mid-American Conference.

Coach Novak introduced the players from the football team. The seniors were: Timmy Vincent, an offensive tackle from Galena; Larry Williams, a linebacker from Dunbar High School in Chicago; and Vince Thompson, a defensive back corner from St. Rita High School in Chicago. The underclassmen were: Danny Sheldon, who was named Specialty Team Player of the Year for leading the country in punt returns, is from Burlington; Mike Turner, from North Chicago was second in the country in rushing this year with 1,900 yards; Randy Drew was a corner from Milwaukee who had a great year with seven interceptions and led the conference in interceptions; and Travis Moore from Eisenhower High School in Chicago, defensive end, first team.

I just had the opportunity this week to sit down and interview all our players, the coach said. Another thing I know you will all be proud to hear is that our three seniors are right on track to graduate here in the very near future. Our four underclassmen are also right on track toward graduation. It was a fun, exciting year. We certainly appreciate the support we had from the students, the community, the alumni and the faculty and staff. It was a great fall season. That Bowling Green game, I have been around coaching for a long time, and I have been around some bigger arenas than that day, but I have never been around a more electric crowd. And that was something that really helped bring our football team up.

The thing that is exciting to all of us is that of our 11 All-Conference Players, seven of them are coming back next year. So I think we are looking forward to some more positive things. We certainly appreciate what our senior players have done. These three seniors were all fifth-year kids who were the last group that remembers our losing streak. So, as of today, we no longer have to talk about that any more. But those players saw the end of it, and they are the ones that helped bring this program up to the point where it is right now, very competitive in this league. And I know how much it adds to a campus and a community when you have that type of excitement. Thanks so much for having us today. Thanks for your support. We look forward to coming back in the future.

I have one more thing to announce, President Peters said, tomorrow morning, out of Cleveland, Ohio, the MAC conference will name Joe Novak Coach of the Year.

I would just say this, Coach Novak said, these students have said it better than I can all year. When you listen to Mike Turner talk after our games, the first thing out of his mouth is his offensive line, and the team members that are helping him get the numbers that he has. Certainly, we are proud to accept that award. We all know it is a staff and a team. There are no individual awards in this game. When you have 112 players, 10 coaches, a training staff and all that, it is a team effort, and I certainly appreciate that. But we accept it on behalf of our team. So, thank you, very much.

PUBLIC COMMENT

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

REPORTS OF BOARD COMMITTEES AND BOARD LIAISONS

No committee meetings had been held since the previous full Board meeting.

Illinois Board of Higher Education

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

Universities Civil Service Merit Board

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

Northern Illinois University Foundation

Before I defer to the president of the Foundation to give this report, Trustee Boey said, I would like to make a comment. This is the first time in seven years that both the Finance and Facilities and Academic Affairs Committees did not meet. This reflects the economic times that we are going through. It really brings home the point that there is no money to spend.

The Foundation, too, is coming off an exceedingly busy fall period of donor and prospect events that began in August, Ms. Mallory Simpson, President of the NIU Foundation said, and will carry through next week with a small dinner for major prospects in New York City preceding the Alumni Association's theater event in New York City. Included this fall were the Barsema Hall dedication activities and receptions prior to each home football game, as well as the opening basketball game in our new convocation center. Also, our donor recognition dinner was held on October 4, which featured Foundation award recipients Bill Nicholas, Bob and Gena Beck and family and Shore Bank, and a surprise appearance by the Huskie Marching Band. In addition, Foundation committees and the entire Foundation Board met as part of its annual meeting and dinner on November 8, and four new directors were elected: Dean DeBiase, Chairman and CEO of Startup Partners in Lake Forest; Tom Kubik, President of MK Systems in Oakbrook; Richard Ryan, former president of DeKalb Agriculture, now Monsanto; and Tim Struthers, President of Castle Bank. It is a very strong class of new directors. Board action on November 8 included the appointment of several new committee chairs and a first-time ever collective goal for the board of directors for annual fund gifts. They have set a very ambitious goal for themselves as a board in its entirety. Each year, the board is getting stronger and more involved in the development process, and we look forward to our continuing collaboration with the Alumni Association. Our third joint meeting of executive committees will be held on January 24, preceding the Alumni Association's major event at the Art Institute.

For the first time in recent history, Ms. Simpson reported, our giving is behind our pace of last year. We had predicted that would be the case, and it is in keeping with national standards, she said, but I am not feeling very good about it. Total gifts to date are \$1,432,000 compared to \$1,662,000 last year at this time. In 2001, giving was flat across the country. It was the second lowest year in giving nationally since 1959. The lowest was 1987. However, there was a little growth, but when adjusted for inflation, giving was down 2.3 percent. The average drop during a recession period is about negative 1.1 percent, so the drop last year was a little sharper than during an average recession. The Ohio University Foundation has a very comprehensive and strong, well-established development program. The president of their

Foundation and I were talking this week, and he said, "I've been telling people that we're working a hundred percent harder and raising about 50 percent less money." So, this is a tough environment for everyone. Education received 15 percent of the total nationally in 2001, second only to religion. About \$53 million of that was in scholarship funds for victims of September 11 casualties.

Giving typically recovers to prerecession rates within one to two years after the end of a recession. So, what do we do in this environment? We really have to focus on laying the groundwork, which is building relationships with as many potential donors as possible. This is the basic work of any major gifts program in any environment. We have made huge progress this past year in getting to know new prospects. These efforts have included the President, senior administration, deans and staff participating in these events. I want to express my appreciation to everyone who has been involved in these events and made the time to participate, Ms. Simpson said, and I specially want to thank you Trustees. Many of you have been participants in Foundation programs this fall. It makes such a big difference to our guests to have you there and to be able to rub elbows with the people who are the governing board of their university. So, thank you for that.

In addition to building relationships at events, Ms. Simpson continued, staff made roughly 360 personal visits with prospects last year. This is an unprecedented number at NIU. It is a very good start, but we are just scratching the surface. I also brought a part of our team to introduce to you today. They are not physically as large as the football team, but they are probably as competitive. It is our entire major gifts team. I say entire, because when you see how many there are, you will know that for a major university, it is a fairly small but very dedicated group, and I am proud of them all. Nora Clark is our gift officer assigned to Liberal Arts and Sciences. She has been with the development team for two and a half years. Paul Crawford is our all-university major gift officer. He has been with us for nearly a year. Donna Mack is our major gift officer assigned to the College of Business. She has been with us one month. Tim Stedman is our major gift officer assigned to Athletics. He, too, is coming up on his one-year anniversary. So, it is a group that is working very hard and really making a difference. Ms. Simpson also introduced John Bass, Director of Gift and Estate Planning at NIU. It takes a huge amount of effort to get people to turn out for these events. But we are getting repeat business and people are having a great time. There has been a palpable change in the dynamic at some of our last events in the fall. There is a great spirit of camaraderie, of people connecting with each other and enjoying talking with each other as well as with the university people who are present. So we are going to keep doing these things, keep focusing on the fundamental work, and when the economic conditions improve, we will have many new individuals who will want to make major commitments to NIU.

I have given a copy of the Foundation Year in Review, highlighting some of the board's activities as well as the annual report to donors, to each Trustee. I always like to close with several major commitments. We have received \$50,000 in new charitable gift annuities from William and Marcia Harper. Tim Stedman and Nora Clark have been involved with those. We had a \$250,000 pledge from KPMG to name the accountancy suite in Barsema Hall. We have a \$150,000 pledge from Abbott Laboratories Fund to name a tiered classroom in Barsema Hall. Dean Graf was instrumental in both of those along with John Bass. And, we have received a \$50,000 gift from Ralph and Gloria Dickerson to the College of Law in memory of their daughter Marcia.

I want to personally thank Mike, John, Nora, Paul, Tim, Donna and, of course, our president, Mallory Simpson, for the fabulous job you have done, Chair Sanchez said. I really am thrilled with the prospect that an improved economy and this continuing winning program will produce results for NIU. And I predict that a year from now, Mallory, you are going to be telling an even greater and more exciting story.

EXECUTIVE SESSION

Chair Sanchez 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, 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 Siegel 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

Vice Chair Gary Skoien reconvened the public meeting of the Board of Trustees at approximately 11:07 a.m.

CONSENT AGENDA APPROVAL

Vice 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. 33 Action Items 9.a.(1), 9.a.(2), 9.a.(3), and our receipt of Information Items 9.b.(1), 9.b.(2), 9.b.(3), 9.b.(4), and 9.c.(1) to that consent agenda. Trustee Siegel so moved, seconded by Trustee Adduci. The motion was approved.

PRESIDENT'S REPORT NO. 33

I would like to begin my report by echoing the comment of Chair Sanchez with respect to NIU budget issues, President Peters said. We are all painfully aware of what has happened over the past year and share a certain apprehension about the gloomy economic forecast for the coming year. Yet, the lasting impression I take away from 2002 at NIU is that of a campus community that came together and stayed together in the face of tremendous challenges. I am extremely impressed and extremely proud of the way our faculty and our staff have worked to keep budget problems from affecting the quality of education we provide our students. I have every faith in these same people to carry on with those same values and commitment in the coming year, and I thank them for their faith, resilience and fortitude.

Earlier this morning, we took a moment to celebrate some student accomplishments on the football field, Dr. Peters said, and those of you who know me well understand that I have tremendous respect for our student athletes who carry a huge responsibility on their shoulders in terms of the university reputation and juggling their practice and study for a successful academic career. While those students and their mentors receive most of the press, I never want to miss an opportunity to hold up other types of heroes and accomplishments at NIU. I am thinking of individuals whose accomplishments tend to be in the classroom, in the laboratory and in the public service realm. This week, we announced NIU's nominees for the prestigious Lincoln Laureate awards as well as the winner of the NIU portion of this competition. The Lincoln Laureate award is a statewide competition that honors college students who have demonstrated excellence both in and out of the classroom. I would like to share a little about three of these students who could not be with us today.

Lucas Harris of Loves Park is a double major in Meteorology and Applied Math. He was named Outstanding Junior in Meteorology this year and won the NIU Math Contest two years in a row. Lucas participated in the prestigious Argonne National Laboratory summer internship program this year. He is very active in residence hall governance. And he served on the NIU Excellence in Undergraduate Teaching Task Force Committee.

Julia Jaywar of Westchester is an Honors student majoring in Corporate Communication. She is here on full academic scholarship and is a member of the Golden Key National Honor Society, and this year was named NIU's Cooperative Education Student of the Year. She participated in the Walt Disney World College Program internship this summer and was a feature columnist for *Teen Scene* magazine.

The winner of this year's competition, NIU's Lincoln Laureate for 2003, President Peters announced, is Shannon Finlayson of Glendale Heights. Listen to what this young lady has done so far in college. It is truly amazing. Shannon is a Mathematics Education major who has already earned a Computer Science degree last year. For her senior capstone project, as part of her Honors program, Shannon created a web-based program to help high school students succeed in math. "I tried to help them take learning into their own hands," she says. With a near perfect grade point average herself, Shannon has excelled outside the classroom as well. She raised \$2,000 for Habitat for Humanity; worked as a Habitat volunteer building houses for the poor; helped with fundraisers for AIDS and Multiple Sclerosis; served on the state

board of the Illinois Education Association student program; and was selected by Microsoft to spend last summer as a software test engineer testing/revising software to be released by Microsoft in the coming year.

While I have had to abbreviate these descriptions and the number of students who were nominated, the President said, these outstanding students are by no means alone as representatives of NIU's student body.

We have a tough year ahead with many challenges, Dr. Peters concluded. As we wrestle with difficult choices in the coming months, I know that each of us will return to our commitment to NIU's students as the ultimate guide for our decisions.

UNIVERSITY RECOMMENDATIONS FORWARDED BY THE BOARD COMMITTEES

Agenda Item 9.a.(1) – Finance and Facilities Altgeld Consulting

Agenda Item 9.a.(2) – Center for Governmental Studies Web Portal-User Interface

Agenda Item 9.a.(3) – Physics Department Research Equipment

Consent Agenda Items.

Agenda Item 9.a.(4) – Request for a New Degree Program

President Peters asked Provost Ivan Legg to present this item and the recommendation to the Board. This recommendation is to change a degree from the master's level in the Specialization in Audiology to a doctoral level program, the Provost explained. This is an absolute must if NIU is going to retain its commitment to producing audiologists. The conversion is necessary because the organization that represents audiology and speech and language met in 1997 and decided that the complexity of the background students need to become audiologists had exceeded the expectations for a master's level performance. As a result, they recommended an audiology doctorate. The audiology doctorate encompasses the increased amount of training and in-field experience these students must have before they become audiologists. For universities that offer audiology programs, the national deadline to make this conversion is 2012. We are beginning the conversion now to be sure that we have it done by the deadline, Provost Legg said. Again, I want to stress that if we do not do it, we will no longer be in the business of producing audiologists. It is important to note that our program, if approved, will be the only public university audiology program in the northern part of Illinois. In addition, by looking at our resource base, we can rearrange our resources in such a way that it will not cost additional money to make this conversion. The university recommends that the Board of Trustees approve the program for a new Doctor of Audiology (Au.D.) in the department of Communicative Disorders. Vice Chair Skoien asked for such a motion. Trustee Boey so moved, seconded by Trustee Adduci. The motion was approved.

UNIVERSITY REPORTS FORWARDED FROM THE BOARD COMMITTEES

Agenda Item 9.b.(1) – Higher Learning Commission Accreditation Update

Agenda Item 9.b.(2) – Semiannual Progress Report of Active Capital Projects with a Budget Over \$100,000

Agenda Item 9.b.(3) – Quarterly Summary Report of Transactions in Excess of \$100,000

Agenda Item 9.b.(4) – Quarterly Report on Investments

Consent Agenda items.

ITEMS DIRECTLY FROM THE PRESIDENT

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

Consent Agenda items.

Agenda Item 10.a. – Proposed Board of Trustees Meeting Dates for 2003

This proposed schedule will enable us to meet our statutory obligation to conduct a regular meeting in each quarter of the year, Vice Chair Skoien said. He asked for a motion to approve the proposed schedule. Trustee Siegel so moved, seconded by Trustee Adduci. 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. Upon review and advice of the Board's Parliamentarian, who is also our Corporation Legal Counsel, Vice Chair Skoien said, I recommend that the Board approve release from confidentiality of the specified sections of the Executive Session Minutes noted in action Item 10.b. Those sections that are still subject to confidentiality together with the sections from subsequent meetings will be considered again in six months. Vice Chair Skoien asked for a motion to approve this Executive Session Minutes release as stated. Trustee Siegel so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 10.c. – Intergovernmental Agreement on the Metropolitan Planning Organization

At our last meeting, Vice Chair Skoien said, we discussed the impending formation of a regional metropolitan planning organization (MPO). The last census showed that the DeKalb/Sycamore area has increased in population to more than 50,000 people, thanks, in no small part, to the population at NIU. The population increase is significant, because it now qualifies DeKalb/Sycamore as an urbanized area. As such, the federal government mandates that the region must establish an MPO to ensure that local jurisdictions are approaching transportation planning in a comprehensive and coordinated fashion. A number of Trustees have expressed this Board's strong belief that NIU must be represented as a full voting member of the MPO's policy committee, which will be the leadership and decision-making arm of the MPO. I am happy to report that by a unanimous vote of the City of DeKalb, City of Sycamore and DeKalb County, NIU has been elected to one of eight voting memberships on the policy committee. I would like to thank the Trustees for their leadership and strong advocacy in ensuring that NIU be given its rightful place at the table for this important discussion of local transportation issues. It is clear that transportation planning is a vital concern for the university as we move forward in the development of the campus. I would also like to thank the local elected officials for acknowledging the fact that NIU is a significant stakeholder in this issue and providing the means for us to participate in the process in a meaningful fashion. Ensuring appropriate access and safety throughout the region for our students, faculty, staff and visitors is tremendously important, and we are pleased to be working with our local elected officials in this regard. Our President, John Peters, is joining the Mayors of DeKalb and Sycamore along with the DeKalb County Board Chairman and a representative of the Illinois Department of Transportation as the voting members of the policy committee. All decisions regarding priorities for transportation planning will be made by this group.

An intergovernmental agreement establishing the MPO as the DeKalb/Sycamore Area Transportation Study has been drafted by the consensus of the proposed policy committee members. Today, Vice Chair Skoien said, the Board is being asked to approve this intergovernmental agreement so that the MPO can be formally approved by the current Governor and the work of the MPO can begin. The Vice Chair asked for a motion to approve the proposed agreement as stated in action Item 10.c. Trustee Boey so moved, seconded by Student Trustee Perez. The motion was approved.

I just want to thank Mayor Sparrow for his efforts on our behalf in forming this committee, Trustee Siegel commented. I would also like to thank the local press for its fine coverage of this item at our last meeting. I just want to add that I have attended some of the organizational meetings, President Peters said, and we are definitely a full partner. I also want to thank the Board for supporting us and the students who have strongly supported this as well.

Agenda Item 10.d. – Board Officer Service Recognition Resolution

Agenda Item 10.d. contains a resolution honoring George Shur, our retiring Second Assistant Secretary and University General Counsel, Vice Chair Skoien said. A copy of this resolution has been included in the Board Report. The Vice Chair asked for a motion to approve the resolution. Trustee Boey so moved, seconded by Trustee Siegel. The motion was approved.

George, Trustee Siegel said, it has been a pleasure to work with you these past nine years. Anyone who could get a job leaving here on a cruise ship, I have to give them credit. Congratulations and good luck to you and Martha.

I am delighted, Trustee Boey said, that George and Martha are going to be staying in the DeKalb area. But, above all, for those of us, like Myron, myself and some of the other Trustees who were here initially, we remember well the times that George had to guide us through some very difficult paths, and you did it well, George. And you certainly have shown that you have learned your way around, because, as Myron says, who else can get a cruise job for three months sailing the Pacific, going to Hong Kong and wherever else you are going. It is a wonderful, well-deserved job, and we know you are going to enjoy yourself.

I have had the pleasure of working with you for the last four and a half years, Vice Chair Skoien said. But I also have a personal thanks for George. George's roommate from college was the ambassador to Indonesia, and he arranged for my brother-in-law to come to the U.S. So, I would like to thank you for that.

George Shur made the following comments:

Thank you, very much, members of the Board of Trustees. Thank you, especially, for being, as Manny Sanchez indicated, not only the best Board of Trustees in the state, but quite probably, one of the best boards of trustees in the entire country. One of the things that your Corporation Counsel and Parliamentarian, Ken Davidson, and I do is go around and meet other people in our positions at other campuses, and they are pretty careful about telling us about the inner workings of their boards. But I think Ken will agree with me that we get the definite feeling that we are very lucky here. All you have to do is look around at the other boards in the state of Illinois to know that we have a functional board. We have a board which is supportive of the institution and its students, its faculty, its staff and its administration. We have a board that cares enormously about this university. And all you need to do is watch Manny Sanchez acting as a cheerleader, not only here at Board meetings but at athletic events and cultural events and such. And Manny is just one of all the Trustees who have done that over a period of years.

I need to thank some people, and I will thank a lot of them. I would rather thank as a group those people with whom I worked for a number of years. I am not going to tell you how long I have been at Northern, but suffice it to say, I was around before Myron Siegel. But, I have been very fortunate to work with some wonderful presidents – Bill Monat, John LaTourette and now John Peters – and some really spectacular colleagues in Lowden Hall and elsewhere in the administration.

DeKalb is our home, we are going to remain here, and we hope to remain active on a volunteer basis in Northern's activities. Thank you, very much, for this honor. I am very grateful. I want to congratulate Ken Davidson for his being named as the new General Counsel at NIU. You are fortunate that Ken has been here for a number of years and before that with the Board of Regents. He is skilled, he is knowledgeable and he is a good guy. As I told Ken, I will be very glad to help any time I can. But, remember that I am going to be on a voyage halfway around the world. Ken will be great, and you will love working with him.

I just want to close by saying that I am going on a voyage and not a cruise. This is an educational enterprise. I am going to be the assistant dean, and I am told that my day will be very long and very hard. However, I do not want any of you to feel sorry for me. Thanks, very much.

Yesterday, we had a wonderful reception send-off for George and Martha, President Peters said. And, I must admit, I failed in my Board charge to reject his retirement. And at one point, when we had a rather heated discussion about it in my office several months ago, I said, "George, why don't you chill out and take a slow boat to China." Never did I realize that he would take me up on that. Best wishes to you, George. You have made a difference here.

George, thanks for all of us, Vice Chair Skoien said. And, Ken, congratulations and welcome. We are all happy that you are going to be succeeding George in this role.

OTHER MATTERS

I want to raise an issue to the Board about academic program enhancement and instructional technology fees, Trustee Siegel said. The strength of the university is encased in the quality of its academic programs and the ability to preserve and enhance the academic experience within the context of student demand, new technologies and advancement in instruction and instruction delivery. As a result, the university must investigate all avenues that will provide the support necessary to effectively meet this challenge. I am asking, therefore, that the Board of Trustees direct the university to explore specific recommendations regarding the preservation, strengthening and, particularly, enhancement of the NIU academic experience, especially given advancing technologies in instructional techniques and delivery. The university should work with the Board Chair or his designee to prepare an appropriate financial structure that supports such recommendations. This is not an action item, but it would be, essentially, a directive from the Board, and I ask that the Board Chair consider it as a directive to the President and the administration.

I certainly concur with Trustee Siegel on this matter, Trustee Boey said. We already have endured two budget cuts and there is no question in all our minds that the third one is coming, and the question is how big. It is not whether it will happen or not. And at the end of the day, it is all about available money or perhaps money not available to serve our students. The reputation of NIU is quality instructional programs, and we are talking about enhancement of these programs. So we need to be vigilant, and we need to be proactive in moving forward on our own to see what options are available to us to ensure that we can continue to maintain and enhance our academic programs and the instructional technology.

As Student Trustee, Jesse Perez said, educational quality is top priority to me. It affects students while they are here and beyond after they graduate from college. It keeps us competitive in the workforce, and that is the reason that we are here. So, I consider that to be my highest priority as Student Trustee.

I just want to echo my support along with my colleagues, Trustee Adduci said. I also believe it is important for us to maintain and enhance our stance on instructional technology. It needs to be the best. So I am in support of the university exploring recommendations in this area.

President Peters, I think you have a sense of the direction of the Board, Vice Chair Skoien said. I will convey that to Chair Sanchez, and we will go from there. We will get started on that right away, President Peters said.

NEXT MEETING DATE

Vice Chair Skoien announced that the next meeting of the Board of Trustees is scheduled for Thursday, March 20, 2003.*

ADJOURNMENT

There being no Other Matters, Vice Chair Skoien asked for a motion to adjourn. Trustee Boey so moved, seconded by Trustee Siegel. The motion was approved. The meeting was adjourned at approximately 11:33 a.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

**This date was later changed to Wednesday, March 19, 2003.*

FINANCE AND FACILITIES ALTGELD CONSULTING

Summary: In December 1999, the university engaged the services of Turner Construction Company to provide additional oversight, evaluation and general construction services in order to maximize the efficiency of the Altgeld renovations, designs and requested change orders and to provide recommendations and assistance regarding value engineering alternatives and other measures to reduce costs.

Given the approximate \$24 million dollar budget and the complexity of renovating a 100-year-old building, Turner has effectively provided these services resulting in cost savings and cost avoidance several times the amount of their fee.

A \$50,000 amendment is now required to this consulting and construction management services contract in order to extend these services to the revised projected end date of the project.

Recommendation: The University requests approval of a change order for consulting services for Altgeld Hall for FY03 as follows:

Turner Construction Co. - Chicago, IL

Original Amount	\$439,925
Amendment.....	<u>50,000</u>
New Order Total.....	\$489,925

CENTER FOR GOVERNMENTAL STUDIES WEB PORTAL-USER INTERFACE

Summary: In 2001, the University contracted with Meridian KSI for licensure and support for a customized comprehensive knowledge management web portal. A subsequent order and contract was issued in FY02 for \$149,000 for additional services and sub-site licenses that may be purchased. An amendment to this order is now required to cover additional costs that will be incurred by adding services for other organizations. Support for and funds to pay for customizations and sub-licenses are provided by organizations joining the consortium. Original presidential approval was given on March 14, 2002.

Recommendation: The University requests approval of a change order for licensure and support for a customized comprehensive knowledge management web portal for FY03 as follows:

Meridian Knowledge Solutions, Inc. - Chantilly, VA

Original Amount	\$149,000
Amendment.....	<u>276,000</u>
New Order Total.....	\$425,000

PHYSICS DEPARTMENT RESEARCH EQUIPMENT

Summary: The university has received a grant to fund the establishment of a nanoscience and materials science laboratory for the study of properties of matter. This laboratory will require the purchase of a complete laboratory system composed of a pulsed laser deposition system, which includes a gas cabinet for laser gases, an optics package and a deposition chamber with accessory components.

Recommendation: The university requests approval of expenditure authority for FY03 as follows:

Nerocera, Inc. - Beltsville, MD 405,100

REQUEST FOR A NEW DEGREE PROGRAM

All new degree programs require the approval of the Board of Trustees and the approval of the Illinois Board of Higher Education. This new program request has received all required curricular approvals at the department, college and university levels, endorsement by the Academic Planning Council (APC) and the concurrence of the Provost.

Doctor of Audiology (Au.D.)

Description: The Au.D. is an entry-level degree that prepares individuals for professional practice in the area of audiology. The program of study is designed to meet the minimum academic and clinical requirements for the Certificate of Clinical Competence in Audiology by the American Speech-Language-Hearing Association (ASHA) and state licensure and to prepare students to offer effective and competent clinical services upon graduation. The curriculum of the proposed Au.D. degree program is comprised of a minimum of 114 semester hours of classroom and clinical course work. The program requirements are designed to be completed in four years of full-time study including summers. Students would begin supervised clinical experiences in the NIU Speech and Hearing Clinic beginning in the first year of study and continuing through year three. In year four of the program, students would engage in full-time practicum experiences in a variety of agencies affiliated with the program, completing 2000 hours of required supervised clinical work. The proposed Au.D. program would be administered by the Department of Communicative Disorders, which is housed in the College of Health and Human Sciences.

Rationale: In 1997, ASHA voted to change the entry-level requirement for the Certificate of Clinical Competence in Audiology to a doctoral degree and specified the skills and knowledge that must be demonstrated by graduates seeking national certification. Revisions in the entry-level requirements were deemed necessary in order to make the level of educational preparation consistent with the expanded scope of practice in the profession. The new requirement for the entry-level doctoral degree will be effective January 1, 2012. The Doctor of Audiology (Au.D.) degree program is designed to meet these new requirements, allowing the university to continue to prepare entry-level professionals in audiology.

Currently, only five entry-level degree programs or curricular options in audiology are offered in the State of Illinois at the University of Illinois Urbana-Champaign (UIUC), Illinois State University (ISU), Northwestern University (NU), Rush University, and Northern Illinois University. UIUC and NU can use their existing Ph.D. degree programs to meet the new certification standards; however, it is anticipated that they will also develop separate entry-level Au.D. programs. No information is available at the present time about ISU's plans to develop an Au.D. degree program. Rush University initiated its Au.D. degree program in fall 2002 and reports from Rush indicate that the number of applicants for fall 2002 far exceeded the capacity for its program.

The proposed Au.D. program at NIU, which would be more accessible to students in terms of cost, would be the only one offered at a public university in northern Illinois. In addition, the focus of the Au.D. program at Rush University is on medical audiology. The NIU program would prepare audiologists who are competent not only in medical audiology but also in areas such as rehabilitative, educational, and industrial audiology. This generalist approach will be facilitated by existing and expanded course work and existing practicum facilities available at NIU and its external placement settings. NIU's offerings in speech-language pathology and rehabilitation counseling provide a unique opportunity to build the proposed Au.D. degree program on the interdisciplinary approach that has served the current students in the M.A. Specialization in Audiology well. It is anticipated that the number of students seeking

preparation to become audiologists at public universities in the northern portion of the state will remain the same or increase over the next decade.

Costs: No new resources are needed to implement this degree program. The Department of Communicative Disorders will reallocate existing resources to support the new program including those resources that support the current M.A. specialization in audiology.

Recommendation: The university recommends that the Board of Trustees approve this program request for a new Doctor of Audiology (Au.D.) degree in the Department of Communicative Disorders.

PROPOSED BOARD OF TRUSTEES MEETING DATES FOR 2003

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

March 20	(3rd Thursday)
June 19	(3rd Thursday)
September 18	(3rd Thursday)
December 4	(1st Thursday)

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

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 2002 of either the full Board of Trustees or standing committees of the Board which have not previously been released from confidentiality.

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

December 6, 2001 - Executive Session of the NIU Board of Trustees

1. Executive Session Minutes Release

June 20, 2002 - Executive Session of the NIU Board of Trustees

1. Review and Approval of Minutes of Previous Executive Session Meetings – December 6, 2001 and March 21, 2002

September 19, 2002 - Executive Session of the NIU Board of Trustees

1. Review and Approval of Minutes of Previous Executive Session Meeting – June 20, 2002
2. Personnel Matters – Consideration of Administrative Promotion and Appointment of Corporation Counsel to Associate Vice President for University Legal Services and General Counsel

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

**INTERGOVERNMENTAL AGREEMENT TO FORM
A METROPOLITAN PLANNING ORGANIZATION KNOWN AS THE
“DEKALB/SYCAMORE AREA TRANSPORTATION STUDY”**

As a result of the 2000 Census, the DeKalb region has been classified by the U.S. Census Bureau as an urbanized area (population of at least 50,000). The urbanized area designation is the threshold for designation by the U.S. Department of Transportation as a Metropolitan Planning Organization (MPO). A region reaching a level requiring an MPO must participate in a coordinated, comprehensive and cooperative transportation planning process in order to receive federal funding for transportation projects and programs.

Preliminary work has begun on the local level to establish the “DeKalb-Sycamore Area Transportation Study” (DSATS) as the Metropolitan Planning Organization. DSATS will consist of a Policy Committee and the Technical Advisory Committee. The Policy Committee will guide all DSATS planning activities and shall have final authority over all decision-making matters within the jurisdiction of DSATS, including approval of the regional transportation plan. By unanimous vote of the City of DeKalb, City of Sycamore and County of DeKalb, the Policy Committee will be comprised of a total of eight voting members, each having one vote:

1. City of DeKalb: Mayor
2. City of DeKalb: Representative appointed by the Mayor
3. City of DeKalb: Representative appointed by the Mayor
4. City of DeKalb: Representative appointed by the Mayor
5. City of Sycamore: Mayor
6. DeKalb County: Chairman, DeKalb County Board
7. Northern Illinois University: President
8. State of Illinois: District Engineer, IDOT District 2

In addition to the voting membership, the Mayor of the Town of Cortland shall have one nonvoting seat on the Policy Committee. The entities represented on the proposed Policy Committee are being asked to enter into a cooperative intergovernmental agreement to create the DeKalb-Sycamore Area Transportation Study.

The Technical Advisory Committee will provide professional technical advice and recommendations to the Policy Committee and conduct or oversee the technical planning functions and duties of DSATS. The agreement provides that the Committee will include Northern Illinois University’s Executive Vice President-Business & Finance and a staff architect, as well as the Northern Illinois University Student Association President (representing Huskie Bus).

An MPO staff will be established to provide staff support and technical expertise for the development and implementation of the MPO’s policies, programs and plans.

Recommendation: The MPO must be established and approved by the Governor of the State of Illinois by no later than May 1, 2003. It is the desire of local elected officials that the intergovernmental agreement be signed by all participating entities and approved by the Governor before December 31, 2002 to avoid a potential delay in the establishment of the MPO. Subject to customary legal review and acceptance by the Board’s Corporation Counsel, the University requests the Board to approve execution of the Cooperative Agreement forming the DeKalb-Sycamore Area Transportation Study (DSATS).

BOARD OFFICER SERVICE RECOGNITION RESOLUTION

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 George M. Shur was chosen in 1983 to furnish his legal counsel, efforts and representation skills on behalf of Northern Illinois University, and since 1996 he has also faithfully served the Board of Trustees of Northern Illinois University as its first Second Assistant Secretary; and

WHEREAS in said capacities along with other roles such as external speaker, adjunct faculty member and participant in work of university committees, commissions and boards, Mr. Shur capably and honorably discharged those duties and responsibilities while at the same time diligently protecting 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. Shur 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 Mr. Shur has been recognized by his professional peers in the National Association of College and University Attorneys through its award for Distinguished Service; and

WHEREAS the Board of Trustees and Northern Illinois University have received the benefit of his helpful insights and service 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. Shur to all of the above-mentioned interests of this Board,

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

BE IT FURTHER RESOLVED that this **RESOLUTION** be presented to Mr. Shur 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. George M. Shur.

Adopted in a regular meeting assembled this **5th** day of **December, 2002**.

**BOARD OF TRUSTEES OF
NORTHERN ILLINOIS UNIVERSITY**

Chair

Attest: _____
Secretary



President's Report

No. 34

March 19, 2003

No item in this report for release prior to 9:00 a.m. Wednesday, March 19, 2003.

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
9:00 a.m. – Wednesday – March 19, 2003
Clara Sperling Sky Room**

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



14. Call to Order and Roll Call
15. Verification of Appropriate Notification of Public Meeting
16. Meeting Agenda Approval *Action*..... i
17. Review and Approval of Minutes of December 5, 2002 *Action*..... 1
18. Chair's Comments/Announcements
19. Public Comment*
20. 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
21. Executive Session
22. President's Report No. 34
 - a. University Recommendations Forwarded by the Board Committees
 - (1) Fiscal Year 2004 Student Fee Recommendations *Action*..... 80
 - (2) Fiscal Year 2004 Room and Board Rate Recommendations *Action*..... 85
 - (3) Fiscal Year 2004 Athletic Sports Camp Housing and Meal Expenditure *Action*..... 87
 - (4) Fiscal Year 2004 Student Accident and Sickness Insurance Contract Renewal *Action*..... 88
 - (5) Fiscal Year 2004 Document Services Copier and Controller System Contract Renewal..... *Action*..... 89
 - (6) Fiscal Year 2004 Waste Management Contract Renewal *Action*..... 90
 - (7) Fiscal Year 2004 *Northern Star* Contract Renewal *Action*..... 91
 - (8) International Programs Division Contracts Renewal *Action*..... 92
 - (9) College of Education – Literacy Education Multiyear Contract *Action*..... 93
 - (10) Mass Transit Contract *Action*..... 94
 - (11) Biological Sciences Multiyear Research Project *Action*..... 95
 - (12) Center for Governmental Studies Project Administrator *Action*..... 96

(13) Illinois Mutual Aid Agreement	<i>Action</i>	97
(14) Holmes Student Center – Ballroom Equipment Approval	<i>Action</i>	98
(15) Swen Parson Hall – Chessick Legal Skills Training Center	<i>Action</i>	99
(16) Recommendations for Faculty and Supportive Professional Staff Sabbatical Leaves for the 2003-2004 Academic Year	<i>Action</i> ...	100
(17) Request for New Emphases	<i>Action</i> ...	102
(18) Request to Delete Emphases and a Minor	<i>Action</i> ...	104
b. University Reports Forwarded from the Board Committees		
(1) Fiscal Year 2004 Budget Process Update	<i>Information</i>	
(2) Quarterly Summary Report of Transactions in Excess of \$100,000	<i>Information</i>	
(3) Periodic Report on Investments	<i>Information</i>	
(4) Academic Program Enhancement and Instructional Technology Surcharge..	<i>Information</i>	
(5) Higher Learning Commission Accreditation Update	<i>Information</i>	
(6) Annual Report on Oral English Proficiency 2001-2002	<i>Information</i>	
(7) Annual IBHE Report on Underrepresented Groups 2001-2002.....	<i>Information</i>	
(8) Substantive Legislation.....	<i>Information</i>	
(9) Fiscal Year 2002 Compliance Audit Report	<i>Information</i>	
c. Items Directly From the President		
(1) Summary of Grant and Contract Awards	<i>Information</i>	
23. Chair's Report No. 24		
a. Amendment to the Northern Illinois University <i>Constitution</i>	<i>Action</i> ...	107
b. Amendment to the Northern Illinois University <i>Constitution</i>	<i>Action</i> ...	108
c. Amendment to Board of Trustees <i>Regulations</i>	<i>Action</i> ...	109
24. Other Matters		
25. Next Meeting Date		
26. Adjournment		

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

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

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

Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
March 19, 2003

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Manuel Sanchez at approximately 10:12 a.m. in the Clara Sperling Sky Room of Holmes Student Center. Recording Secretary Mimms conducted a roll call of Trustees. Members present were Trustees Catherine Adduci, Robert Boey, Myron Siegel, Gary Skoien, Barbara Giorgi Vella, Student Trustee Jesse Perez and Chair Sanchez. Not present was Trustee George Moser. Also present were Board Parliamentarian Kenneth Davidson and President John Peters. With a quorum present, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

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

MEETING AGENDA APPROVAL

After discussion with President Peters and a review of the printed Revised Agenda before us, Chair Sanchez 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 No. 34 Action Items 9.a.(3), (5), (6), (7), (8), (9), (11), (12), (14), (16), (17) and (18) and Information Items 9.b.(1), (2), (3), (5), (6), (7), (8) and (9) and 9.c.(1) be moved to a consent agenda. Further, I propose we include in the Consent Agenda, all action items proposed through the Chair's Report, noting a substituted and revised page 74, for the second amendment of Section VII of the Board *Regulations*. I also propose adding a resolution under the Chair's Report. Trustee Skoien made a motion to approve the meeting agenda as amended. Trustee Vella seconded the motion. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

It was moved by Trustee Boey and seconded by Trustee Adduci to approve the minutes of the December 5, 2002 Board of Trustees Meeting. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Chair Sanchez welcomed everyone to the meeting. It has been our practice at these meetings to begin with some remarks from the Chair on items coming before the Board. This morning, he said, my remarks encompass many of those issues, but they also include some more personal observations.

I doubt that there has been a more somber moment in our country's history for some time than we have today, the Chair said. We are less than 10 hours from a deadline that has been set by our country's President for a war that is inevitable and that will likely commence before the weekend is out. We are at a time in our state where we have been exposed to budgetary constraints such as we have never before seen. We have challenges that none of us could have anticipated would be taking place in the year 2003 on the heels of some incredibly exciting economic situations. Now we have the opposite situation. We have some incredibly difficult situations confronting us budgetarily.

We Trustees are prepared to do what we need to do to deal with this somber moment, Chair Sanchez continued. And we are confident that President Peters and his staff, the faculty and the students that make up this university will do what is necessary to deal with these incredible challenges that still lie ahead. I do not know, when we return for our next Board Meeting, where we will be with some of the things like tuition, our own budget, our income fund and other matters that we need to deal with. But I do

know that you can count on a 24x7 approach from your Board of Trustees, the Chair said, in trying to do all we can to ensure that Northern Illinois University does not make any more sacrifices for our educational mission than are absolutely necessary. Clearly, we are going to have to make some sacrifices; that is not an issue. But we will try to minimize them to every extent possible.

As we sit here today, ladies and gentlemen, the Chair said, thousands of our countrymen and -women – including some of our own students and staff – have been called up to active military duty. They are awaiting orders in what appears to be an inevitable armed conflict. Putting aside whatever opinions we might hold about the politics surrounding the conflict, I know that all of us are earnestly longing for the safe return of our fellow citizens and a quick movement toward lasting peace. On that note, my fellow Trustees and I ask for a respectful moment of silence for what we are about to undertake. *{Moment of silence.}* Thank you, very much.

Closer to home, we are fighting another battle that touches the lives of every member of the NIU community and service region, Chair Sanchez said. I am referring, of course, to our struggle on the domestic budget front in Springfield. President Peters is going to update us in more detail in a few minutes, but I would like to give a Trustee's perspective on what is happening. Everyone has heard by now of the request from the Springfield Bureau of the Budget, on behalf of Governor Rod Blagojevich, for all public universities to set aside eight percent of their Fiscal 2003 budget "for review." In other words, another rescission, and this one comes three-quarters of the way through our fiscal year.

President Peters and others have worked diligently to explain the devastating impact that cut would have, Chair Sanchez went on to say, and much media attention has been paid to some of the more drastic scenarios the universities are predicting. This threat is unmistakably real and immediate, and it will affect our ability to serve students. But there are other threats on the horizon that do not necessarily come with a dollar sign attached. These are the issues in which we Trustees have become directly involved in recent weeks. In fact, one or more members of the Board have been present at every single major hearing on these topics over the past few months. I am traveling back to Springfield tonight to testify early tomorrow morning. We are all doing what we can, both as a Board and as individuals, to protect this university and to preserve the resources we need to educate our students and to serve our State. In fact, I am particularly proud to report to you that our NIU student leaders, when they could have been in Florida or some other warm climate, spent their spring break in Springfield last week helping President Peters discuss their concerns over proposed cuts to the NIU budget with legislators. They also asserted student dissatisfaction with the way in which the higher education budget is being handled. That is the type of devoted and self-sacrificing students, faculty and staff we have here at NIU. And it is one more reason I am so proud to be the Chair of this Board.

The particular issue I am testifying on tomorrow has to do with NIU's ability to keep the tuition monies it collects, Chair Sanchez said. In university budgeting terms, tuition revenues are called the "Income Fund," and some government officials think we should not be able to control those funds. They believe we should return to the practice of sending collected tuition – tuition that we collect here in DeKalb for NIU students from NIU student parents or benefactors – and that we should send that tuition to Springfield, and then wait to have it, contingently, reappropriated back to us. It goes without saying that we oppose this impracticable and unjustifiable idea. We believe that when parents or students write a check to NIU to help cover the cost of their college education, they have every right to expect that their money contemporaneously stays on that campus to support the courses and services for which they signed up. The right to control our own earned tuition dollars is something we fought hard for in the first year of our existence as a governing Board of Trustees. We argued then, and will steadfastly argue again, that local control of tuition dollars is the only practical tool we have to handle fluctuations in enrollment and to address emergency needs.

In 1991, the Chair said, when we had a large and somewhat unexpected increase in enrollment, we did not control our own tuition dollars. The increased revenue the university received from those additional students did not come back to this campus for a full twelve months. The effects were devastating to our students. We were unable, due to lack of funds, to add the number of extra courses and hire the number of extra instructors needed to ensure that students could take all of the classes they needed to graduate in a timely fashion. Some of you may have been students at that time or had students here just 11-12 years ago when we experienced that difficult situation. And you will recall the uproar that

resonated from DeKalb County and throughout the whole state. In the end, some students were caught in the pinch. They had to take an extra semester or two to graduate, and, of course, that cost them and their parents more money.

If there is one thing NIU stands for, it is individual opportunity. I have shared with you many times my own story, Chair Sanchez said, and I intend to share it again tomorrow in Springfield. I was, like many of our students today, the first member of my family to attend college. Getting my degree at NIU was the absolute key to my future success. Like many of our students today, I would have been extremely hard pressed to find the money for an extra semester or two if I had not been able to get the classes I needed in four years to graduate. So, as you can tell, it is a very personal issue to me, and others like me, and one that my colleagues and I are prepared to fight for.

We need the flexibility to plan for these fluctuations in enrollment, he said, and we only have that flexibility if we can keep tuition dollars here. Happily, we have the problem of increased enrollment. Happily, our university is growing. Happily, we are a university that is not looking at shrinkage or loss of students. We are an exciting opportunity for students and we need to continue to grow and have the flexibility to service that growth.

Some of the other issues in the state capitol involve legislation that would limit our ability to respond to inflation and declining state support, would limit our power as an independent governing board to make decisions based on the unique needs of our students at NIU, and would truly take Illinois higher education back about three decades in terms of responsiveness to emerging needs in our state.

We know that Illinois is facing an unprecedented financial crisis, Chair Sanchez said. We know that all state institutions have to contribute to the solution. We are more than willing to do our part. That is not, never has been and never will be an issue. But what I will fight are attempts to use this very real, very difficult situation for any purpose that disadvantages our students. We all believe in the principles of accessibility, affordability and accountability. You heard that during the election campaign -- accessibility, accountability, affordability. It was a mantra that we heard, and this governor was elected on that mantra. We believe that NIU exemplifies those values.

We are glad to talk about the ways to be even more efficient, and to provide services even more effectively for our students Chair Sanchez said. But, I am disheartened by some of the broad-brush, stereotype, headline-grabbing comments we have heard that imply students somehow will not be hurt by continuing to cut our budgets and eliminating what little flexibility we have to meet these changing needs, as well as comments that imply that our necessary, proven, dedicated and continuously hard working staff are less than efficient or even superfluous. All of the other nine higher education institutions are spending like there is no tomorrow, using charter flights, having dinners at fancy five-star restaurants, etc. NIU's Trustees have taken flights to Springfield, and we have paid for those flights individually. We have driven, we have stayed in hotels. We have paid for those hotels individually. We are not looking for anything from the state. But because there has been abuse by other universities, we are all being pilloried by the press and by this administration. We need to emphasize, and we will, that when it comes to administrative bloat or administrative spending, of all of the universities, we are the most efficient. When it comes to that kind of spending, we are thrilled to be at the bottom of the list. In other words, Chair Sanchez said, we are the most efficient higher education university in the state of Illinois, and we are very proud of that.

Illinois has built a world-class public university system by establishing institutions with unique and differing missions to meet the diverse needs of the people of Illinois. If we are to be scrutinized, the Chair said, let it be as individual institutions. I am confident that this university, my alma mater, sets the best-practice standards for effectiveness and accountability, and that is the message I am taking to Springfield tomorrow.

In our discussion of the Trustee's involvement in Springfield, Trustee Boey said, I could not help but remember that a few weeks back, all the Trustees visited Springfield and met with the various leaderships, including the Governor's Deputy. And I remember that the one statement we all made to each of those leaders was, "If you are looking for a role model of efficiency and accountability among the

state universities, look NIU's way." I remember that, Chair Sanchez, and I hope they will remember it tomorrow when you speak on the income fund.

On behalf of all the students, faculty and staff, President Peters said, I want to thank Chair Sanchez and all the Trustees who have worked so hard and stood up for the university during this difficult time. Thank you very much, Chair Sanchez said, and I will feel even more compelled knowing that the 25,000 students, the faculty and the administration I represent are behind us as a board and are behind us as the finest public higher education institution in this state.

The Chair welcomed UAC representatives Dr. Suzanne Willis, Dr. Paul Loubere, Dr. James Lockard, Ms. Beverly Espe, and Ms. Sara Clayton. I would like to add to President Peters' appreciation of your and the entire Board's support of us in these very difficult times, Dr. Willis said. It is difficult to find something to be pleased about, but that is something that gives the faculty heart. And it makes a big difference to us, even if it does not make a big difference in our budget. It is hard to know what to worry about first. I am personally touched by the national episodes. I have a stepson who is in the Army Reserve, and a nephew who just joined the Army Rangers. I have relatives in Israel. And, if it goes on long enough, I have a 13-year-old son who could become involved.

Moving to local issues, she said, there are a couple of things I wanted to bring to your attention. One is that there is a group called the Counsel of Illinois University Senates, which consists of the presidents of the faculty senates of the nine state public universities. We are going to meet on Friday, so, if anyone has any suggestions for us, please let me know.

Understandably, the faculty are getting more and more nervous, particularly with this \$8 million. It is hard to imagine how we could possibly manage to deal with that. But I think we certainly appreciate being informed all along as to what is going on. And, to the largest extent possible, we would also like to be involved. So, let us know what we have to work with, and we will tell you what we can do with it.

That is so typical of the family known as NIU, Chair Sanchez said. Thank you, Dr. Willis. We appreciate that and we will work with you as well as with our staff and our students to do whatever is necessary to deal with these hard times.

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 one timely request to address this Board meeting and recommended that Mr. Jaime Borda be recognized for remarks not to exceed five minutes in duration.

I understand, Mr. Davidson, that you have provided Mr. Borda with the "Generally Acceptable Rules of Decorum for Public Presentations" publication. Before we receive any presentation, I want to remind my fellow Trustees and members of the public who are present today that these presentations are mainly for providing special information to the Board concerning its pending business, and that the Chair will take under advisement follow-up actions, if any, that may be appropriate. The Chair recognized Mr. Borda for a five-minute presentation.

Mr. Borda thanked the Board for taking this time to hear and consider his case. He stated that he was requesting intervention by the Board of Trustees in accordance with the NIU *Constitution* and *Bylaws* in Chapter 9 concerning his expulsion from the Theatre Department because he felt the faculty had restricted his academic freedom and denied him the chance to defend himself against charges.

REPORTS OF BOARD COMMITTEES AND BOARD LIAISONS

Academic Affairs, Student Affairs and Personnel Committee

Committee Chair Vella reported that the Academic Affairs, Student Affairs and Personnel Committee met on March 4. The following matters were brought before the Committee for endorsement or information. Received for action were the recommendations for faculty and Supportive Professional Staff sabbatical

leaves for the year 2003-2004. The Committee reiterated its support for the sabbatical programs as these programs contribute to the university's mission to transmit, expand and apply knowledge through teaching, research, and artistry and public service, Chair Vella said. Other action items included a request for a new emphasis and a request to delete an emphasis and a minor. None of these action items are expected to have a negative impact on the budget. Information items brought before the Committee are an update on the status of NIU's reaccreditation by the Higher Learning Commission of the North Central Association, the annual report on Oral English Proficiency for the 2001-2002 Academic Year, and the annual IBHE report on underrepresented groups for 2001-2002. Many of the items addressed by the Academic Affairs, Student Affairs and Personnel Committee are included in the President's Report for Board approval at today's meeting.

Finance, Facilities and Operations Committee

Committee Chair Boey reported that the Finance, Facilities and Operations Committee met on March 4, 2003. At that meeting, the Committee considered and approved recommendations for fees and room and board rates for the upcoming academic year. The recommendations were developed through a consultative process and are reflective of the budget reductions and challenges that the university faces in Fiscal Year 2003-04. Additional items considered by the Committee were contracts and contract renewals for Student Accident and Sickness Insurance, Mass Transit, Illinois Mutual Aid Agreement, project approval for the Chessick Legal Skills Training Center, and various other items which are included on the Consent Agenda. The Committee received the following reports: Fiscal Year 2004 Budget Process Update, Academic Program Enhancement and Technology Surcharge, and other various periodic reports. Many of the items addressed by the Finance, Facilities and Operations Committee are included in President Peter's Report for Board approval at today's meeting.

Legislation, Audit and External Affairs Committee

At the request of Chair Sanchez, Committee Chair Siegel reported, I attended and testified at the House Appropriation hearings in Springfield. A week later, I attended the Senate Appropriation hearings to support the President and to testify on our behalf, if need be. As previously noted, several of our student leaders were present and lobbying the legislature as well as being at the hearings to support us. I have attended these hearings every year since the Board was formed. I also attended NIU Day in Springfield and had a private lunch meeting with Dan LaVista, the Executive Director of the IBHE. During my conversations with the legislators, they often ask me about our compliance audit, and I will report to you on our compliance audit results at the end of my report.

The LAEA Committee met on March 3 in Hoffman Estates. Kathy Buettner provided an overview of new substantive legislation introduced in Springfield that affects public university operations. She reported that over 5,500 bills had been filed since January 15 and NIU was actively tracking about 300 bills that could potentially affect some part of the university's operation. You can find a partial list of substantive legislation pending in Springfield in the information section of your Board of Trustees agenda for today's meeting.

Kathy Buettner and President Peters then presented a detailed overview of the university's FY04 operating and capital budgets at the Board of Higher Education's recommended levels. Due to the budget problems facing the state, and the new governor's transition, the Governor has received a delay from the General Assembly until April 9 for the presentation of his FY04 budget.

Planning funds for the Stevens Building renovation project are included in the IBHE recommended capital budget at \$1.6 million, while construction funds are allocated at \$15.8 million. Unfortunately, they fall at a point on this \$350 million capital budget list that make it unlikely that the projects will be funded.

Kathy concluded with a detailed report on the federal level, including an FY03 federal administration budget summary. She also discussed the federal Transportation Reauthorization Act pending before Congress as well as the new changes required under the U.S. Patriot Act for immigration students here on various visas. Reporting requirements have been significantly increased for our educational institution, and NIU is in compliance with the new federal requirements.

I want to take a moment to acknowledge Kathy's work, Trustee Siegel said. She has been working very hard for NIU, and the results have been phenomenal. I cannot imagine where NIU would be today had we not made the investment that we did in our own governmental affairs people. Based on the returns that we have seen in grant dollars and the results we have achieved legislatively with this fiscal crisis, we would be well served to expand in this area.

I also want to thank Kathe Shinham for a fine presentation to our committee, Trustee Siegel said. Kathe delivered a report to the Committee on the FY02 Compliance Audit, which contained three findings, one of which was a repeat finding involving the Foundation and Alumni Association's noncompliance in meeting the annual deadlines for the submission of GAP financial package. Mallory repeated her pledge to this Board from last year that this finding will not occur again next year. Mike Malone has also assured me that this audit finding will not repeat in our compliance audit next year.

At the request of Trustee Moser, Chief Donald Grady attended our meeting. We had a presentation from the Chief on a variety of issues relating to security in Executive Session. The Chief will be briefing the full Board in Executive Session today.

I want to end my report to the Board by addressing any reporters in the room. There is a serious fiscal crisis in Springfield. This crisis will undoubtedly impact the university's finances and, in turn, faculty, staff and students. If you care about this school, if you care about your jobs – and when I say jobs, in some cases it is our lives, our careers – if you care about your classes as students, if you care about how much it costs you to go to school, you need to stand up and make a statement. I encourage each and every student, and I encourage the local press to make this their mission: to write the Governor and let him know that you are against any cuts to NIU's budget, that you are against the repeal of the income fund, and that you are against line item funding. You should write, you should have your friends write, and you should have your relatives write. Favorable results are directly proportional to the volume of contacts we make in Springfield. I will be happy to provide suggested text to those who may want it. Thousands and thousands of letters from higher education, faculty, staff and students, friends and family will make a difference.

Excellent report, Trustee Siegel, and I could not agree more with your suggestion, Chair Sanchez said. And, I hope that people respond to Trustee Siegel's suggestion. Before we move on to the next report, I would like to recognize the man who controls the security of our campus, Police Chief Grady. Chief, keep up the good work, and thanks for being with us.

Illinois Board of Higher Education

Liaison Barbara Vella deferred the IBHE report to President Peters. There have been two meetings of the IBHE since the last Board of Trustees meeting, President Peters said. On February 4, at Northwestern University, the IBHE heard and accepted a report, which updated the board on actions to advance the quality and accountability goals of the Illinois Commitment. The board accepted items on policies and procedures for the assessment of student learning and approved an item to have Illinois, the state, participate in the national forum on college level learning pilot projects sponsored by the Pugh Charitable Trust. The IBHE took action to establish performance indicators to assess progress toward meeting the goals of the Illinois Commitment. We heard a report on the Illinois Century Network. And we heard a report on the impact of the elimination of the fifth year MAP program. Also at that meeting, Kevin O'Kelly, who is NIU's new student representative to the IBHE, was introduced. Kevin is also part of our student government. He was one of the students, along with the president of our Student Association, Kevin Miller, who put their suits and ties on and went to Springfield instead of to Fort Lauderdale. The student leaders were introduced by me at the Senate Appropriation hearing, President Peters said. I think they were the only students down there, and students make a difference in this process. Thank you for your leadership and your participation, because you get their attention more than any other members of our constituent group, the President told the two student leaders.

The IBHE called an extraordinary meeting this past month in Chicago and asked the university presidents to come before the IBHE to explain their responses to the Bureau of the Budget director's request that we reserve eight percent of this year's budget for possible review and return to the state. At that hearing, the director of the budget also appeared to give his view of the situation.

Universities Civil Service Merit Board

Liaison Barbara Vella reported that the Universities Civil Service Merit Board met on January 29, and she participated by teleconference. An election of officers was held, and a decision was made on a discharge proceeding for an employee of Southern Illinois University College of Medicine. Our committee upheld the recommendation of the university on the discharge, she said.

Northern Illinois University Foundation

Liaison Bob Boey deferred to Mallory Simpson, President of the Foundation, for the Foundation report. I reported to you in December that the fundamental work that needs to be done during this time when economic conditions provide some disincentive from major gift giving is the critical work of building relationships with the thousands of potential major donors which have been identified during the past two years. I am pleased to say this work is progressing as well as it can, given the limited number of gift officers we have. Each of the gift officers I introduced to you in December is really in the groove now. They are hosting many potential major donors at university events and meeting with them individually.

Responses are quite mixed, Ms. Simpson reported. Some of these are cold calls, and people choose not to return those calls or choose not to meet with staff. But others are truly delighted to be hearing from their alma mater and are looking for ways to get reconnected. We are taking good advantage of Alumni Association and athletic events so that we are collaborating and not duplicating efforts. We send our gift officers to some of these events across the country, and they are able to make new connections among our major prospects. I would like to share one quick story with you to try and put a little of the human face on it. Through our Huskie Telefund, one of our student callers had a conversation with an individual in Indiana who was so impressed with the quality of that call that he got in touch with university staff and said he wanted to do something for this student. So, John Bass got in touch with this individual and facilitated a dinner gift certificate for the student. A very warm gesture. That really was just the beginning. Since then, this individual returned to the university campus with his wife, who is also an alumna, and his two children for the first time in 11 years. They met with Dean Richmond and Dean Graf. They met President Peters, Dr. Eddie Williams and Coach Rob Judson and had a tremendous experience. This is the start of the kind of relationship that I am talking about. On the flip side, some of the people who appear to have extraordinary potential to help the university are very hard to gain access to or to get them involved.

Although our gifts to date are tracking slightly ahead of our pace last year at this time, Ms. Simpson said, we expect to end the year several million dollars less, because last year included the final payment of the Barsema Hall pledge. We have received nearly \$3.7 million compared to \$3.5 million last year. On the annual fund front, we are up about six percent, despite the economic conditions, and I think this is a result of some of our direct mail initiatives and new strategies employed by our new team. We have booked about \$370,000 in new major gift commitments that do not show in our gift receipts because the pledges will be paid over time. We are currently exploring donor interests in several exciting new university initiatives. My practice has been not to report gifts and pledges to you until we either have the money in hand or we have a signed pledge document; but I can tell you that we have preliminary verbal commitments on several large gifts, she said, that we hope to be able to report later this spring.

Lastly, Foundation committees and the board as a whole are having meetings on Thursday and Friday, Ms. Simpson reported. The executive committee meeting will be devoted to far reaching discussions of what the Foundation can do to increase its capacity to provide support to the university through development programs. Last year, I reported that the Foundation board had approved a budget that essentially put into play all of its existing resources to support Foundation activities. Now it seems necessary to develop strategies to significantly increase Foundation resources. The Foundation board is also committed to finding new strategies and measures during these somber times.

It would be an understatement to tell you that we acknowledge how much more difficult and how much greater a challenge the Foundation has in these trying times, Chair Sanchez said. With the economics and the war, it is a very difficult time. And yet, somehow, some way, you and your team and Mike have continued to lead a very successful effort on behalf of NIU through its Foundation, and we look forward to continuing favorable reports about the success of your efforts. Also, I look forward to hosting the second

annual event there in Naperville so we can reengage some of those alums and some of those parents of NIU students.

Before we go into Executive Session, Chair Sanchez said, I want to acknowledge two things. One is, if you did not see it, *Bus Ed.*, the technology issue, has a fabulous article featuring none other than NIU's Barsema Hall. This is a national publication that provides another example of the kind of national attention we have received thanks to Dennis and Stacey's gift and to the efforts of the Foundation.

Second, I wanted to acknowledge the tournament and NIU being part of this March madness. I want to compliment Coach Judson and his staff and the players, Chair Sanchez said. Even though we did not make it this year, nobody predicted we would have the kind of success that we did have. Having been a first-hand witness to many of those games, it was a proud moment for me to be sitting in that brand new, convocation center seeing the team run up and down the court with a fabulous coaching staff led by Coach Judson and wearing that badge of pride of the NIU Huskies. So, my hat is off to the coaches and to the students for a good season, and we look forward to next season. We have a very solid future ahead of us. Our football, basketball and other sports programs are going to continue to have great successes because we have a great athletic director, we have great head coaches and we have a great team that compliments the educational achievements and efforts of this institution.

Last, but not least, Chair Sanchez said, we said when we interviewed, recruited and successfully brought President John Peters to this campus, that academics and athletics are not at opposite poles. They can and do compliment each other, and I think we have had proof of that here for the last several years.

I just say that it is appropriate for all of the Trustees here to congratulate Dr. Peters on his appointment as the new chair of the MAC Council of Presidents, Trustee Boey said. We are very proud of his being elected, and I am sure he will bring along with that many accolades to the NIU campus and to the Chicago area.

I did not seek that, President Peters commented. And it is certainly more than I bargained for because it means getting involved in things like bowl contracts and ESPN contracts. I did spend the end of last week at the Mid-America Conference tournament, where we were the fourth seed, and we advanced the first round, which I do not think we have done in a long time.

I talked to many national sports people, ESPN, Fox Sports Net, the President said, people who all marvel at the progress NIU has made in athletics. I want to work very hard to get more attention in the Chicago area for the MAC. I have to say that our athletic administration, our athletic director and our coaches have done a remarkable job on very little, and they deserve our support.

EXECUTIVE SESSION

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

BOARD OF TRUSTEES MEETING RECONVENED

Chair Sanchez reconvened the public meeting of the Board of Trustees at approximately 11:37 a.m.

CONSENT AGENDA APPROVAL

Chair Sanchez asked for a motion to approve the items placed on the consent agenda earlier in the meeting. They include President's Report No. 34 Action Items 9.a.(3), (5), (6), (7), (8), (9), (11), (12),

(14), (16), (17) and (18) and Information Items 9.b.(1), (2), (3), (5), (6), (7), (8) and (9) and 9.c.(1). Trustee Siegel so moved, seconded by Trustee Skoien. The motion was approved.

PRESIDENT'S REPORT NO. 33

Thank you, Chair Sanchez, and thank you for your earlier remarks, President Peters said. You certainly have captured both the frustration we are all feeling and the strong resolve. We have to continue fighting for our university and for our students. For the record, I would like to take just a few minutes to reflect on where we have been, where we are now and where we may be headed with respect to our budget. Nearly a year and a half ago, we received our first official word from Springfield on what we now know is an unprecedented fiscal crisis. We immediately established reserves and adopted a set of principles that still guide us, and I will enumerate them here, again:

- Do everything possible to avoid compromising the integrity of our academic programs.
- Do everything possible to avoid layoffs, furloughs and salary reductions.
- And absolutely no compromising the safety and well-being of our students and faculty.

We have lived by those standards I enumerated, and they have served us well.

I would like to recognize Chief Grady, who is here today with some of his staff, the President said. Safety is a great issue for us, and I want to thank you, Chief, for putting together post-9/11 a very good strategic plan for our safety, especially as it looks like we are going to be going to Code Red momentarily.

During the last fiscal year, FY02, we suffered a midyear rescission and the imposition of new healthcare premium responsibilities for a combined reduction of more than \$4.8 million, the President said. Worse, that cut was made permanent. So we started FY03 with a reduced base budget, with unavoidable cost increases associated with utilities, liability insurance and so on. And this year, as I warned last year, we saved no money on utilities. We have been shoveling snow and keeping the boilers going. We received no increase in state funding to cover any of those increases.

We started Fiscal Year 2003 with a total shortfall in the \$10 million to \$11 million range, the President reported. We were unable to give generalized salary increases this fiscal year, but we are hopeful, but not sure, about salary increases, which is always my top priority, for 2004. We have frozen all but the most essential hiring and may soon have to go to a complete freeze. We have drastically curtailed equipment purchases. And we have had to abandon all but the most critical emergency repairs and maintenance projects. At the same time, we accepted 1,100 additional students last fall without a dollar of new state money. And remember, for every dollar you lose in state revenue, it takes \$3 of tuition to make up, and, of course, we would never ever do that. Eleven hundred more students with 11 percent less funding. We did so because NIU has historically been a university of opportunity. Accessibility is not just a word here, Dr. Peters said. It is a core value. We believe it is what a public university is all about. In this uncertain age, with more students and families wanting to stay in close contact, the NIU service region is where 80 percent of all Illinois high school students graduate every year. That said, we must continue to monitor the balance between student numbers and available resources. We have put into place the kind of enrollment controls that we have so that we are able to provide a program for the students we take. Protecting the integrity of the academic program means making sure students can get the classes, professors and experiences they need to succeed.

As this fiscal year progressed, President Peters said, we took more steps to cut costs and set aside more money for potential future cuts. In fact, we set aside in the range of two to three percent at the beginning of the year as a contingency. We have held that for potential cuts. We participated in a study of administrative costs that will be made public next week. We have not seen and likely will not see those results ahead of time. One study reported that NIU was the leanest in the state. I have no idea what this study will say. It is difficult to know how to prepare for those recommendations knowing nothing about them or the methodology used to arrive at them. But nothing could have prepared us for the request two weeks ago that we put \$8.6 million in reserve for "review" by the Bureau of the Budget for this fiscal year. At this point in the fiscal year, that amount is half of what we have left to pay bills in March, April, May and June. That is half the amount of unobligated money that is left. So, nothing would get done. Not to

mention the fact that more than 90 percent of that amount is already obligated in contracts or in personnel. A rational response to that request continues to elude me. We suggested a two percent reserve. And, as you know, we were told that would not suffice. Dr. Williams and Kathy Buettner have left for Springfield to be in a meeting this afternoon with the director of the Bureau of the Budget and all other university CFO's and government relations people.

At this point, all our negotiations are focused on saving as much as we can out of our current fiscal year budget, the President said, and you know that has hurt everyone. Negotiations for FY04 have not even begun yet, but I think it would be safe to say that we are seeing a pattern here. Chair Sanchez made a very important point in his remarks. We must continue to insist that NIU be evaluated individually and on its own merits. An independent study conducted last year and being used by the Governor's staff shows that NIU has the lowest administrative costs of any public university in Illinois. And, according to some definitions we understand were used in this methodology, we have heard custodians and grounds people are considered pure administration. I was not surprised by those figures. As I have said many times in the two and a half years I have been here, I am very impressed by the leanness, efficiency and student centeredness of the campus community. Nearly 90 percent of our operating budget is in personnel and contractual services. Of that amount, more than 70 percent is in the academic and direct student support areas. The remaining 30 percent do their best to keep our physical plant running, pay our bills and provide a host of services that contribute to the overall NIU student experience.

At NIU, we value our employees. Up to this point, we have done everything we can to avoid layoffs and other drastic personnel actions. But, I feel compelled to say that I am no longer certain we can avoid those actions. This year we have eliminated more than a hundred positions, and they were all due mostly to attrition. Given what we have learned in the past two weeks, it seems likely that we will lose more jobs. And while we do our best to look at open positions rather than existing employees, I no longer feel confident that we will be able to find all the rescission dollars we need or the base cut dollars in 2004 to stop those reductions in force.

In the context of a real and devastating state budget deficit, which will take the collective talents of all of our government leaders to resolve, and in the context of a fiscal disaster that we know will require sacrifice on our part, against a backdrop of economic national recession and this looming war with Iraq, President Peters concluded, we must continue to advocate for higher education. It is still, as our Chair so eloquently stated, the key to success in our modern world and the key to peace and justice in the world. We can, we have and we will continue to tell our story. We are very fortunate to have such leadership in that effort from our Trustees. And we will be asking you for sacrifices. But we know we will get through this. I thank all of you for your advocacy on behalf of our students.

UNIVERSITY RECOMMENDATIONS FORWARDED BY THE BOARD COMMITTEES

Agenda Item 9.a.(1) – Fiscal Year 2004 Student Fee Recommendations

It is time again to approve student fee recommendations, President Peters said, and I direct your attention to item 9.a.(1). Basically, we have this elaborate process that involves students at subcommittee levels that begins in November and works its way up to me in February. This year, we are proposing very minimal increases through that process. The overall increase is about 6.58 percent. That, in large part, is driven by a contractual obligation of an increase of 17.31 percent in the student health insurance contract, which is something we have to negotiate. That sounds like a high rate, but, in fact, it is not a bad rate, relatively speaking. If you exclude that, the proposed fee increase for this year is 2.62 percent.

It is important to point out a couple of things, Student Trustee Perez said. Although the fee increase translates to approximately \$52 a semester, \$32 of that increase is just for health insurance. Because our insurance carrier has raised the rates, the price of health services has increased. Please note that if students already have comparable health insurance or have less than a full-time load, this fee is optional. Aside from the \$32, the remaining \$20 will go to maintain the quality of service and facilities for these services on our campus. I would like to thank the students who served on each of the committees that worked with President Peters and Dr. Williams in developing the most cost effective plan possible, he said.

As you know, Trustee Boey said, I am from private business, and in the last three years my company's own health insurance premium accrued to 100 percent. You might have noticed my reaction when President Peters said 17 percent, Chair Sanchez said, because I thought in a similar vein. Compared to the increases our businesses have experienced, that is quite reasonable. Not that anybody wants to see any increases, but on the healthcare side, increases have been a universal issue, and there is no getting around it.

Before we take the vote on this, the Chair said, the fact of the matter is whether we are talking about student fees, room and board or tuition, there is nothing more sensitive to this Board of Trustees than those issues. So, we very closely scrutinize every increase to see that it is minimized to the extent possible. Chair Sanchez asked for a motion to approve the FY04 Student Fee Recommendations. Trustee Boey so moved, seconded by Trustee Vella. The motion was approved.

Agenda Item 9.a.(2) – Fiscal Year 2004 Room and Board Rate Recommendations

Agenda Item 9.a.(2) is the university's room and board rate recommendations for this year, President Peters said. The rates are arrayed by type of facility on page 19 of your reports. When you consider the fact that we are not asking for any increase in the meal plans, the average rate of increase is four percent. This increase excludes any salary increases. Some of our facilities are in need of repair and maintenance, and energy is up. So, there is nothing new programmatically, it is just the cost of doing business here. Chair Sanchez asked for a motion to approve the FY04 Room and Board Rate Recommendations. Trustee Vella so moved, seconded by Trustee Skoien. The motion was approved.

Agenda Item 9.a.(3) – Fiscal Year 2004 Athletic Sports Camp Housing and Meal Expenditure

Agenda Item 9.a.(5) – Fiscal Year 2004 Document Services Copier and Controller System Contract Renewal

Agenda Item 9.a.(6) – Fiscal Year 2004 Waste Management Contract Renewal

Agenda Item 9.a.(7) – Fiscal Year 2004 *Northern Star* Contract Renewal

Agenda Item 9.a.(8) – International Programs Division Contracts Renewal

Agenda Item 9.a.(9) – College of Education – Literacy Education - Multiyear Contract

Consent Agenda Items.

Agenda Item 9.a.(4) – Fiscal Year 2004 Student Accident and Sickness Insurance Contract Renewal

Our student accident and sickness insurance contract renewal is brought to the Board annually. This year's increase is a result of the rising costs of health insurance, Dr. Peters said. The contract is with MegaLife, at a level not to exceed \$4.5 million. Chair Sanchez asked for a motion to approve the FY04 student accident and sickness insurance contract renewal. Trustee Vella so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 9.a.(10) – Mass Transit Contract

As you know, the President said, our bus service, which is student operated, has the second largest ridership of a bus service in the state of Illinois outside of the CTA. There was no increase in the bus fee, but now we have to request approval to expend approximately \$2.425 million for this contract with ACT VanCom. Chair Sanchez asked for a motion to approve the mass transit contract renewal. Trustee Skoien so moved, seconded by Trustee Vella. The motion was approved.

Agenda Item 9.a.(13) – Illinois Mutual Aid Agreement

President Peters stated that the university requests permission to enter into multiyear intergovernmental agreements to provide mutual assistance and cooperation between the NIU Office of Public Safety and various state, county and local law enforcement agencies. These are standard agreements that require approval every year. Chair Sanchez asked for a motion to approve the Illinois Mutual Aid agreement. Trustee Skoien so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 9.a.(15) – Swen Parson Hall – Chessick Legal Skills Training Center

We seek Board of Trustees permission to establish a budget to remodel Swen Parson Hall, the President said. We have received a wonderful gift of a quarter million dollars from Ken Chessick. And we have added some university money to that to create two wonderful technology rooms – one will be an electronic courtroom, the other will be a smart classroom to train lawyers in the use of electronic technology.

For those of you who do not know Ken Chessick, the Chair said, he is a Law School alumni and a very successful attorney/doctor. There are not many that I have met in the last 28 years, but he is one of them. He holds a J.D. and an M.D. He practices in the northwestern suburbs and is very fond of NIU. I learned that he had made this generous gift when we received these reports. So I am very excited and happy for the Law School and happy that NIU will benefit from his generous gift. Chair Sanchez asked for a motion to approve the Chessick Legal Skills Training Center in Swen Parson Hall. Trustee Vella so moved, seconded by Trustee Boey. The motion was approved.

Agenda Item 9.a.(11) – Biological Sciences Multiyear Research Project

Agenda Item 9.a.(12) – Center for Governmental Studies Project Administrator

Agenda Item 9.a.(14) – Holmes Student Center – Ballroom Equipment Approval

Agenda Item 9.a.(16) – Recommendation for Faculty and SPS Sabbatical Leaves for 2003-04 Academic Year

Agenda Item 9.a.(17) – Request for New Emphases

Agenda Item 9.a.(18) – Request to Delete Emphases and a Minor

Consent Agenda Items.

UNIVERSITY REPORTS FORWARDED FROM THE BOARD COMMITTEES

Agenda Item 9.b.(1) – Fiscal Year 2004 Budget Process Update

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

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

Consent Agenda items.

Agenda Item 9.b.(4) – Academic Program Enhancement and Instructional Technology Surcharge

In December, President Peters said, the Board asked me to insure that the university was doing all it could to develop an academic plan for the use of technology, and we are working on that. A component of the plan will be our efforts to commence and acquire a new student information system, which is a very significant activity. I would like to ask Steve Pace to come forward and make a presentation on what that will do for us.

The Board has asked the university to look at the possibility of implementing an academic enhancement and technology surcharge to provide better technology on campus, Mr. Pace reported. The university needs a surcharge in this area to meet several different requirements. As you have seen, we have implemented some instructional technology in smart classrooms on campus. In fact, Barsema Hall has sort of set the standard for the campus in this regard. However, technology changes about every three years, and we need to be able to maintain those items that we have implemented. We need to have better Internet access and web services in campus. Students are expecting to be able to apply for classes, look at their bills, pay their bills in a 24x7 environment. Many of us do that same kind of thing. The last three cars I bought, I bought online. I do my banking online. So, people are beginning to expect that kind of level of service.

The university needs to look at community access and outreach services. The university is extending its presence beyond its immediate campuses. And we need to look at enrollment in order to provide the services that students are expecting. Don Larson, Director of Enrollment Services, is going to talk about some of the needs we have in the area of the student system.

What is involved in the student system, Mr. Larson said, are those things that support enrollment services: systems that support Admissions, Registration and Records, the Financial Aid Office, Academic

Advising and Degree Auditing, classroom management and the entire sphere of enrollment management. In addition to that, a student system involves the Bursar's Office and our Student Accounts Receivable. The purpose here today is to emphasize the risk to our mission by continued reliance on our existing system, to stress the potential decline in institutional and personal performance the longer we continue to depend on our current systems, to demonstrate the need for a technology infrastructure that will enable NIU to compete by offering enhanced and integrated student services, and to emphasize that the student administration system is strategic. It is an investment in the university's future if we are to effectively manage our institutional resources. Today's undergraduates are as interested in our net resources as in our programs. We know that we are not going to be able to recruit and keep the kind of students that we want if we cannot provide high quality and competitive student services.

In 2001, *Yahoo! Internet Life* magazine ranked NIU as 130 out of the top 200 most wired campuses, which was the good news. But our lowest grade was in student resources. To be rated as an "A," an institution needs to have nearly all of its administrative services available on the Web. In spite of significant efforts by university administrative and academic departments to create self-service functions on the Web, there are still many remaining processes that require students to visit an on-campus office. This is what we call inline processing. But to meet the expanding expectations of our residential, regional and international populations, we need online services that work flawlessly on demand from any place at any time.

The admissions and records system consists of 3,000 custom mainframe programs written in obsolete languages and accessing 30-year-old database technology. The admissions and records system is linked to dozens of other student systems and to external systems in the Bursar's Office and Financial Aid and to individual department systems. Almost all of these linkages rely upon the use of the social security number as an identifier. And each of these systems puts our students at increased risk of identify theft. The Bursar's system processes \$100 million in tuition and other revenues annually, but that system is more than 30 years old. It does not integrate well with our PeopleSoft financial system. Billing cycles are problematic, and the system cannot display information on a 24x7 basis, and it cannot support third party billing for outreach programs.

We want to move from inline service to online service. Although there are processes on line, they may be difficult to find in the maze of menus and links. In-house systems will have an increasingly negative impact on our performance as we struggle to compete with other learning institutions, especially those supported by robust, fully-integrated, commercially developed systems and state-of-the-art databases. Of the 13 Mid-America Conference universities, only three, including NIU, still use homegrown student systems. The 10 that use commercial systems are already planning or converting to the second generation of these systems.

Relational database systems make it infinitely easier to create valuable and competitive Web services. In a survey of 18 Midwestern universities, 10 had both integrated vendor systems and relational databases. Only one had neither, and that was Northern Illinois University. With the new system, we want to eliminate the use of the social security number as an identifier. This is an important objective of our Student Association. We want to provide expanded Web services to our students, to integrate the processes of the units that are involved in enrollment management and to provide community and outreach services.

The university, despite the budget issues that we are dealing with right now, needs to be looking towards the future, Mr. Pace said. We need to be building for the future, and we have done that in many areas of campus in terms of the physical assets of the university. We need to be looking at that in terms of student services and other services for students. One of the issues that has changed in the industry is that people no longer build their own systems. You do not go out and build your own car; you go out and buy a car. If we had to build this particular system, it would take us nine to ten years to accomplish. The technology would have changed over three times in the process of implementing that system. By the time you had implemented the system, it would have been obsolete two times over. We have a track record of being able to implement enterprise level systems, and we believe that if we started this project in Fiscal Year 2004, it would be fully implemented by Fiscal Year 2006. In fact, many of these aspects would be coming on line as we implemented a phased approach, starting with the admissions system and moving through the enrollment cycle of the university.

The university is looking to invest a lot in its physical facilities in order to meet the needs of students. And a lot of universities have also invested resources in the technology of student services. In fact, the University of Illinois is spending \$215 million to replace its HR and student system. NIU has a track record of being able to bring in these enterprise level systems at significantly less cost than other institutions. The HR payroll and financial system we brought in at about \$4.7 million. In fact, we were actually \$900,000 under that. The total capital cost for the student system project would be about \$8.3 million. The university has worked out a financing arrangement with PeopleSoft and a pricing matrix for the software, if we exercise our options. We have an option that would expire at the end of this month. We have another option that would expire at the end of June. But we would be able to save about \$2.7 million in the acquisition of this software if we exercise our options.

The university needs to move forward with the strategic issue of a technology surcharge. This is not something new. In fact, it is unusual that NIU does not have one. If you go out on the Web and do a search on student technology fees, you will find most institutions have a fee to address technology needs on campus. The university needs to pursue this to keep up with other institutions, because, as you have seen, the majority of the institutions that we compete with have already moved and implemented in this regard. We need to enhance instructional delivery to address diverse learning styles. Students are no longer expecting to hear a lecture for an hour and read a book and come back and know the material. Students are expected to be engrossed in a lot of different media and different environments to be able to learn. We need to implemented technology improvements to benefit the student life and learning on this campus. And this is an expectation I think students have. We need to heed student demands for Web-based student services. Students expect to be able to do things over the Web. And the university needs to extend its presence beyond its immediate campuses. If you have gone to Amazon.com, you've seen a merger between a physical presence, which is Border's Bookstores and the Internet. And it is the strength of the merger of a physical facility with a presence beyond the physical campus that is going to be the strength of this institution for the future. We are going to be offering degrees, perhaps, to people who do not physically reside on campus; or they may be getting their degree physically on campus, but taking other instruction off campus through the Web. That is where the world is going, and the university needs to proceed in that direction.

I might add that Don Larson does a remarkable job under Ivan Legg's leadership of pulling together all of our enrollment management services, President Peters said, and it has made a big difference. This is an information item in response, in part, to your request that I assess the status of our technology. It is apparent that three things are operative here. One is that we have fallen behind on student systems, and our legacy system is fragile. Number two, the timing was not right two or three years ago for a university as complex as Northern to acquire a student system, because they were largely vaporware. There now has been enough beta testing at other universities, and we have experience in bringing on systems. The other thing that is clear is that we cannot count on state resources to do this, so we have to consider a technology fee. We are still examining and evaluating what that would be.

- Agenda Item 9.b.(5) – Higher Learning Commission Accreditation Update**
- Agenda Item 9.b.(6) – Annual Report on Oral English Proficiency 2000-02**
- Agenda Item 9.b.(7) – Annual IBHE Report on Underrepresented Groups 2001-02**
- Agenda Item 9.b.(8) – Substantive Legislation**
- Agenda Item 9.b.(9) – Fiscal Year 2002 Compliance Audit Report**

Consent Agenda items.

ITEMS DIRECTLY FROM THE PRESIDENT

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

Consent Agenda items.

CHAIR'S REPORT NO. 23

Agenda Item 10.a. – Amendment to the NIU *Constitution*
Agenda Item 10.b. – Amendment to the NIU *Constitution*
Agenda Item 10.c. – Amendment to the BOT *Regulations*

Consent Agenda items.

OTHER MATTERS

Resolution

I would like to ask my fellow Trustees for a motion to approve the following resolution, Chair Sanchez said. It is entitled, "The Resolution to Ensure Administrative and Operational Efficiency at Northern Illinois University."

The Resolution to Ensure Administrative and Operational Efficiency at Northern Illinois University

WHEREAS Governor Blagojevich has estimated the state's budget deficit for FY03 and FY04 to be \$5 billion; and
WHEREAS state agencies and public higher education in Illinois have been requested to review operating and administrative budgets with the goal of eliminating waste and bureaucracy across state government; and
WHEREAS Northern Illinois University has been publicly cited as the most efficient university in a study of statewide public university administrative expenses; and
WHEREAS the Northern Illinois University Board of Trustees affirms and maintains its strong support for the outstanding faculty, staff and student services at the university,
BE IT THEREFORE RESOLVED that the Northern Illinois University Board of Trustees requests, President John Peters and his senior cabinet to review the university's annual operating budget to eliminate any superfluous or unnecessary expenses and report to the Board of Trustees at the June 2003 Board of Trustees Meeting.

Chair Sanchez asked for a motion to approve The Resolution to Ensure Administrative and Operational Efficiency at Northern Illinois University. Trustee Skoien so moved, seconded by Trustee Boey. The motion was approved.

NEXT MEETING DATE

Chair Sanchez announced that the next meeting of the Board of Trustees is scheduled for Thursday, June 19, in DeKalb.

ADJOURNMENT

There being no Other Matters, Chair Sanchez asked for a motion to adjourn. Trustee Skoien so moved, seconded by Trustee Vella. The motion was approved. The meeting was adjourned at approximately 12:14 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

FISCAL YEAR 2004 STUDENT FEE RECOMMENDATIONS

Summary: The university has several activities, programs, services and operations that are supported to various degrees by the assessment of student fees. The following table provides a summary of proposed FY04 rates resulting from recommendations received and evaluated by the President. These recommendations are developed through a representative process involving subcommittees (consisting of student representatives and staff) for each major fee category. The subcommittees are responsible for evaluating and subsequently developing the fee recommendation forwarded to the President. While the average aggregate increase reflected in the table is 6.58 percent, it includes a 17.31 percent increase in the Student Health Insurance contract based on negotiations with the insurance carrier given the current market and claim experience. **Excluding the proposed increase for this fee, the increases recommended for approval represent a maximum average of 2.62 percent.** An executive summary is provided to detail each fee area and the recommended fee rate.

Recommendation: The university requests approval of the recommended FY04 student fee rates as presented.

**FISCAL YEAR 2004 FEE RECOMMENDATIONS
PER CREDIT HOUR COSTS
(Including Preapproved Fee)**

FEE	CURRENT FEE		RECOMMENDED INCREASE/DECREASE Per Credit Hour	PROPOSED FEE		PERCENT INCREASE/ DECREASE
	Per Credit Hour	@ 12 Credit Hours or More		Per Credit Hour	@ 12 Credit Hours or More	
ACTIVITY						
Undergraduate	3.18	38.16	0.05	3.23	38.76	1.57%
Graduate	1.36	16.32	0.02	1.38	16.56	1.47%
Professional	2.06	24.72	0.03	2.09	25.08	1.46%
ATHLETICS	11.38	136.56	0.56	11.94	143.25	4.90%
BOND REVENUE	24.03	288.36	1.03	25.06	300.72	4.29%
<i>Bond Facilities</i>	19.63	235.56	1.13	20.76	249.12	5.76%
<i>West Campus</i>	4.40	52.80	-0.10	4.30	51.60	-2.27%
BUS	4.92	59.04	0	4.92	59.04	0.00%
HEALTH INSURANCE (Full-Time Students Only)	--	182.00	2.63	--	213.50	17.31%
HEALTH SERVICE	6.94	83.28	0.01	6.95	83.40	0.14%
GRANTS-IN-AID	0.43	5.16	0	0.43	5.16	0.00%
STUDENT-TO- STUDENT GRANT	0.38	4.50	0	0.38	4.50	0.00%
LAW	1.76	21.12	0.32	2.08	24.96	18.18%
GRADUATE COLLOQUIUM	1.63	19.56	0	1.63	19.56	0.00%
TOTAL IF REGISTERED FOR 12 OR MORE SEMESTER CREDIT HOURS						
		2002-03 Per Semester		2003-04 Per Semester	Amount/Percent Increase or (Decrease)	
UNDERGRADUATE		797.06		848.33	\$51.27 6.43%	
GRADUATE		790.28		841.19	\$50.91 6.44%	
PROFESSIONAL		800.24		855.11	\$54.87 6.86%	

FY04 STUDENT FEE RATES Executive Summary

Recommended fee increases apply to undergraduate, graduate and professional students. This distinction has been noted in those instances where fees differ 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 the summer session.

Activity Fee

The Student Association recommends allocations from collected Activity Fees, which are used to support student organizations, activities and programs including such things as concerts, films and speakers. The fees collected from undergraduate, graduate and professional students vary. The recommendation to increase the Activity fee is as follows:

Undergraduate: An increase of \$0.05 (1.57%), from \$3.18 to \$3.23, per credit hour is recommended. This represents an annual increase of \$1.20.

Graduate: An increase of \$0.02 (1.47%), from \$1.36 to \$1.38, per credit hour is recommended. This represents an annual increase of \$0.48.

Professional: An increase of \$0.03 (1.46%), from \$2.06 to \$2.09, per credit hour is recommended. This represents an annual increase of \$0.72.

The cumulative recommended Activity Fee increase (all three levels) is 1.50%.

Athletic Fee

Intercollegiate Athletics maintains seventeen sports (7 men's and 10 women's) at the NCAA Division I-A level. In order to address anticipated increases, primarily in Grants-in-Aid, **an Athletic Fee increase of \$0.56 (4.90%), from \$11.38 to \$11.94 per credit hour, 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 FY04 bond fee rates, along with prudent budget management, would provide for a 5.00% increase in utilities, general price increases for certain line items, and other small operating cost increases related to the individual units (excluding salary increases). It also includes a provision for contributions to both the debt service and replacement reserves. Included in these fees is the 1996 Bond Series fee. The 1996 Bond Series (West Campus Improvements) bond fee structure was established in 1997 and initiated in FY98 at an initial rate of \$1.50 per credit hour. The approved structure provided a specific schedule for 1996 Bond Series fees through calendar year 2022, which began decreasing in FY03; therefore, a decrease of \$0.10, from \$4.40 to \$4.30 per credit hour, is included in the overall bond fee package. The 1999 Bond Series (Convocation Center) bond fee structure was established in 1999 and initiated in FY00 at an initial rate of \$2.50 per credit hour. The approved structure provided a specific schedule for 1999 Bond Series fees through FY03. In FY04, the fee (Convocation Center fee) becomes part of the controllable fees for Revenue Bond facilities. The recommendations for each Revenue Bond fee is as follows:

Holmes Student Center – An increase of \$0.56 (7.05%), from \$7.94 to \$8.50 per credit hour is recommended.

Recreation Center – An increase of \$0.08 (2.45%), from \$3.26 to \$3.34 per credit hour is recommended.

Evans Field House – An increase of \$0.12 (10.43%), from \$1.15 to \$1.27 per credit hour is recommended.

Huskie Stadium – An increase of \$0.08 (5.23%), from \$1.53 to \$1.61 per credit hour is recommended.

Convocation Center – An increase from the previously approved fee of \$5.75 to \$6.04 or \$0.29 (5.04%) per credit hour is recommended.

FY96 Bond Series (West Campus Improvements) – The previously approved fee decrease of \$0.10, from \$4.40 to \$4.30 (-2.27%) per credit hour, is included.

The FY04 recommended bond fee package is an increase of \$1.03, from \$24.03 to \$25.06, per credit hour, a 4.29% increase.

Student Bus Service Fee

The Bus Fee supports the university's Huskie Line bus and Freedom Mobile paratransit services. All fee-paying students are eligible to utilize Huskie buses free of charge. Currently, the Bus Fee is \$4.92 per semester credit hour for the academic year and \$1.64 per semester credit hour for the summer session. **The Bus Fee Review Committee recommends no increase in the bus fee for either the academic year or the summer session.**

Health Insurance Fee

The student health insurance plan provides comprehensive medical insurance for students and their dependents. The Health Insurance fee is a flat fee, which provides coverage for all students registered for nine or more credit hours of on-campus instruction unless proof of comparable health insurance coverage is provided. It should be noted that Spring Semester enrollment in the plan includes summer coverage regardless of whether the student is registered for summer session instruction. This coverage assures year-round health insurance coverage for participating students. **The Student Health Insurance Fee Review Committee is recommending acceptance of the quote offered by Mega Life Insurance Company/Student Resources and a \$31.50 per semester increase in the Health Insurance Fee, from \$182.00 to \$213.50, a 17.31% increase.**

Health Service Fee

The Health Service Fee supports the University Health Service, which provides comprehensive ambulatory health care and health education for students while the university is in session. **The Health Fee Review Committee is recommending a \$0.01 increase from \$6.94 to \$6.95 per semester credit hour.** This .14% increase is needed primarily to support operational cost increases (excluding salary increases) and equipment purchases.

Grants-in-Aid Fee

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

Student-to-Student Grant

Revenue collected from the Student-to-Student Grant Fee is matched by the State of Illinois and supports a need-based financial aid program for economically disadvantaged students. The fee is assessed only to undergraduate students registered for twelve or more credit hours of on-campus instruction and is refundable upon request. **The fee is presently at the ISAC statutory maximum of \$4.50 per semester. Therefore, the Student Financial Aid Office is not recommending an increase of this fee.**

Law Fee

The Law Fee supports activities of the Student Bar Association and is assessed to College of Law students only. **In order to meet the requests for funds from an increasing number of law student groups, the Student Bar Association Officers, supported by the College of Law, is recommending a \$0.32 increase per credit hour, from \$1.76 to \$2.08 (18.18%).**

Graduate Colloquium Fee

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

FISCAL YEAR 2004 ROOM AND BOARD RATE RECOMMENDATIONS

Summary: Student room and board fees, which are collected from students living in university residence halls, support Student Housing and Dining Services operations and related Revenue Bond obligations. Room rate recommendations for FY04 address increased Physical Plant and utility costs, contributions to the equipment and maintenance reserves, and increased debt service payments for residence hall improvements. Room and board rate recommendations do not reflect any significant program changes. The Room and Board Rate Review Committee is recommending an increase in room rates varying between 5.70 percent and 5.80 percent and a zero percent increase in board rates. The changes in rates apply to all residence halls assuming purchase of the minimum board plan buy-in (Gold Plan). **These changes represent a 4.00 percent net affect in standard room and board rates when combined.** The Committee is also recommending an average 5.90 percent increase in University Apartment (Married Student Housing) rates with no required board plan buy-in. A summary is provided to detail each residence hall room rate and board plan with their corresponding increases.

Recommendation: The university requests approval of the recommended FY04 room and board rates and University Apartment rates as presented.

FY04 RESIDENCE HALL ROOM AND BOARD RATES

Room and board fees provide funds to support the operation of campus residence halls. Increases recommended in room rates are required to offset various cost increases and to support new features and services designed to enhance resident satisfaction and retention. Recommended room rates reflect an average increase of 5.80 percent for all residence halls. Board rates reflect a zero percent increase for the minimum buy-in plan. With the combination package of the increased room rates and unchanged board rates (using the minimum Dining Dollars Plan), the overall net affect is a 4.00 percent increase in rates for FY04.

<u>RESIDENCE HALL</u>	<u>FY03</u>	<u>FY04</u>	<u>\$ INCREASE</u>	<u>% CHANGE</u>
Grant Double	\$1,395	\$1,475	\$80	5.70%
Grant Single	2,237	2,366	129	5.80
Stevenson Double	1,465	1,549	84	5.70
Stevenson Single	2,290	2,422	132	5.80
Stevenson Suite w/o Bathroom	2,014	2,130	116	5.80
Stevenson Suite w/Bathroom	2,182	2,308	126	5.80
Low Rise Double - Neptune	1,399	1,480	81	5.80
Low Rise Double – Lincoln/Douglas	1,376	1,455	79	5.70
Low Rise Single	2,217	2,345	128	5.80
Low Rise Triple	1,346	1,424	78	5.80
Low Rise Suite	1,914	2,025	111	5.80
Apartments				
Small Studio (per month)	433	458	25	5.80
Large Studio (per month)	475	503	28	5.90
Winter Break Fee	100	100	---	---
Spring Break Fee	30	30	---	---
<u>Board Rates</u>				
Dining Dollar Plan–Gold (minimum buy-in)	\$800	\$800	---	---
Dining Dollar Plan–Platinum	1,200	1,200	---	---
Dining Dollar Plan–Titanium	1,600	1,600	---	---

**FISCAL YEAR 2004 ATHLETIC SPORTS CAMP
HOUSING AND MEAL EXPENDITURE**

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

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

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

Recommendation: The university requests approval of expenditure authority for FY04 as follows:

Student Housing and Dining ServicesNot to exceed \$400,000

**FISCAL YEAR 2004 STUDENT ACCIDENT AND
SICKNESS INSURANCE CONTRACT RENEWAL**

Summary: University Health Services provides group health insurance to students and their families. This insurance is funded by student fees. The Health Insurance is provided by Mega Life Insurance Company under a multiyear contract. The decision to renew the contract is based on negotiations between the vendor and the Student Health Insurance Committee, which is composed of students and administrators. The negotiated rates are determined by claims experiences (which are up 27 percent over last year), cost trends in the health care industry (up 16 to 18 percent), rate of student participation and various adjustments in levels of coverage provided.

As a result, as part of the FY04 fee recommendations, the university recommended a semester rate of \$213.50, which reflects a 17.31 percent increase over the previous contract. The university now requests Board approval of the renewal contract. Renewal for FY04 will not involve any major change in benefit design or plan structure

Recommendation: The university requests approval of expenditure authority for FY04 as follows:

Mega Life - St. Petersburg, FL.....Not to exceed \$4,500,000

**FISCAL YEAR 2004 DOCUMENT SERVICES COPIER AND
CONTROLLER SYSTEM CONTRACT RENEWAL**

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

Recommendation: The university requests approval of expenditure authority for an open order for FY04 as follows:

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

FISCAL YEAR 2004 WASTE MANAGEMENT CONTRACT RENEWAL

Summary: Approval is required to renew the contract for waste collection and disposal of solid wastes and the recycling of paper, glass, metals and mixed recyclables at all owned and leased NIU facilities. This is the last of five renewal years included in the original bid. All terms, conditions and pricing remain the same as FY03.

Recommendation: The university requests approval of an open order for FY04 as follows:

Waste Management West - Batavia, IL \$400,000

FISCAL YEAR 2004 NORTHERN STAR CONTRACT RENEWAL

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

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

Recommendation: The university requests approval of an order for the FY04 *Northern Star* contract renewal as follows:

Castle Printech - DeKalb, IL

Order Amount	\$241,000
Contingency.....	49,000

Total Not to exceed \$290,000

INTERNATIONAL PROGRAMS DIVISION CONTRACTS RENEWAL

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

Due to the many variables, including actual number of enrollees in each program, program choices and currency fluctuations, the amount of authorization needed for specific programs is unpredictable. This limits the university's ability to request such authorizations for specific programs and groups in a timely manner. Overall, the university does not expect the program level to fluctuate significantly from FY03. All funds and disbursements remain subject to university accounting controls and management.

Recommendation: The university requests approval of expenditure authority for FY04 as follows:

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

COLLEGE OF EDUCATION – LITERACY EDUCATION MULTIYEAR CONTRACT

Summary: The Department of Literacy Education received a multi-year contract from the U.S. Department of Education to increase the number and quality of teachers who work with students who are learning English. This subcontractor will provide training and workshops to participating public school districts and staffs to improve the quality of instruction provided to these students in grades K-12.

Recommendations: The university requests approval of grant funded expenditure authority through the first quarter of FY08 as follows:

<i>Illinois Resource Center - Des Plaines, IL</i>	\$365,384
Year One	\$70,013
Year Two	\$71,531
Year Three.....	\$72,929
Year Four.....	\$74,218
Year Five	\$76,693

MASS TRANSIT CONTRACT

Summary: The Student Mass Transit Board oversees operations of the campus bus system that provides services on campus and to residential and business areas of DeKalb and Sycamore. Pricing is based on terms and conditions resulting from bids received in December 2002. The student bus service fee will not increase in FY04.

Recommendation: The university requests approval of expenditure authority for FY04 as follows:

ATC Vancom of Illinois LP dba Huskie LP - Chicago, IL \$2,425,000

BIOLOGICAL SCIENCES MULTIYEAR RESEARCH PROJECT

Summary: The Department of Biological Sciences received a multiyear grant from the National Institutes of Health and will subcontract a portion of the work to Yale University School of Medicine for a study entitled "Long-Term Outcomes of Childhood Onset Epilepsy." The subcontracted work will include recruiting, interviewing and monitoring participants in this project, and it will also provide for the services of several consultants, as well as miscellaneous costs of program operations and supplies. Intent to award this contract as a sole source was advertised in the *Illinois Higher Education Procurement Bulletin*.

Recommendation: The university requests approval of grant-funded expenditure authority through FY06 as follows:

<i>Yale University School of Medicine</i>	
<i>Department of Neurology - New Haven, CT</i>	\$2,033,032
<i>FY03</i>	\$478,430
<i>FY04</i>	\$500,000
<i>FY05</i>	\$514,000
.....	FY06
\$540,602	

CENTER FOR GOVERNMENTAL STUDIES PROJECT ADMINISTRATOR

Summary: The Center for Governmental Studies contracted with Michael Gallis & Associates to work as project administrator on the Statewide Strategic Development Diagnostic Project funded by the Illinois Department of Commerce and Community Affairs. A recent expansion in the scope of services to be provided along with a commensurate increase in the term of contracted services now requires an amendment. Presidential approval was given on December 10, 2002.

Recommendation: The university requests approval of a change order for a project administrator for FY03 as follows:

Michael Gallis & Assoc. - Charlotte, NC

Original Amount.....	\$249,500
Amendment	<u>310,500</u>
New Order Total	\$560,000

Agenda Item 9.a.(13)
March 19, 2003

Action

ILLINOIS MUTUAL AID AGREEMENT

Recommendation: The university requests permission to enter into a multiyear intergovernmental agreement to provide mutual assistance and cooperation between the NIU Office of Public Safety and various state, county and local law enforcement agencies.

HOLMES STUDENT CENTER – BALLROOM EQUIPMENT APPROVAL

Summary: Major upgrades of the Duke Ellington Ballroom in Holmes Student Center have not been undertaken since its construction in 1968. With architectural programming assistance from Loebel Schlossman & Hackl Architecture, a scope of work has been developed for the renovation required to bring the ballroom up to today's standards. The Audio/Visual equipment element of the project is more extensive than initially expected and will cause the project to exceed the original budget. With the abatement completed in the ballroom ceiling and the upcoming roof replacement beginning in May of 2003, it is imperative that the ballroom downtime is minimized by taking the next step and renovating the interior. The scope of work has been reviewed in order to assure that it is pragmatic and responsible. However, in order to provide a responsible product to our students, substantial funding is required to provide state-of-the-art equipment and capabilities for the Ballroom.

Audio/visual and lighting systems originally installed are well beyond their useful life. The renovation will provide the infrastructure support for installation of new systems that will blend into the aesthetics of the room. New equipment will be purchased for cutting edge audio/visual and some lighting control.

Recommendations: The university requests Board of Trustees authorization to purchase audio/visual equipment for the Duke Ellington Ballroom Renovation project. Equipment costs are estimated at \$370,000. The university further requests approval to execute purchase orders, contracts and issue work orders as necessary to procure and install the equipment in the remodeling of the facility.

SWEN PARSON HALL – CHESSICK LEGAL SKILLS TRAINING CENTER

Summary: At the November 15, 2001 meeting of the Finance, Facilities and Operations Committee, an information item was included in the agenda announcing that the university had received a gift of \$250,000 to provide the necessary equipment for the establishment of a technology-based Legal Skills Training Center within the College of Law. The item also indicated that an architectural firm had been selected to conduct a feasibility study for the creation of the Skills Center in the space chosen in Swen Parson Hall and that the university would at some point seek authorization to remodel the space in accordance with the needs of the college. The space was previously occupied by the Regional History Center and is immediately adjacent to existing College of Law space providing a unique opportunity to accommodate the college's technology upgrade needs.

At the present time, the College of Law has no classrooms adapted for instruction with multimedia technology and faculty use of computer-based training relies on transporting equipment from one location to the next. The development of this Skills Center will involve the construction of two new classroom spaces dedicated to the college for technology-based instruction. These facilities will be designed to interconnect with existing networking capabilities in the college and allow for utilization of a variety of technologies in instruction.

The first room will be used as a "technology courtroom" with a capacity of thirty students. The room will convey the environment of a courtroom while also providing the capability to reconfigure the furnishings to accommodate different instructional purposes. The technology in this classroom will include flat display screens for multiple viewing of evidence, computer and internet connectivity, touch screen control systems, and sound and video systems for additional capabilities of presenting evidence.

The second room will be designed as a "smart classroom" for approximately fifty students. This room will provide state-of-the-art technological capabilities consistent with university "smart classroom" standards. Technology in the room will include a multimedia-based projection system as well as a network and power connection for each student station to interact with the College of Law network.

Recommendation: The university seeks Board of Trustees approval to remodel the Swen Parson space and to establish the project budget at \$735,000. In addition to the gift, funding will be provided from a blend of university funds. The university also requests permission to advertise and receive bids, execute contracts and issue purchase orders to obtain equipment necessary to complete the project.

**RECOMMENDATIONS FOR FACULTY AND SUPPORTIVE PROFESSIONAL STAFF
SABBATICAL LEAVES FOR THE 2003-2004 ACADEMIC YEAR**

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

<u>Faculty Member</u>	<u>Department/School</u>	<u>Semester</u>
COLLEGE OF BUSINESS		
Docking, Diane Scott	Finance	Fall 2003
Marsh, Sarah J.	Management	Fall 2003
Singh, Tanuja	Marketing	Fall 2003
COLLEGE OF EDUCATION		
Butler, Rebecca P.	Educ. Tech., Research and Assessment	Spring 2004
Farris, Pamela J.	Literacy Education	Spring 2004
Giordano, Francesca G.	Counseling, Adult and Health Education	Spring 2004
Munk, Dennis D.	Teaching and Learning	Spring 2004
Parker, Jenny	Kinesiology and Physical Education	Fall 2003
Shaw, Carla Cooper	Teaching and Learning	Spring 2004
Zittel, Lauriece L.	Kinesiology and Physical Education	Spring 2004
COLLEGE OF ENGINEERING AND ENGINEERING TECHNOLOGY		
Kostic, Milivoje	Mechanical Engineering	Fall 2003
Song, Xueshu	Technology	Spring 2004
COLLEGE OF HEALTH AND HUMAN SCIENCES		
Douglass, Carolinda	Allied Health Professions	Fall 2003
Gough, Deborah L.	Communicative Disorders	Fall 2003
Lusk, Brigid	Nursing	Fall & Spring 2003-04
Robertson, Julie	Nursing	Spring 2004
COLLEGE OF LAW		
Parness, Jeffrey A.	College of Law	Spring 2004
Schlam, Lawrence	College of Law	Spring 2004
Walton, John A.	College of Law	Spring 2004

<u>Faculty Member</u>	<u>Department/School</u>	<u>Semester</u>
COLLEGE OF LIBERAL ARTS AND SCIENCES		
Andrew, Anita M.	History	Fall 2003
Bloom, Frederick	Mathematical Sciences	Spring 2004
Bujarski, Jozef J.	Biological Sciences	Spring 2004
Eubanks, Philip	English	Spring 2004
Giles, James R.	English	Fall 2003
Gonzales, Michael J.	History	Spring 2004
Hudspeth, Michael E.S.	Biological Sciences	Spring 2004
Kapitan, Tomis	Philosophy	Fall & Spring 2003-04
Koenig, Heidi O.	Public Administration	Spring 2004
Linner, Anders	Mathematical Sciences	Fall & Spring 2003-04
Meganathan, R.	Biological Sciences	Fall 2003
Mini, Susan M.	Physics	Fall 2003
Molnar, Andrea K.	Anthropology	Fall 2003
Myers, Kristen	Sociology	Fall 2003
Naples, Virginia L.	Biological Sciences	Fall 2003
O'Gorman, Thomas W.	Statistics	Fall 2003
Rubin, Irene S.	Public Administration	Fall 2003
Schaeffer, John D.	English	Fall 2003
Schubert, James N.	Political Science	Fall 2003
Song, Jie	Geography	Fall & Spring 2003-04
Steele, Diana F.	Mathematical Sciences	Fall & Spring 2003-04
Sytsma, Sharon E.	Philosophy	Fall 2003
Valentiner, David	Psychology	Spring 2004
Zerwekh, Robert	Computer Science	Fall 2003

COLLEGE OF VISUAL AND PERFORMING ARTS

Chappell, Robert	Music	Fall & Spring 2003-04 OR Spring 2004
LoFaso, Christine	Art	Fall & Spring 2003-04
Novak, John K.	Music	Spring 2004
Quinlan, Mary	Art	Spring 2004
Sims, Robert	Music	Fall & Spring 2003-04
Wooten, Ronnie	Music	Spring 2004

SUPPORTIVE PROFESSIONAL STAFF

Cook, Margaret M.	Univ. Programming and Activities	Summers 2003 & 2004
Eaton, Shevawn B.	ACCESS	Summers 2003 & 2004
Miller, J. Elizabeth	Graduate School	Spring 2004
Robinson, Lucy C.	Family, Consumer and Nutrition Sciences	Fall 2003
Weisenthal, Rebecca	Counseling and Student Development	Summers 2003 & 2004

ALTERNATES (In Ranked Order)

1. Glenn, Gary D.	Political Science	Spring 2004
2. Green, Leona S.	College of Law	Fall 2003

Recommendation: The university requests that the Board of Trustees approve the university's decisions to grant the above sabbatical leaves for 2003-04.

REQUEST FOR NEW EMPHASES

New subdivisions of existing undergraduate programs are called emphases, and new subdivisions of graduate programs are called specializations. The creation of both of these subdivisions requires the approval of the Board of Trustees. If the Board approves the addition of new emphases or specializations, the university will report them in the Annual Listing of Changes sent to the IBHE each June. These requests were endorsed by the Academic Affairs, Student Affairs and Personnel Committee at its March 4 meeting.

Emphasis, Learning Behavior Specialist I (within the B.S.Ed. in Special Education)

Description: The Department of Teaching and Learning in the College of Education is proposing to offer an emphasis to prepare students for Illinois teacher certification as a Learning Behavior Specialist I. The proposed emphasis would replace the emphasis in high incidence disabilities and the emphasis in developmental disabilities/multiply disabled, which are currently part of the B.S.Ed. degree program and are proposed for deletion in the next agenda item. All students completing the new emphasis would complete core requirements for the degree program as well as specified course work within the emphasis, including curriculum development, classroom management for special educators, social and emotional support and management, collaboration for inclusive teaching and learning, the use of assistive technologies in instruction, clinical experience and student teaching in special education, and a capstone seminar in special education.

Rationale: The proposed emphasis is designed to meet the new Illinois State Board of Education's rules for teacher certification in special education, which were developed in response to a federal court order resulting from the *Corey H* case. While Illinois has traditionally delivered special education with student placements in special education teacher certification categories, such as learning disabilities, mental retardation or emotional disturbances, the federal court order found this system for the certification of special education teachers to be out of compliance with the federal law regarding special education. The remedy required by the court requires that the disability-specific certification of special educators be eliminated, and that a new, noncategorical certification of special educators, Learning Behavior Specialist I, be instituted.

Costs: No new resources are needed to implement this change. The resources appropriated to the current emphasis in high incidence disabilities and the emphasis in developmental disabilities/multiply disabled will be reallocated to the emphasis, Learning Behavior Specialist I.

Emphasis, Type 04 Certification and Emphasis, Type 04 Certification with Preschool Special Education Approval (within the Interdisciplinary Major in Early Childhood Studies (B.S.))

NIU's Interdisciplinary Major in Early Childhood Studies (B.S.) is jointly administered by the Department of Teaching and Learning in the College of Education and the School of Family, Consumer, and Nutrition Sciences in the College of Health and Human Sciences. Currently teacher candidates completing the major meet the requirements for early childhood (Type 04) certification. With the changes in the requirements for special education that have been developed by the Illinois State Board of Education in response to the federal court ruling on the *Corey H* case, the faculty in the Department of Teaching and Learning and in the School of Family, Consumer, and Nutrition Sciences propose that students have a choice for completing the Interdisciplinary Major in Early Childhood Studies with either an emphasis in early childhood (Type 04) teacher certification or an emphasis in early childhood (Type 04) teacher certification with preschool special education approval. All students enrolled in the interdisciplinary major will complete core requirements that include course work in child development, family relations, program planning, curriculum development, teaching and learning with technology, and student teaching.

Description: The School of Family, Consumer, and Nutrition Sciences in the College of Health and Human Sciences is proposing to offer an emphasis in early childhood education (Type 04) certification. The Department of Teaching and Learning in the College of Education is proposing to offer an emphasis in early childhood (Type 04) certification with preschool special education approval.

Rationale: The goal of the emphasis proposed by the School of Family, Consumer, and Nutrition Sciences is to prepare teacher candidates to work with children from diverse populations from birth through grade three in inclusive classrooms. The focus of the emphasis is on understanding the child within family and community contexts. The proposed emphasis includes course work for early childhood certification (Type 04) that meets the requirements that arose from the federal court ruling on the *Corey H* case.

The goal of the emphasis proposed by the Department of Teaching and Learning is to prepare teachers to work with typically and atypically developing children in culturally and linguistically diverse environments, with a focus on children enrolled at the prekindergarten through third grade levels. The proposed emphasis includes course work for early childhood certification (Type 04) that meets the requirements that arose from the federal court ruling on the *Corey H* case combined with course work in the areas of assessment, methods, language development, and family and community relationships needed for preschool special education approval.

Costs: No new resources are needed to implement these changes. The curriculum of the interdisciplinary major has been revised to meet the Illinois State Board of Education requirements for certification in early childhood (Type 04) by creating new courses that will substitute for current courses required in the major or by revising existing courses.

Recommendation: The university requests that the Board of Trustees approve the Emphasis, Learning Behavior Specialist I (within the B.S.Ed. in Special Education) and the Emphasis, Type 04 Certification and Emphasis, Type 04 Certification with Preschool Special Education Approval (within the Interdisciplinary Major in Early Childhood Studies (B.S.)).

REQUEST TO DELETE EMPHASES AND A MINOR

Public university governing boards have the final authority to delete subdivisions of major programs. These requests were endorsed by the Academic Affairs, Student Affairs and Personnel Committee at its March 4 meeting.

Emphasis in Developmental Disabilities/Multiply Disabled and the Emphasis in High-Incidence Disabilities (within the B.S.Ed. in Special Education)

Description: The Department of Teaching and Learning in the College of Education proposes to delete the emphasis in developmental disabilities/multiply disabled and the emphasis in high incidence disabilities within the B.S.Ed. degree program in Special Education. Both of these emphases would be replaced by a new emphasis, Behavior Specialist I, pending its approval by the Board.

Rationale: In response to a federal court ruling in the *Corey H* case, the Illinois State Board of Education adopted new requirements for preparing teacher candidates for initial certification for special education, which is noncategorical in nature. Except for the those teacher candidates preparing to work with students who have vision impairments, those who are deaf or hard of hearing, or those with speech and language impairments, all initial teacher preparation programs in special education are required to revise their curricula to prepare teacher candidates for certification as Behavior Specialist I, which is described in the preceding agenda item.

Costs: The resources appropriated to these two emphases will be reallocated to the new emphasis, Learning Behavior Specialist I. The courses for the new emphasis, Learning Behavior Specialist I, will replace those required for the emphasis in developmental disabilities/multiply disabled and the emphasis in high incidence disabilities proposed for deletion.

Emphasis in Deaf and Hard of Hearing (within the B.S.Ed. in Special Education)

Description: The Department of Literacy Education in the College of Education proposes to delete the emphasis in deaf and hard of hearing.

Rationale: For more than a decade the College of Education has made consistent and concerted attempts to recruit and retain faculty with the qualifications to prepare teacher candidates for certification in the area of deaf and hard of hearing. In comparison to other fields within special education, the number of faculty prepared in the area of deaf and hard of hearing is relatively small, and competition to hire these individuals is high. Faculty members hired at NIU to teach in this area have been recruited by other universities or have resigned to accept other positions. In some instances contracts for NIU tenure-track faculty have not been renewed. Due to the inability to retain qualified faculty, the college has been unable to consistently offer students high-quality preparation in the area of deaf and hard of hearing. In addition, with the need to meet the new Illinois State Board of Education requirements for certification in the area of deaf and hard of hearing, the course work for the emphasis must be redesigned. The university has concluded that it is timely and in the best interest of students seeking preparation for certification in deaf and hard of hearing to delete the emphasis in deaf and hard of hearing after the 100 currently enrolled students have completed degree requirements for certification in this area. Prospective students seeking certification in deaf and hard of hearing will be advised to seek admission to the programs at Illinois State University or at MacMurray College.

Costs: The deletion of the emphasis in deaf and hard of hearing would result in the university's ability to reallocate approximately \$150,000 to other high-demand programs. The funds for the full-time tenure-track faculty position in the area of deaf and hard of hearing would be allocated to the

Bilingual/English as a second language area. The clinical supervisors currently serving students in the emphasis in deaf and hard of hearing will be given the option of transferring to the Department of Teaching and Learning to work with the students enrolled in the new emphasis, Learning Specialist I. Funds for part-time temporary faculty positions will be reallocated to offer additional sections of high-demand courses in the College of Education.

Minor in Safety and Driver Education (in Technology)

Description: The Department of Technology in the College of Engineering and Engineering Technology proposes to delete the minor in safety and driver education within the B.S. degree program in Technology.

Rationale: In fall 2002, the faculty member with the expertise to teach the driver education component of this minor retired. This retirement provided the department with the opportunity to hire a new faculty member with expertise in occupational and industrial safety, who can teach in both the B.S. degree program in technology and the minor in safety. Based on the advice of the department's advisory and alumni boards, additional content in industrial safety is being incorporated into the curriculum of the degree program, which will better serve the needs of the students as they seek employment in the field.

Costs: No reduction in costs will occur with the deletion of this minor. The new faculty member hired into the position will be assigned to teach courses needed by students to complete the B.S. degree program in technology or the minor in safety.

Recommendation: The university recommends that the Board of Trustees approve the request to delete the Emphasis in Developmental Disabilities/Multiply Disabled and the Emphasis in High-Incidence Disabilities (within the B.S.Ed. in Special Education); the Emphasis in Deaf and Hard of Hearing (within the B.S.Ed. in Special Education); and the Minor in Safety and Driver Education (in Technology).

**Chair's Report
No. 24**

March 19, 2003

**AMENDMENT TO THE
NORTHERN ILLINOIS UNIVERSITY CONSTITUTION**

At its March 20, 2002 meeting, the University Council approved, by more than the required two-thirds majority, amendments to the *Constitution of Northern Illinois University*. The proposed amendment is to update the *Constitution* by replacing titles which have changed. Former Associate Provosts are now called Vice Provosts; former Assistant Provosts are now called Associate Vice Provosts; and the former Director of University Libraries is now called Dean of University Libraries. These titles will be updated throughout the *Constitution and Bylaws* wherever the outdated titles appear.

As required by Article 10 of the *Constitution*, the faculty voted on the proposed amendments in a referendum held in September 2002. The amendments were approved by a vote of 373 to 39.

The final step in the amendment procedure is approval of the proposed amendment by the Board of Trustees. The changes indicated below will bring the *Constitution* in line with the current administrative organization.

The proposed amendment is to update the *Constitution* by replacing titles which have changed. Former Associate Provosts are now called Vice Provosts; former Assistant Provosts are now called Associate Vice Provosts; and the former Director of University Libraries is now called Dean of University Libraries. These titles will be updated throughout the *Constitution and Bylaws* wherever the outdated titles appear.

Recommendation: The university recommends Board of Trustees approval of the changes to the *Constitution and Bylaws of Northern Illinois University* as described above.

**AMENDMENT TO THE
NORTHERN ILLINOIS UNIVERSITY CONSTITUTION**

At its February 12, 2003 meeting, the University Council approved, by more than the required two-thirds majority, amendment to the *Constitution*, Article 2.82 that would start the terms of office for University Council members to begin on July 1.

The proposed amendment to the *Constitution* was then, as required by Article 10, voted on by the faculty in a referendum held in February 20-03. The amendment was approved by a vote of 321 to 48.

The final step in the amendment procedure is approval of the proposed amendment by the Board of Trustees. The change indicated below will bring the *Constitution* in line.

- | 2.82 Terms of office for all members shall begin on ~~August 16~~ July 1. Persons elected or appointed to fill midterm vacancies on the University Council shall be eligible to begin serving on the University Council three days after the executive secretary of the University Council has been officially notified in writing of their election or appointment.

AMENDMENT TO BOARD OF TRUSTEES *REGULATIONS*

Background: Two adjustments in Section VII of the Board of Trustees *Regulations* are proposed to update and clarify authority and requirements for certain actions involving legal services for the institution.

The Board's Regulation concerning Freedom of Information Act administration needs modification to reflect a designated support function of the Office of University Legal Services, as indicated in the attached proposed revision.

Similarly, the Board of Trustees *Regulations* can be enhanced and streamlined by establishing a formal delegation of authority to the President or appropriate designee for initiating and resolving legal proceedings involving less than \$250,000 for protection of legal interests of the Board of Trustees or university. On a historical basis, this has most typically involved collection actions for receivables due the university on behalf of the Board of Trustees in the ordinary course of business. Depending on the subject matter that may be involved, actions involving greater amounts would require authorization from the Chair of the Board of Trustees, or possibly the Executive Committee or entire Board of Trustees.

Recommendation: The President requests endorsement and approval of the attached proposed amendments to Section VII of the Board of Trustees *Regulations*.

SECTION VII. OTHER OPERATIONAL MATTERS

Subsection C. Freedom of Information Act

1. FORM OF REQUESTS

Requests for information shall be in writing and shall identify the requester by name, address and organization, if any. The request shall identify the information requested as specifically as possible. The request shall specify whether the request is for the inspection and photocopying of the information or for the photocopies of the information only. If certified copies are required, the request shall so state.

2. SUBMISSION OF REQUESTS

Requests for information concerning records of Northern Illinois University or the Board of Trustees shall be submitted to the following address:

Freedom of Information Act Request
Northern Illinois University
Office of ~~the General Counsel~~ University Legal Services
DeKalb, IL 60115
~~Telephone: (815) 753-8366~~

Requests shall be received at the date and time that the request is received at the specified address. Failure to submit the request to the appropriate address may cause a delay in receipt of the request.

3. RESPONSE TO REQUESTS

The ~~president shall appoint an individual to~~ General Counsel or designee shall act upon requests. Noteworthy requests may be brought to the attention of university administrators, the president and the Chair of the Board of Trustees. The requester shall be notified in writing that the request has been approved, denied or extended pursuant to the Freedom of Information Act. The approval of a request for inspection shall identify the documents determined to be in response to the request and the approximate number of pages involved. If the information requested is stored as computer data and not available in a comprehensible printed form, the approval shall identify the data, the actual cost of providing a comprehensible printed form and the amount of time necessary to provide the requester with the printed form. The approval of a request for photocopies shall identify the documents, the exact number of pages and the fee for photocopying, postage and certification, if certified copies are requested. A copy of each denial and an affidavit of mailing of the denial shall be on file at the office to which the request was made.

4. TIME AND PLACE OF ACCESS

The approval of a request for inspection shall inform the requester where the information will be available for inspection. The approval of a request for photocopies or computer-stored data will inform the requester that upon receipt of the appropriate fee the material will be mailed or available for pick-up at a specific place. Information will be made available for 14 days after the mailing of the approval.

5. FEES AND COSTS

The cost for photocopies which can be readily made on available equipment shall be thirty-five cents per page. Photocopies which cannot be made on available equipment will be photocopied through a commercial photocopy service at the cost charged by the service. The cost for the mailing of photocopies will be the actual postage. The fee for certification is one dollar per document or set of documents. The cost for the preparation of a comprehensible printed form of computer-stored data is the actual cost of programming, computer usage and printing.

6. APPEAL OF A DENIAL

The appeal of a denial of a request for information under the Freedom of Information Act shall be made in writing to the Office of the President, Northern Illinois University, DeKalb, IL 60115. The appeal must be postmarked or delivered to the President's Office within 14 days of the mailing to the requester of the denial of the request. The appeal need not state the basis for the appeal, but must include a copy of the written denial. A copy of the appeal shall be sent to the denying office at the same time that the appeal is sent to the president.

7. DECISION OF THE PRESIDENT

The president shall review the denial and issue a written decision as to the denial. The president may uphold, reverse or modify the decision of the denying office.

SECTION VII. OTHER OPERATIONAL MATTERS

Subsection E. Legal Proceedings and Actions

1. CLAIMS AND COLLECTION ACTIONS

For legal matters involving (a) relatively routine collection matters or (b) forcible entry and detainer actions when any tenant of a university facility fails to abide by the terms of the lease due to nonpayment of rent or otherwise, instituted by the university involving less than \$250,000, the Board of Trustees delegates authority to the President or appropriate designee to initiate and resolve proceedings on behalf of the Board of Trustees in appropriate courts or other suitable forums to enforce, collect or protect legal interests of the Board and university. Where a cross-claim or counterclaim is raised in a collection case, the Board Chair shall be promptly consulted on the matter.

**Special Meeting
of the
Board of Trustees
of
Northern Illinois University**

May 5, 2003

No item in this report for release prior to 11:15 a.m. Monday, May 5, 2003.

A G E N D A

**SPECIAL MEETING
of the
BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
11:15 a.m. – Monday – May 5, 2003
Clara Sperling Sky Room**

11:15 a.m. Call to Order, Roll Call, Notice Verification, Meeting Agenda Approval, Recess to Executive Session
Executive Session – University Suite
Reconvene Board of Trustees Meeting – Clara Sperling Sky Room

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1. Call to Order and Roll Call
 2. Verification of Appropriate Notification of Public Meeting
 3. Meeting Agenda Approval *Action*..... 113
 4. Chair's Comments/Announcements
 5. Public Comment*
 6. Executive Session
 7. President's Report No. 35
 - a. FY04 Tuition Recommendation *Action*..... 121
 - b. Academic Program and Instructional Technology Surcharge Rates *Action*..... 123
 8. Other Matters
 9. Next Meeting Date
 10. Adjournment

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

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

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

Minutes of a
Special Meeting
of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
May 5, 2003

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Manuel Sanchez at approximately 10:12 a.m. in the Clara Sperling Sky Room of Holmes Student Center. Recording Secretary Mimms conducted a roll call of Trustees. Members present were Trustees Robert Boey, Myron Siegel, Barbara Giorgi Vella and Student Trustee Jesse Perez. Present via teleconference were Trustees Catherine Adduci, George Moser and Chair Sanchez. Not present was Trustee Gary Skoien. Also present were Board Parliamentarian Kenneth Davidson and President John Peters. With a quorum present, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

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

MEETING AGENDA APPROVAL

After discussion with President Peters and a review of the printed Agenda before us, Chair Sanchez said, I would like to request a motion to approve the proposed meeting agenda. After advice from the Board Parliamentarian to delete the Executive Session from the agenda, Trustee Siegel moved to approve the agenda as amended, seconded by Trustee Vella. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Good morning to those in attendance, Chair Sanchez said, and a particular thanks to my fellow Trustees for making themselves available for this special meeting. We are going to be discussing several very important issues this morning.

A most of you know, the Chair said, this is a special meeting of the Board. We were not scheduled to meet again until June 19. But my fellow Trustees and I felt we could not in good conscience wait until June to deal with the issue of tuition. We want students and parents to have as much time as possible to plan for fall and to obtain adequate financial aid packages. We also wanted to deal with these issues before the end of the semester, while members of the university community are still on hand.

I would like to exercise the Chair's prerogative for just a moment. I want to say how very seriously all of the Trustees take the issue of tuition. We are all deeply committed to continuing to provide opportunity, and anything that affects opportunity is going to receive deep and serious scrutiny from each of us.

At the same time, Chair Sanchez said, over the past two years, we have watched a nearly unprecedented period of budget slashing at public universities. If the Governor's proposed budget is passed next month, NIU will have lost the equivalent of \$30 million over the past two years.

The issue we are faced with is this, the Chair said. We have asked administration to do all it can to reduce overhead, and they have responded with a strict program of austerity measures. We have put aside many of our plans for building overhauls. We have very reluctantly approved spending plans in which very loyal and dedicated university staff has had to forego salary increases. We have cut to the bone, and yet, given the enormity of these state budget cuts, it is still not enough.

Today, Chair Sanchez said, we are faced with two challenges: Either direct the administration to begin immediate program elimination and large-scale layoffs, or increase revenues through the only means available to this Board, and that is tuition.

Ladies and gentlemen of the Board, we have presided over a period of tremendous growth and development at NIU, the Chair continued. We have watched this university emerge from the shadows into a new era of excellence and enhanced reputation. NIU is an acronym now that is clearly understood to mean Northern Illinois University. As a proud alumnus of NIU, I, for one, am not willing to sit back and watch that progress be undone. I believe we owe it to our students to provide the best educational experience possible, and that includes giving them a degree that has value in the marketplace. The value of any college degree depends on the quality of an institution's faculty, the rigor of its academic programs, access to excellent facilities and technology, and overall institutional reputation. All of those attributes require ongoing financial investment.

In addition to the tuition question, Chair Sanchez said, today we are going to be talking about a proposed technology surcharge that will help us begin much-needed upgrades to computer labs, student information systems and bandwidth. The university is at a critical juncture with respect to technology. We know that the quality of our technology facilities, equipment and programs matters very much to students and parents. We also know that it is going to take an infusion of new dollars, at a time when they are in very short supply, to allow NIU to catch up and remain technologically current over the long haul. The State, unfortunately, is not going to be able to help us for the next two or three years; therefore, these are investments we simply must make.

Another investment we must make, the Chair went on to say, is in our people. Ladies and gentlemen, the dedication of the loyal faculty and staff of this university over these past two difficult years has been nothing short of inspirational. Most of us on this Board are business people of one type or another, and as employers, we understand that a kind word only goes so far. We cannot accept as a foregone conclusion that the people who teach our students and keep this campus running so beautifully should have to go two entire years without some sort of salary adjustment. President Peters has time after time pointed to this as his highest priority. My colleagues and I are convinced that his priority is well placed. While much of our ability to reward our staff is dependent on the budget outcome in Springfield, I am going to ask President Peters and his team to run the numbers every way they can to try to find a way to provide some financial reward for our faculty and staff.

All that said, whether we are talking about tuition or a technology surcharge or any other increased cost to our students, Chair Sanchez said in conclusion, we must balance our ambitions for NIU against the realities of a very difficult economic time. It has never been nor is it now easy to ask students and parents to pay for the state's budget bailout, but I would submit to you that that decision has already been made in Springfield. The only question we have today is what form that payment should take, he said, greater out-of-pocket expense or a devalued degree? Thank you for your time and attention.

Chair Sanchez welcomed the UAC representatives to the meeting. The faculty appreciates the Board's sentiments, Dr. Jim Lockard said, and all that the President's staff has done to try to cope with this horrendous situation.

And, unfortunately, Chair Sanchez said, there does not seem to be any light at the end of the tunnel just yet. But we really appreciate the wonderful cooperation we have received from faculty and staff and the wonderful hard work of our administration team.

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

Because we are experiencing problems with our teleconference connections this morning, Mr. Davidson said, I would ask that you request the recording secretary to confirm those in attendance at this point before we begin voting on the agenda.

The Chair requested that the recording secretary take a teleconference attendance roll call, which was as follows:

Trustee Adduci	Present
Trustee Moser	No
Trustee Skoien	No
Chair Sanchez	Present

Mr. Davidson confirmed that there was a quorum.

PRESIDENT'S REPORT NO. 33

Thank you Board members here and on the line for your insistence on dealing with these important matters as quickly and as fairly as possible, President Peters said. We are very pleased that you have given this your careful time and consideration over these many months.

Trustee Moser returned to the teleconference lineup.

As Chair Sanchez mentioned earlier, we are gathered here today to assess the damage done to our academic quality and access by two years of budget cuts, the President said, and to chart a course for the future that balances our dreams and the reality of our economic situation. Last week, I testified once again before the House Appropriations Committee and told them that we have to base our discussions on cumulative totals, not just the latest budget proposal.

To that end, he said, I enumerated the following statistics:

- A \$1.3 million mid-year rescission in FY02.
- Base budget reductions of almost \$9 million in FY03.
- Another mid-year rescission in FY03 totaling \$3 million.
- Responsibility for employee health insurance premiums suddenly shifted over to the universities beginning in FY02 – that costs us another \$3.5 million per year.
- Lack of any increase to cover new or unavoidable cost increases such as rising utility costs and the opening of new buildings on campus. Subtract several million additional dollars for each year's budget beginning in FY02.
- Before we even enter FY04, we have lost between \$13 and \$15 million. That is an erosion in state support of about 11 percent.
- In FY04, the Governor's budget calls for a cut of another \$9.1 million, in addition to holding \$5.3 million worth of tuition funds "in reserve," which in effect is a cut because those dollars are routinely used for direct instructional costs and to accommodate increases in the student body.

So, the President said, if we take a holistic view of state support over the past two years – adding up base budget cuts, mid-year rescissions, health insurance shifts, reserve requests and loss of funds usually provided to cover unavoidable cost increases – we see that NIU will have lost close to \$30 million by the end of Fiscal Year 2004. These losses drive our state budget back the equivalent of five fiscal years, to the fall of 1999. Where were we in 1999? We had 2,000 fewer students in 1999 than we have today.

And we had more faculty and staff. That is right, we could very well find ourselves next year educating 2,000 more students with \$30 million less. Those numbers speak for themselves.

At the Board's direction, we have conducted extensive studies of administrative costs, Dr. Peters said, and we have implemented a number of cost-cutting and streamlining initiatives.

- We have, to date, eliminated 136 jobs.
- We have, to date, frozen admissions as of May 1.
- We have frozen salaries – hopefully, not for two years.
- We have frozen all but essential, safety-related building repairs.
- We have frozen equipment purchases.
- We have established a four-day summer workweek to save on utility costs and so that we can close down buildings for the summer. We are also considering an extended winter closedown to save energy costs.

A full report on these measures and many other streamlining measures is due to the Board in June. In short, he said, we are just about at the end of the road in terms of options that avoid devastating program cuts, layoffs or outsourcing. Also, we are here today presenting you with revenue plans that will get us through this crisis and allow us to continue, albeit in a limited way, the momentum that we have experienced over the past several years. It has been exhilarating indeed; but now it is jeopardized.

NIU has historically kept tuition as low as possible, President Peters said. We are known as an accessible public university. During the ups and downs of the past decade, for example, tuition hikes have averaged just a little more than 4 percent per year. We have traditionally come in at the low end of the state average. And last year, NIU had the lowest increase in the state.

Our plan, which Dr. Williams will detail for you in a few moments, takes into account the varying costs associated with students at different stages in their NIU education, Dr. Peters said. It also recognizes that NIU has a much larger-than-average number of new transfer students – approximately 43 to 44 percent of NIU's undergraduate student body are transfer students – who enter the university at the upper level as juniors and seniors. As at any university, the cost of their education to us is much more. They enter into their course work at the upper levels in our outstanding and comprehensive array of majors. They take classes that are taught by full-time, tenured and, in most instances, senior faculty members. They move into advanced lab courses requiring more expensive equipment and overhead. And they require small classes and seminars with one-on-one attention, such as clinicals and practicums.

Over the years, the notion of a differential tuition level is one that has caught on in many states and at many well-known, well-respected institutions. It recognizes certain added costs, while not penalizing students for choosing particular majors, such as those in the sciences or in engineering or in the arts. I believe it is an idea whose time has come at NIU. We are not only striving to be cost effective, but also fair, and I would urge you to give special consideration to this aspect of our tuition program which recognizes the value added by our upper level curriculum.

Agenda Item 9.a. - Fiscal Year 2004 Tuition Recommendation

The university has consistently pursued the tuition recommendation pursuant to the Board's and the President's firm commitment to affordability and accessibility, Dr. Williams said. President Peters has already indicated that of all the Illinois public universities, NIU passed the lowest increase in tuition this past fiscal year. This recommendation will assist the university in addressing the \$9.1 million statewide reductions. It will assist us in meeting unavoidable cost increases in areas such as utilities and operations. It will also provide additional revenue in order for the university to meet the demands for FY04 enrollment. The specific recommendation provides for an 11 percent average tuition increase, which is distributed as follows. As the President stated, we are making a differential between lower and upper division students. These classifications are determined by the number of credit hours the student has completed. Upper division includes juniors and seniors, and lower division students are defined as freshmen and sophomores. The average 11 percent tuition increase, distributed over these categories, requires a 9.0 percent tuition increase for undergraduate, lower division students. And for upper division, undergraduate students, the increase is 12.0 percent. For graduate and law school students, the

recommended increase is 12.0 percent. I would also like to point out to the Board that the recommendation preserves your original initiative, which started several years ago, to provide a bonus for those students who take more credit hours. Our purpose was to encourage students to take more credit hours by reducing the cost per credit hour based upon the number of hours the student takes above 12 hours. The recommendation before you preserves that incentive. Therefore, President Peters said, the university is recommending Board approval of an average 11 percent tuition increase.

A year before I took office, Student Trustee Perez stated, I knew the Board would be faced with several difficult choices. The budget crisis was and still is the most pressing issue we are going to face. This year everyone on the Board and in the central administration has worked toward maintaining the cost and quality of our education. Our Board has been to the state capital to lobby legislators, and leaders of the Student Association have testified on behalf of the student body in Springfield. In an effort to best serve the students, I placed notices in the newspaper seeking input. From that input, we learned that students want more course selections, the resources necessary to have a successful college experience; and, most importantly, to be able to graduate on time. The quality of our education is the highest priority of the students as well as the Board and the university administration, the Student Trustee said. Today, in casting my vote, I am going to make an ethical and responsible decision, with the best interests of the students in mind. I am confident that this coming year NIU will continue its commitment to providing a high quality education at one of the most competitive prices in the state. For the second year of this budget crisis, students at other universities will be looking at much larger increases in tuition than those at NIU. I know that here at NIU the funds will be used to serve the needs that we, the students, have identified to be the most important, he concluded.

There is no doubt that when the budget is completed in Springfield, Trustee Boey said, the critics of the university budgets are going to say, "See, they can do more with less after all." My answer to that is, there is a difference between efficiency and the outright demolition of a university system. My favorite example is this. My wife is a quality cook and prepares an excellent meal. And, yes, you can put me in the kitchen, but my meal quality is such that you may choose not to eat it. I think there is a balance between common sense, efficiency and where cuts should be made. But to take the kind of cut that we are all asked to take with no consideration given to any single institution's efficiency prior to this time, from the businessman's viewpoint, is not a very good business plan, he said.

Parliamentarian Davidson recommended, in the interest of preserving the record accurately, that a roll call vote also be taken on each of the action items. Chair Sanchez asked for a motion to approve the FY04 tuition recommendations. Trustee Moser so moved, seconded by Trustee Adduci. The Chair asked for a roll call vote to be taken.

Trustee Adduci	Aye	Trustee Vella	Aye
Trustee Boey	Aye	Trustee Perez	Aye
Trustee Moser	Aye	Chair Sanchez	Aye
Trustee Siegel	Present		

In case he could not make the teleconference link, Trustee Boey stated, Trustee Gary Skoien asked me to relay the message that if he had been able to vote either by phone or in person, he would have supported the proposal. Parliamentarian Davidson noted that the record would reflect Trustee Skoien's sentiments, but that it could not be counted as a vote.

Chair Sanchez stated that with a vote of six ayes and one present the motion to approve the FY04 tuition increase was approved.

Agenda Item 7.b. – Academic Program and Instructional Technology Surcharge Rates

In December, President Peters said, the Board directed the university to develop plans for dealing with new technology needs, and in February, you approved those plans and asked us to come back to you with a funding mechanism. We have done that, he said, and in a few minutes you will hear our proposal for a technology surcharge, which will provide several immediate and specific technological benefits to our students.

Some of our most immediate technology needs include completion of our stalled smart classroom plan, a new student information system, computer lab upgrades and increased bandwidth for expanded and faster Internet access, and important improvements in our instructional and faculty design center, Dr. Peters said. You might have noticed this morning that there was not a vacant terminal in our public computer lab on the first floor. And, at this particular time, when jobs are dear for college graduates, we have had to limit resume printing to one copy per individual.

As a point of information, President Peters pointed out that one of the student issues, the elimination of Social Security numbers as a means of identification, cannot be accomplished without a new student information system. Beyond that, he said, we need more public computer labs, improved classroom technology and more training of both students and faculty in the use of technology. In short, if technology is important to our students, and they and their parents have indicated that it is critical, we simply must make an investment, because the state will not provide these dollars. President Peters asked Dr. Williams to present the recommendation to initiate an academic program enhancement instructional technology surcharge.

As the President has indicated, Dr. Williams said, the university has many requirements that must be met, especially from the technology perspective, within our academic programs, within our student services area and within our outreach program. I want to commend and thank the individuals from these three areas who have been very instrumental in working with us in the development of a program that would address the technology needs of the university in these three critical areas.

From the academic division perspective, Dr. Williams said, the continuation of our development of smart classrooms becomes a very important aspect of service for our students and becomes very important to our instructional programs. The smart classroom effort, as you have seen in Barsema Hall, provides a smart podium for the faculty member and an opportunity for interaction, even between laptop computers, within the classroom setting. There is much technical equipment involved. We began this program to upgrade our 44 general purpose classrooms to smart classrooms several years ago; but because of the budget situation, we have not been able to continue that program effectively. However, from what has already been accomplished, over 2,000 classes were scheduled in smart classrooms. The most dramatic fact is, he said, that 90 percent of our faculty have asked to teach in a smart classroom. So this is a very important dimension of our instructional programs that would be directly supported by the technology surcharge. In addition, there is reference to the modern robotics laboratory in the Technology Department, the cutting-edge telematics laboratory in Communications, our multi-computer station Foreign Language multimedia learning center, and our new university writing center which is available to undergraduates.

The other dimension of this item refers to our student system, which would be a direct benefit to all of our students, Dr. Williams said. It would increase web access and allow students direct access to Registration and Records; interconnection with their faculty members, with course information, with the Bursar's Office and their billings; and to all of the other aspects of the information services we provide to our students. The student services system is part of a multiyear coordinated program that the university put in place over five years ago beginning with the installation of the PeopleSoft Financial system, then the Human Resource system, and now the Student Services system.

Finally, NIU has progressed in a very positive way in our outreach program, Dr. Williams continued. One of the key programs offered is our eLearning program, which is state of the art. The unit helps faculty provide online instruction and courses, and this is an opportunity for the university to enhance that program, to provide more opportunities for faculty members to extend their teaching through direct technology and into the eLearning arena. We also have the problem all over campus and in our outreach centers of upgrading our computer laboratories on three-year replacement schedules.

I have tried to give you a quick overview of the direct benefits that students will receive from this surcharge, Dr. Williams concluded. As a result, the university recommends to the Board that you approve a five-year technology surcharge plan. That plan would commence in the fall of 2003 with a \$100 per semester technology fee assessed. Then, beginning in FY05 through FY08, that amount would be \$250 per semester. Universities today that are not on the technology cutting edge lose their competitive

advantage, President Peters said. In this budget situation, the technology helps us to be more efficient. Therefore, I move this item for your approval.

Chair Sanchez asked for a motion to approve the academic program and instructional technology surcharge. Trustee Siegel so moved, seconded by Trustee Boey.

First and foremost, Trustee Adduci said, I am in total support of this initiative. I agree with Dr. Peters and Dr. Williams. It is a necessary requirement not only to stay competitive with our colleagues, but also to ensure that we attract the right students. However, being in this business, I would also like to caution the university. Be prudent about your spending. Many of these initiatives can overrun both in time and money. Your student information system is vital to the university. Upgrading PeopleSoft is the right decision, as is upgrading your labs. We are fortunate to have someone of Cathy Adduci's experience on this, President Peters said. We will heed her words and hope we can rely on her for advice as we move forward.

I just have a question as to the sunset provision of this proposal, Trustee Siegel said. Technology has been an issue for us for many years. It seems to me that we should not have a sunset provision in it. Dr. Williams, do we need the sunset provision considering the likelihood that in five years we may still need the surcharge and not be able to pass it?

Dr. Williams replied that a surcharge does have a term. We have come up with a strategic plan that mirrors what we see as the financial requirements for the major piece of this system, the student system, which we will be amortizing over a five-year period, he said. This is sort of a living plan that has the option of the Board revisiting it at any point in time. Therefore, if we are still moving forward in FY08, the Board would reevaluate the fee and the surcharge for the future.

Trustee Siegel suggested that the wording in the motion be changed to say "per semester 'per student.'" The change was seconded by Trustee Adduci. The amendment to the motion was approved.

Chair Sanchez asked for a roll call vote on the motion, which was as follows:

Trustee Adduci	Aye	Trustee Vella	Aye
Trustee Boey	Aye	Trustee Perez	Aye
Trustee Moser	Aye	Chair Sanchez	Aye
Trustee Siegel	Aye		

The motion was approved.

NEXT MEETING DATE

Chair Sanchez announced that the next regular full Board meeting is scheduled for Thursday, June 19, at 9:00 a.m. in DeKalb.

ADJOURNMENT

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

The meeting was adjourned at 12:11 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

FISCAL YEAR 2004 TUITION RECOMMENDATIONS

Summary: Each year the university is asked to carefully review and evaluate tuition charges in order to recommend tuition rates that will generate adequate resources necessary to support the quality of academic programs and services provided and yet remain consistent with the university commitment to affordability and access. This year the tuition rate analysis was very complicated due to the present economic uncertainties of the state's budget and the compounded effect of budget reductions in Fiscal Years 2002 through 2004. As a result, the university reviewed all of its internal budgets as well as the impact of these budget reductions in relationship to the overall FY04 budget picture.

The university has now received sufficient information to establish the impact of the state's economic status on NIU's FY04 budget. In particular, the NIU FY04 recommended appropriation would result in an appropriation that is \$9,096,801 less than the original FY03 appropriation. The recommendation also requires each university to make an FY04 contribution to the State Health Insurance Program to cover escalating insurance costs. NIU's FY02 and FY03 contributions to the State Health Insurance Program were \$3,541,300. It is anticipated that the FY04 contribution will be equal to this amount. Furthermore, funds are required to cover projected utility and insurance increases and to provide additional academic support to accommodate the projected FY04 enrollment and course demand.

As a result of evaluating these factors, the university recommends an average 11% tuition increase distributed as follows:

Undergraduate	
Lower Division - freshman, sophomore (UG-LD)	9%
Upper Division - junior, senior (UG-UD)	12%
Graduate and Law School	12%

This translates to a \$140 per semester tuition increase for a lower-division undergraduate student taking 12 hours (9.0%) and a \$186 per semester tuition increase for an upper-division undergraduate student taking 12 hours (12.0%). The recommended credit hour rate schedule is summarized in the attached table. This schedule is consistent with current policy that reflects decreasing tuition rates per undergraduate credit hour thus encouraging undergraduate students to register for more hours in order to graduate within four years.

In addition, the university recommends summer tuition rates for Summer 2003 consistent with the proposed increase:

Undergraduate:	
Lower Division:	\$141.06 per credit hour; no additional charge beyond 12 hours
Upper division:	\$144.94 per credit hour; no additional charge beyond 12 hours
Graduate:	\$165.35 per credit hour; no additional charge beyond 12 hours
Law:	\$322.77 per credit hour; no additional charge beyond 12 hours

The funds generated by the tuition increase will partially address the identified FY04 budget reduction requirements. The remaining funds required will be generated through permanent base budget reductions across the campus, thus affecting all units of the university. This tuition recommendation is consistent with the university's commitment to affordability and access.

Recommendation: The university requests approval of the FY04 and summer tuition increases as proposed.

FISCAL YEAR 2004 TUITION SCHEDULE

<u>Undergraduate:</u>	<u>Current Hours Taken</u>	<u>Current Tuition Rate Per Credit Hour</u>	<u>New UG-LD Tuition Rate Per Credit Hour</u>	<u>New UG-UD Tuition Rate Per Credit Hour</u>
	1-5	\$134.03	\$146.09	\$150.11
	6-8	\$132.95	\$144.92	\$148.90
	9-11	\$131.86	\$143.73	\$147.68
	12	\$129.41	\$141.06*	\$144.94**
	13	\$127.24	\$138.69	\$142.51
	14	\$123.70	\$134.83	\$138.54
	15	\$119.35	\$130.09	\$133.67
	16+	\$116.91	\$127.43	\$130.94
<u>Graduate:</u>	Per hour***	\$147.63	\$165.35	
<u>Law:</u>	Per hour***	\$288.19	\$322.77	

* A full-time lower division undergraduate student taking 12 semester hours at the new tuition rate will pay an additional \$140 per semester.

** A full-time upper division undergraduate student taking 12 semester hours at the new tuition rate will pay an additional \$186 per semester.

*** Maximum number of hours charged to graduate/law students per semester is 12.

ACADEMIC PROGRAM ENHANCEMENT AND INSTRUCTIONAL TECHNOLOGY SURCHARGE

Summary: At the December 2002 Meeting of the Board of Trustees, the university received approval to develop an Academic Program Enhancement and Instructional Technology Surcharge. Given the ever-emerging demands to provide cutting edge academic programs and services to NIU students, the surcharge will be used to provide resources necessary to strengthen additional technology in support of the university's academic mission. Technological enhancement of the teaching/learning environments (in which faculty and students interact and work) augments and enriches the transmission of knowledge and skills. In pursuing its mission, NIU must keep pace not only with new knowledge but also with the modes of transmitting, expanding, and applying this knowledge within a technologically advanced environment. Certainly Barsema Hall sets the standard on what our objectives for all academic areas should be.

The effective learning environment occurs both within and outside of the classroom. Within the classroom, the institution's smart classroom initiative must be accelerated. Smart classroom technology is computer- and multimedia-based with the capacity for introducing data, text, and images from the Internet, from CD-ROM/DVD disks, from videotape, and from printed materials. These tools enhance the ability (a) to present and interconnect information in a highly organized manner; (b) to have direct access to disparate information sources and pull these together within the classroom setting; and (c) to broaden the styles in which information is presented in order to capitalize upon a greater variety of learning strengths. In addition to introducing modern technology into the classroom instructional process, a means for maintaining/updating the equipment in already established smart classrooms must be found to ensure that these initial investments continue to be maximally effective as a set of learning tools to enhance direct and web-based instruction.

Outside the classroom, Internet access provides a new and more effective means for interactions to take place that focus upon course management, off-hours/on-line student-to-student and student-to-faculty interaction, and course-related material exchange and availability. The necessary hardware and software to support interactive education on the web must be purchased and maintained. Student access to the Internet and course-related materials often occurs within several of the general access computing laboratories maintained by the university and located across the campus and in our Outreach Centers. Funds for maintenance and upgrade of hardware and software in these labs are essential.

To support the full and efficient use of the new teaching/learning technology, the university strives to support a Faculty Development and Instructional Design Center. The mission of this center is to train, assist, and support the faculty in the improvement of their teaching, including the use of smart classroom technology and WEB-based resources for instruction. Increasingly, this center, the Media Services Center and eLearning are being called upon to utilize their services in order to assist in instructional design of materials, develop WEB-based course materials, and provide multimedia production support.

The resources will also be used to commence the effort to replace the Student Information System which provides a WEB portal that will allow students to customize their WEB access to course schedules, registration services, student services and academic information. The new Student System will also allow coordination of student account balances between the Bursar, Student Financial Aid and Registration and Records offices as well as enable WEB-based payments, all without dependence on Social Security numbers. This replacement is essential as the existing systems are obsolete and the university must maintain adequate support for vital student services and systems access so commonly available at other institutions.

The university provided detailed reports on this matter both at the March Finance Facilities and Operations Committee meeting and at the March 19 Board of Trustees Meeting.

Recommendation: The university requests Board of Trustees approval of a five-year technology surcharge plan commencing Fall 2003 of \$100 per semester for FY04 and a total \$250 per semester assessed for FY05-FY08.

President's Report

No. 36

June 19, 2003

A G E N D A

**BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
9:00 a.m. – Thursday – June 19, 2003
Clara Sperling Sky Room**

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



1. Call to Order and Roll Call
2. Verification of Appropriate Notification of Public Meeting
3. Meeting Agenda Approval *Action...* 126
4. Review and Approval of Minutes of March 19, 2003 *Action...* 128
Review and Approval of Minutes of May 5, 2003 *Action*.....
5. Chair's Comments/Announcements
 - a. Election of Fiscal Year 2004 Officers for the Board of Trustees..... *Action*
6. Public Comment*
7. Reports of Board Committees and Board Liaisons
 - a. Executive Committee
 - b. Academic Affairs, Student Affairs and Personnel Committee
 - c. Finance, Facilities and Operations Committee
 - d. Legislation, Audit and External Affairs Committee
 - e. Illinois Board of Higher Education
 - f. University Civil Service Merit Board
 - g. Northern Illinois University Foundation
8. Executive Session
9. President's Report No. 36
 - a. University Recommendations Forwarded by the Board Committees
 - (1) Fiscal Year 2004 NIU Foundation Professional Services Contract *Action...* 146
 - (2) Fiscal Year 2004 Copy Paper - ITS Document Services and Materials Management *Action...* 147
 - (3) Fiscal Year 2005 Budget Guidelines *Action...* 148
 - (4) Fiscal Year 2004 Internal Budget Update *Action...* 150
 - (5) Recommendations for Faculty Promotions, Tenure and Promotions with Tenure for 2003-2004 Academic Year..... *Action...* 152
 - (6) Tenure Appointments..... *Action...* 154
 - (7) Appointment of Vice President for Research and Dean of the Graduate School.. *Action...* 158
 - (8) Appointment of Acting Dean of the College of Engineering and Engineering Technology *Action...* 159

(9) Request for New Emphases and New Specialization Within Degree Programs... <i>Action</i> ...	160
(10) Request to Delete Existing Specializations	<i>Action</i> ... 162
(11) Transfer of Tenure and Tenure-Track Location for Faculty in the College of Education	<i>Action</i> ... 163
b. University Reports Forwarded from the Board Committees	
(1) Quarterly Summary Report of Transactions in Excess Of \$100,000.....	<i>Information</i>
(2) Periodic Report on Investments.....	<i>Information</i>
(3) Student System Replacement	<i>Information</i>
(4) Elimination of the Department of Leadership in Educational and Sport Organizations	<i>Information</i>
(5) 2002-2003 Program Review Summary.....	<i>Information</i>
(6) Higher Learning Commission Accreditation Update	<i>Information</i>
(7) Substantive Legislation	<i>Information</i>
(8) Fiscal Year 2002 Compliance Audit Status Report	<i>Information</i>
c. Items Directly from the President	
(1) Summary of Grant and Contract Awards.....	<i>Information</i>
(2) Report on Administrative and Operational Efficiency	<i>Information</i>
10. Chair's Report No. 25	
a. Resolution – Student Trustee Jesse Perez.....	<i>Action</i> ... 165
b. Executive Session Minutes Release	<i>Action</i> ... 166
c. Oath of Office Ceremony for New Student Trustee	
11. Other Matters	
12. Next Meeting Date	
13. Adjournment	

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

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

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

Minutes of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
June 19, 2003

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Acting Chair Robert Boey at approximately 9:22 a.m. in the Clara Sperling Sky Room of Holmes Student Center. Recording Secretary Mimms conducted a roll call of Trustees. Members present were Trustees Catherine Adduci, Gary Skoien, Barbara Giorgi Vella, Student Trustee Jesse Perez and Chair Sanchez. In attendance via teleconference were Trustees Robert Boey and Myron Siegel. Trustee Catherine Adduci joined the meeting in progress. Not present was Trustee George Moser. Also present were Board Parliamentarian Kenneth Davidson and President John Peters. With a quorum present, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

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

MEETING AGENDA APPROVAL

After discussion with President Peters and a review of the printed Revised Agenda before us, Chair Sanchez 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 No. 36 Action Items 9.a.(2), 9.a.(6), 9.a.(10) and 9.a.(11) and our receipt of Information Items 9.b.(3), 9.b.(4), 9.b.(5), 9.b.(6), 9.b.(7) and 9.b.(8) and 9.c.(1) to that Consent Agenda. Also, since this is the meeting at which we have our election of officers, and in accordance with our *Bylaws*, I propose placing the public comment opportunity at the point on the agenda which precedes the presentation of the university report. Trustee Skoien made a motion to approve the meeting agenda as amended. Trustee Boey seconded the motion. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

It was moved by Trustee Vella and seconded by Trustee Adduci to approve the minutes of the March 19, 2003 and May 5, 2003 Board of Trustees Meetings. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Chair Sanchez made the following comments:

This is the point in the meeting where the Chair typically offers a few thoughts about the matters to be considered by our Board. I would like to do that, but I would also like to exercise my prerogative as Chair, for the last time, to offer a few perspectives over the past 24 months.

Two years ago today, in this very room, my fellow Trustees made history. They made history when they elected me their Chair, knowingly or not, because in doing so, they elected the first Latino chair of a public university governing board in the state of Illinois' history. And for those of you who do not know, it was only the second time in the 230+ year history of our country that that has happened. It is a badge of honor that I wear, not just in this pin that says "NIU Trustee," but as Chair. My fellow Trustees have entrusted in me the leadership role to proceed with an agenda in one of the most trying of budgetary times in the history of this state. This tremendous honor is amplified by the fact that NIU, as you all know, is my alma mater. And it speaks volumes, frankly, about the opportunities that are offered and the doors that are opened by attending this wonderful

institution, my alma mater, NIU. In a few moments, we will elect a new chair and other Board officers, and I know they will continue our commitment to access, opportunity and service.

Our public university system – here in Illinois and across the nation – is really under the microscope right now. Elected officials and others are calling for increased accountability; greater demonstration of efficiency; and stronger adherence to institutional mission. Over the past two years, I have had the privilege of seeing those standards exemplified in the daily operations of this university.

When I was told that being chair would just be a couple of extra hours a month, I found – as our previous chairs found and as our next chair will find – that’s not true. Or, as we lawyers say, “You were less than candid.” But these past two years have absolutely flown by. It has really flown by because this has been a lovefest for me, and I don’t want to let go. But, I will, knowing that in the tradition of NIU, I will be succeeded by a wonderful leader and also supported by the fact that I am not going anywhere. Though I am giving up the title of Chair, I will remain as a Trustee. I look forward to working with our new chair and with my fellow Trustees. I never have a chance to say this publicly, so I am going to say it now. Whatever happens with the relationships at any of the other institutions, when it hits the news, it is always bad – there is a schism here, or they are divided, or it is this group against that group, or nobody talks to the chair, etc. None of those divisive kinds of things exist at NIU. We have the finest leaders who bear the title of Trustee, and you should be very proud of them. I know I am. Never once have I turned to them that they have not immediately responded to whatever the need was. And, over the last two years, especially the last 18 months because of the budgetary and Springfield problems, there were many times when I had to turn to each one of them, and they were there. I look forward to providing our next chair and our leadership the same kind of support that I can publicly tell you I have received over the last two years. They say that the definition of “class” is “grace under pressure.” Well, ladies and gentlemen, we have certainly been witness to a class act at NIU over the past 18 months, and, frankly, over the entire time that I have had the privilege of serving as a Trustee.

I watched this university weather a financial storm the likes of which we have never seen and, hopefully, will never see again. By the end of Fiscal Year 2004, we will have lost a total of \$30 million in state funding. That is the cumulative effect of nearly two years of base budget cuts, midyear rescissions, shifted responsibility for employee health insurance premiums and so on. The scale of these cuts, and the serious shift in public policy that they represent, certainly could have paralyzed our growth as an institution, but I am pleased to tell you, it has not.

The principles set forth by President Peters – maintenance of academic quality above all else, protection of jobs and salaries, and refusal to compromise on issues of health and safety – those principles have given our campus community and its leaders a focal point for their work in these difficult times. Combine that with the post-9/11 issues and security. We have been under unbelievable pressures these past two years, and yet we shine.

I am proud to be able to sit here today and know that we can continue to guarantee our students access to a high quality education, with sufficient course offerings to allow them to graduate in a timely manner. Now for some of us as parents, our kids did four and a half years, and some did five. It was the norm when I went here to do four. I do not know that that is necessarily the norm. But I do know this, NIU is not precipitating extended attendance beyond four years. That is something that has naturally evolved, and I, frankly, think it has gone full cycle. I think it is starting to return to the four years, and NIU continues to make that option available, even in terms of incentives on our tuition plan.

I am proud to know that we have avoided the scourge of massive employee layoffs or furloughs, and I am proud of the skillful management of John and his staff that will allow us in a few minutes to consider a proposed operating budget for FY04 that addresses this Board’s concerns about salaries for our dedicated faculty and staff.

From my perspective, as I draw my two years as your chair to a close, I do not think NIU would be in the position it is in today without our current system of governance. And to what am I

referring? I am talking about the legislative action seven years ago that allowed every university to have its own board of trustees.

When this independent, NIU-dedicated Board of Trustees was established seven years ago, it followed a lengthy political battle to give Illinois public universities the right to self-determination. Each of our universities serves a unique population with a unique set of programs and strengths. As one of the most populous and diverse states in the nation, Illinois cannot afford to approach higher education as though all students – or regions or institutions – are alike.

Since the establishment of these boards, all of our universities have flourished. Enrollments and graduations are at an all-time high. And regarding the latter, all you would have to do is be here a few Saturdays ago to see John shake the thousands of hands that he shook as these individuals proudly received their baccalaureate, masters and doctoral degrees. It was a fabulous sight. When I graduated, we got to stand up at the football stadium where they said, “All right, all those from class of 1974 Liberal Arts and Sciences stand up.” And I remember sitting down saying, “That it? That it? They’re not even going to call my name?” But now, as a Trustee, as we sit through the hours of the callings of the names, we say, maybe that was not such a bad thing. In any event, we call their names and John shakes their hands, and our Provost does as well, and I think it is great.

New programs have emerged to better serve our students, and a more entrepreneurial attitude has fueled new partnerships for economic development. At NIU, the presence of a local Board of Trustees has also enhanced a strong campus system of shared governance. We have a deeper understanding of the issues confronting faculty and staff, and I believe the reverse is true as well. Students have a voting representative on this Board, and it is my observation that they have been very well-served by all those Student Trustees.

All that said, I believe our new Board Chair, and all of us who serve as Trustees, will have our hands full in the coming months as we encounter new challenges to the very concept of local, independent board authority. We saw in the final days of the legislative session numerous attempts to undermine and override our local authority – all camouflaged in the language of “accountability.”

If I could send one message to Springfield today, it would be this: Our independent governance system was established to enhance accountability and to allow each institution to flourish in its own way. Those goals have been met and should continue to be respected. Accountability has been our mantra since day one, and we do not need to be reminded by threats or other political activities in Springfield to know that. We accepted it from day one, and we will continue to accept that responsibility going forward.

If I could send one message to you, my fellow Trustees, today, it would be this: Be vigilant in the coming years as new attempts are mounted to undermine our local governance. Continue your advocacy on behalf of NIU, and remind our elected officials that this institution is serving more students, attracting more external funding and forging more new partnerships than ever before. That progress is due, in no small part, to independent governance by people who are deeply connected and “fiercely” loyal to this university.

All that said, it has been a wonderful ride these past two years. We have had our share of challenges, but we certainly had plenty of things to cheer about as well. We have seen a tremendous increase in demand for the NIU experience. And while we worry about how to serve all the new students who want to come here, we should not miss the message that their numbers imply.

We have seen the power of private gifts to transform programs with the construction of our wonderful new College of Business building, Barsema Hall. I hear about that downtown every week. “Boy, I saw your brand new business college. What a gem. What a jewel, etc. You guys always had a great business program anyhow, and this can only augment and improve and enhance it.” Obviously, it has and will for generations to come.

We have seen the growth and development of a new operation, the Division of Outreach, and seen quick results from this new emphasis on external partnerships, such as the area's degree-completion program offered by NIU and Rock Valley College in Rockford.

We have watched a dream unfold with the opening last fall of the long-awaited Convocation Center. Who would have thought that we would have that kind of entertainment, that kind of crowd? What the future holds for us in that building is yet to be told, but it is going to be exciting.

We have seen a tremendous upswing in the success of our major athletic teams, and we have been reminded what a solid sports program can bring to its student athletes and its university. What you do not know is that years ago when Bob Boey and I had the pleasure of being on the selection committee, one of the questions I asked John that Sunday at O'Hare Airport was, coming from Tennessee, how he would handle having less than half the attendance at a football game than he was used to seeing, the 30,000+ who attended the Lady Vols basketball game, and John handled it quite well. The part that spoke volumes for me and I think for Bob and the other members was, he did not see any disparity or any conflict between a solid academic mission and program and a solid athletic program. Indeed, I think it has been clear that as our athletic programs succeed, the profile of this university grows. I am really looking forward to the upcoming football and basketball seasons.

We have watched a steady progression in the size and scope of our research program, and we have succeeded in attracting a new leader for that program who will take it to new heights in the very near future.

In short, ladies and gentlemen, we have much to celebrate. I would be remiss if I did not add one more item to that list that is of special interest and pride to me: Tomorrow, at NIU-Naperville, we will be hosting the second annual conference on Latino educational achievement. As many of you know, I consider this conference and its results to be my legacy as Board Chair. I was the first in my family to attend college, and I know for a fact that I would not be where I am today if I had not be able to do so. I am reminded of an event back years ago when President Clinton was getting all that adverse publicity about what was going on in the Oval Office, and my wife and I got sick of it and were about to turn it off, when I remember Pat saying, "I'm going to bed, Honey, and I'm going to clean up something." Then I hear my name, and I hear my voice and there is that ad that we were playing on MSNBC TV about NIU Today. And I say, "Oh, man, hold it! Maybe, Honey, we ought to stay up a little later to watch this NIU ad." It was great. And this promotion and public relations emphasis has continued to the present time.

Finally, I want to stop saying the following – and I share this around the country – that the greatest secret in the state of Illinois is NIU. More specifically, nobody knows, outside this neck of the woods, that we are the second largest public university in the state of Illinois. But, trust me, I will continue to send that message so that fewer people will be able to say they do not know that. The media and our Public Relations Department, the management staff and the core team that John has put together have been wonderful about promoting this university. And I know that all of you sitting here today will continue to be ambassadors of that promotion as well.

Yet, thirty years after I walked into these halls, Latino youth are still facing education obstacles that keep their numbers in college low and their graduation rates even lower. It is part of the NIU tradition to make sure that all qualified, hardworking students get a chance, and that is what this conference is all about. I am very grateful to the faculty and staff here who have helped make this event possible. In particular, I would like to thank Kathy Buettner, Melanie Magara, Abby Ault, Cathy Craddock, John Lewis, Sylvia Fuentes, Jesse Perez and Michael Gonzalez for their help with planning and logistics and for helping to breathe life into one of my true aspirations and dreams.

Thank you, ladies and gentlemen, for your kind attention, and thank you, fellow Trustees, for all your advice, support and wise counsel over the past two years. It has been a genuine honor and pleasure to serve as your chair. I look forward to our continued association under new

leadership. Thank you. God bless. That said, I love you all, and thank you for allowing me to be Chair.

President Peters asked Chair Sanchez to join him at the podium for some presentations.

As if Manny Sanchez needed more accolades, thank yous or recognition for what he has done, President Peters said, in the latest issue of *The Hispanic Outlook on Higher Education*, which just hit the newsstands, there is an article that says, "*This Hispanic Perry Mason makes education his mission. NIU Trustee targets Latino graduation.*" This is a national publication. Manny's name is known through all of higher education, but particularly as a champion for his cause.

We also have a plaque, the President said. It reads:

Presented to Manuel "Manny" Sanchez in recognition of his distinguished service to Northern Illinois University as Chair of the NIU Board of Trustees. June 2003."

In addition, we have a marble base and a crystal obelisk engraved with "Northern Illinois University" for display in your office, home or wherever.

If any of you have had the opportunity to visit my office in Chicago, Chair Sanchez said, you will immediately take notice of two things. One is a lot of photos surrounding me, particularly of family. I am very proud to surround myself with my kids, my grandkids and my wife. But the other thing that you will take notice of is NIU. I have the photo from seven years ago when we were first sworn into office. There is a lot of other NIU paraphernalia in the office, and it will be my distinct pleasure to add to that this beautiful plaque regarding my chairship and that spectacular crystal piece. Thank you very much for these two years. You have really made me feel welcome, appreciated and honored. Thank you.

ELECTION OF FISCAL YEAR 2004 OFFICERS FOR THE BOARD OF TRUSTEES

Our next piece of business is the election of new officers for the Board of Trustees of NIU, Chair Sanchez said. He recognized Trustee Vella to nominate the Board's elected officers for FY04 and a new ex officio appointed officer.

I have a two-part proposal, Trustee Vella said. First, I place into nomination the following slate of officers to be elected for Fiscal Year 2004:

Chair:	Trustee Gary Skoien
Vice Chair:	Trustee Barbara Vella
Secretary:	Trustee Catherine Adduci
4 th Member of the Executive Committee:	Trustee Manuel Sanchez
Trustee Civil Service Merit Board Representative:	Trustee Barbara Vella

I also present for approval, in accordance with a recommendation from President Peters, the appointment of staff member Kathryn Buettner to serve in an ex officio role as Second Assistant Secretary of the Board according to the terms of the Board's *Bylaws*.

Chair Sanchez asked for a motion to approve the slate of new elected and appointed officers as presented by Trustee Vella. Trustee Vella so moved, seconded by Trustee Adduci. The motion was approved.

The Chair offered his congratulations to the newly elected and appointed officers of the Board. As provided in our *Bylaws*, he stated, the elected officers will commence performance of their duties effective July 1. The appointed ex-officio officer will commence service immediately. I say with a great deal of pride and confidence, as I turn it over to Trustee Skoien, first of all, congratulations from me and from your fellow Trustees. And I hope that you are prepared to make some comments now that you have been elected our successor Chair.

Chair-elect Skoien's remarks were as follows:

Thank you, very much. I used to think of myself as a fairly good public speaker, but, after sitting here with Manny Sanchez and having to follow his speech, it is a difficult task. But I really do need to comment on what Manny has done and said, because we have all watched Manny speak with emotion, and I think everybody in this room – every member of the Board and everybody in the faculty and administration – understands that those words really are spoken from the heart, that he really has an emotional tie to this university that is hard to replicate. But, all of us have a certain tie to our alma maters that has something to do with that period of time that you spend at the school and the things that are happening in your life, what you are involved in, and it is exciting, and it is great. But the other part of the emotion, and Manny alluded to this, comes from the recognition that but for our education, but for the teachers, administrators and the people that provide us the education in our lives, none of us would be where we are today. I am not just talking about material success. I am not just talking about career success. Everything in our lives, really, comes from two things. It comes from a strong family and a strong family foundation, which I had the great benefit of. My dad is here today, and I am very proud of that fact. I also had the benefit of a strong, good education, which, because of my family, I had a great opportunity to have, just like Manny. It means a great deal, and I think we all recognize that. So, it is a great honor to be able to give back to a fine educational institution some of what we were able to get.

I also asked my wife to bring my sons, even though they are very young, because I thought it was important for them to start understanding how very essential education is going to be for them in their lives and how it is going to make such a great difference to them and what they do and where they end up.

Now, I want to thank my fellow Trustees, and I want to thank Manny for your vote of confidence. I have a tough act to follow, but I look forward to the continued counsel of my fellow Trustees concerning issues coming before this Board.

It is a great honor to me to serve the citizens of Illinois through membership on the NIU Board. I have learned a great deal about the "business" of public higher education, and have developed a tremendous respect for those faculty, staff and administrators who make this university run.

President Peters, you and your colleagues have shown admirable strength and dedication over these difficult two years. And I hope that we, as a Board, can continue to provide both oversight and support as you go about the business of running NIU and keeping the university at the forefront of public higher education in the Midwest.

Many of you know that my background includes a mixture of state government and private business. Both sets of experiences tell me that we have entered and will likely remain in a very difficult environment for higher education for the foreseeable future. It is clear to me that we must emphasize efficiency in everything we do. We must be even more willing than ever before to open up the books and demonstrate accountability for resources, for people, for programs. We must focus our programs and resources on enhanced educational experiences, critical public service and stepped up economic development activities, including those made possible through the expansion of our research program. We must step up our private fundraising efforts. Private fundraising takes on an increased importance during times of reduced funding, because it provides a margin of excellence that is not available through other means.

While we have had some great behind-the-scenes successes recently, we need to "turn up the volume" on NIU's voice of advocacy in public higher education policy. John Peters, Manny Sanchez and members of our Board have built a strong NIU presence in Springfield and in Washington, and we need to build on that strength.

Finally, during my tenure as Chair, I would like to renew our work on the exciting West Campus development plan. I think that area holds great promise in helping us realize many of our larger

goals. The tremendous economic downturn of the past 18 months forced us to table those discussions, but I believe now is the time to re-engage in that planning process.

Again, I thank you all for your votes of confidence. For me, it is an unbelievable honor and pleasure serving on this Board. Last Thursday, I was with Former-Governor Edgar, who appointed me the first time, before I was thrown off and then reappointed. He and I serve on a corporate board together, and he actually remembered the appointment and asked me, "How do you like being on the Board at NIU?" And I said, "You know, it is just absolutely terrific." First, of the boards I sit on, it is just the finest quality group of people to work with. And it is the finest group of administrators to work with. And it is hard to compare. The second thing is, and it goes back to Manny's comment about the secret of NIU, I said, "This place is just absolutely tremendous, Governor. I had never totally appreciated or recognized, and I clearly do now, that I am committed to the university and to all the things that we are working on here." And it is a great pleasure to serve in this capacity. So, thank you, very much.

Gary, I want to wish you all the best as you move into your new role as the leader of our Board, Chair Sanchez said. On behalf of, not just the Trustees, but on behalf of the people of Illinois, I am most sure you will have the support and confidence of all in our organization and the community at large as you guide us into the future.

Chair Sanchez recognized the University Advisory Committee members: Dr. Suzanne Willis, Dr. Paul Loubere, Dr. William Tolhurst, Dr. James Lockard, Ms. Beverly Espe and Ms. Sara Clayton.

I would like to add my appreciation of your services as Chair of the Board of Trustees, Dr. Willis said. Your term has coincided with mine as President of the Faculty Senate and Executive Secretary of the University Council, and it has been a pleasure working with you. And I am very much looking forward to working with Chair Skoien as well.

I was briefed on the salary increment proposal yesterday, Dr. Willis said. I must say that I am very impressed with the ability of this university to deal with the economic situation that we find ourselves in. As I look around the state at the other public universities, most, if not all of them, are actually laying off people. NIU has not. We have empty positions which are not being filled, but we have not laid anyone off because of fiscal constraints. So I think our leadership deserves many big pats on the back for that.

The salary increment is a very strong statement, Dr. Willis said, especially in light of the current fiscal situation and the fact that we have managed to weather it without having layoffs. It is, of course, meaningful for faculty. It is hard to attract and retain good people without adequate and competitive compensation. As Executive Secretary of the University Council, I represent the staff and students and administration, in a sense, as well as the faculty. And I think that this is even more meaningful, particularly for the lower paid staff, both supportive professional and operating staff, where the financial considerations in a downturn economy can become quite serious. So, I, on behalf of all of us, appreciate it even being proposed and think it is commendable how we have weathered the storm.

Thank you, very, very much, Dr. Willis, Chair Sanchez said. Believe me, the Trustees very much appreciate that. President Peters and Dr. Williams and the team have been masterful in engineering this. Obviously, as Trustees, we welcomed the advice that this was going to be doable, particularly in this incredibly bad budgetary time. So, your point is very well taken, Doctor.

I would like to echo some of the words that Sue mentioned about representing the staff and the feelings for all the staff – operating staff and supportive professional staff, Beverly Espe, Supportive Professional Staff President said. And I would like to add that supportive professional staff this year did a survey of the SPS staff. We had a 27 percent return rate or approximately 230 surveys returned, about which we felt very good. Out of that, an overwhelming 80-some percent were very satisfied with their employment here at the university, and I think that speaks very highly for them. The survey was done during these difficult financial times, and still they have an 80-some percent satisfaction rate. Two things with that, though, I think I would like to mention that they did refer to benefits being one of the things with which they are most satisfied. And I would like to emphasize that the good benefits that we have are a very important

item to the staff. Following up on that, one of the least was our salaries. So, I hope this proposal will help increase that satisfaction level even further.

Thank you, Trustee Vella said. We do recognize that looking at this proposal is a very bold move, and we do appreciate your comments. We are really grateful to get that kind of feedback, Chair Sanchez said, and I can assure you that the President has received similar feedback from the Trustees in that regard.

The Operating Staff Council would just like to say thank you to the Board, to the President and to the administration for all your hard work this past year in Springfield and at Northern, Ms. Clayton, Operating Staff Council President said.

As a Chair's prerogative, Chair Sanchez said, I would like to recognize the man most of you know as one of our past university presidents. But I know him as an author and one of the biggest longtime cheerleaders of our university, and that is Former-President Bill Monat.

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 Barbara Vella stated that the Committee met on June 5. At that meeting, the committee considered and approved recommendations for (1) faculty promotions, tenure and promotions with tenure for the year 2003-2004; tenure appointments of associate professors from outside the institution; the appointment of a Vice President for Research and Dean of the Graduate School, Dr. Bose; appointment of the Acting Dean of the College of Engineering and Engineering Technology, Dr. Vohra; request for a new emphasis and a new specialization with degree programs; a request to delete specializations in reaction to new Illinois State Board of Education rules regarding teacher certification; and, transfer of tenure and tenure-track location for faculty in the College of Education. The following were received as reports: Elimination of the Department of Leadership in Education and Sport Organizations due to the reorganization; Program Review Summaries; and Higher Learning Commission Accreditation Update. Trustee Vella stated that these items were included in the President's Report and would be presented for Board approval.

Finance, Facilities and Operations Committee

Committee Chair Robert Boey reported that the Finance, Facilities and Operations Committee met on June 5. At that meeting, the Committee considered and approved recommendations for Fiscal Year 2004 NIU Foundation Professional Services Contract; Fiscal Year 2004 Purchase Orders for Copier Supplies; Fiscal Year 2005 Budget Guidelines. We also discussed an item relative to replacement of the student computer system. The university recommended implementing PeopleSoft software, which would be consistent with human resource and financials components currently operational on campus. However, given recent events in the marketplace triggered by a hostile takeover attempt of PeopleSoft, Inc., he said, the university believes that it is prudent to delay the consideration of project approval until clarification and a better sense of direction is obtained. Therefore, the item appears as informational only on today's agenda. The Committee received the following reports: Quarterly Summary Report of Transactions in Excess of \$100,000; Periodic Report on Investments; Semiannual Progress Report on Active Capital Projects with Budgets over \$100,000; Fiscal Year 2004 Budget Update. Many of the items addressed by the Finance, Facilities and Operations Committee are included in the President's Report for Board approval.

Legislation, Audit and External Affairs Committee

Committee Chair Myron Siegel reported that the committee met on Tuesday, June 10, in Hoffman Estates. We heard a report from Ken Zehnder on pending legislative matters, he said, and I will ask Ken, to come up and give a more thorough presentation on those issues that he believes are important for us to be aware of shortly. We also dealt with a variety of audit issues from prior years and this year, and it

appears that all of the prior issues that concerned our Committee have been or are in the process of being addressed. At the moment, we are unaware of any pending issues that have not been dealt with. We are looking forward to our current year audit report looking even better than it already does. Chair Siegel asked Mr. Zehnder to give a short presentation on pending legislation or legislation that has passed that affects the university this year.

There are several bills in the General Assembly, which have passed, that significantly affect higher education. I will mention several of the important ones.

House Bill 60 provides for in-state tuition for undocumented aliens with certain conditions. It passed and has been signed into law by the Governor. House Bill 1118 limits tuition increases for students to rates published when the students enter the university. This bill has also been referred to as the "Truth in Tuition" bill, and we worked on it very closely with Representative Kevin Joyce. House Bill 1543 returns the universities to line item appropriations from the current lump sum process, although the university did receive a lump sum budget appropriation for this fiscal year. The language that was agreed to in the negotiations on that bill was agreed to with great assistance from Dr. Williams, and we appreciate his involvement in that. House Bill 1586 will require verbatim records of public body closed meetings, so that will impact the deliberations of this Board.

Two very significant pieces of legislation did not pass. House Bill 1263 was a measure to appropriate the University Income Funds. That was opposed by all the public universities in Illinois. Senate Bill 1974 had a proposed amendment to expand the Office of Management budget oversight responsibilities which would include university income sources and expenditures and make subsequent adjustments to the general revenue fund appropriations. This failed to find a sponsor in committee. But there is some discussion that it may reappear in the Veto Session.

On the capital side, the Board of Higher Education capital recommendation of \$342 million was reduced to \$112 million. Only the two top priority programs, both related to electrical distribution systems, were funded, and one project at ISU for safety and health improvements at two of their classroom facilities. Those were the only projects funded. NIU will receive a share on a per capita basis in the \$30 million capital renewal funding. The university received \$101.8 million in GRF, which was an 8.2 percent reduction.

On a final note, Mr. Zehnder said, I just want to acknowledge the efforts of the administration, the Trustees and the students in contacting legislators, getting our message to them and helping to make what was a difficult situation one that we can live with. Thank you.

I want to end my report of the LAEA Committee with a brief statement that the next couple of years in Springfield will be exceptionally difficult, Committee Chair Siegel said. It will be imperative that the Board, which has done a fabulous job since its inception, continue to hang together very strong and very tough and continue the fight to present our case to the legislature, to the Governor and to the Board of Higher Education. We have been successful in the past because of the collective efforts of everyone at the university – our Board of Trustees, the President, the rest of the administration, the faculty, the staff and the students. And it is because we all stayed together, strong and working together, something that you do not see at the other state universities, that has allowed us to be where we are today and to achieve what we have achieved. I know we can continue that for the future.

I know the Trustees and John and his team have gotten a lot of credit, Chair Sanchez said, but I want to share with you a little experience I had last night at White Sox Park. I was surrounded by a lot of Springfield people – state senators and state representatives, members of the Latino Legislative Caucus – and two of them went out of their way to tell me what a pleasure it is to deal with your people – and they specifically mentioned Kathy Buettner and Ken Zehnder – and what a difference there is between those people who speak on behalf of NIU versus the other lobbyists they have to deal with on a daily basis. Again, it was another moment of pride that I got to share with my wife, Pat, as I heard this said in the presence of 15 to 18 people. We are indebted to you. And as Trustees and part of the great team that our president, John Peters, has put together, we look forward to continuing to work for you. But I do not think you ever will get enough accolades. And I thank Trustee Siegel for mentioning that point, because what happens down there, several hours away, is very significant. It has unbelievable consequences and

repercussions in the whole northern part of this state. So, I, too, want to echo his comments and look forward to continuing to work with you and with Gary as our new Chair as we keep our face visible.

Illinois Board of Higher Education

Trustee Vella, Illinois Board of Higher Education liaison for the Board, deferred to President Peters for the report.

President Peters reported that he attended the June 3 meeting of the Illinois Board of Higher Education which was held at the John Wood Community College in Quincy, Illinois. The IBHE is in a state of transition, he said. The new chair of the IBHE, Jim Kaplan, announced the gubernatorial appointments of four new members to the five existing vacancies. Among the other items of interest to this Board and this university is that Jim Kaplan moved to create a committee to look at grant programs in the health professions for which we receive funds. Also, the other significant event is both Mr. Kaplan and Joe Cipfl, head of the Community College Association, made a strong affirmative statement indicating that community colleges, from their point of view, will not have bachelor degree-granting authority, which is an issue of concern to the public four-year universities.

Universities Civil Service Merit Board

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

Northern Illinois University Foundation

NIU Foundation Liaison Bob Boey reported that the Foundation has exceeded its goal of \$9.1 million for the year. We estimate ending the year with \$9.75 million, Trustee Boey said, which is quite an achievement, given the times we are going through. The annual fund highlight, the annual cash to date, this year is \$830,000 in round numbers, seven percent over this time last year. The direct mail goal for this fiscal year of \$85,000 has already been surpassed with a total raised through direct mail of \$98,000. This new total is 98 percent higher than this time last year. Retired faculty members Clara Hardgrove and the late Margaret Wood recently presented their home as a real estate gift to the university. The proceeds from the sale of the home, with an appraised value of \$235,000, will be divided evenly between two endowed scholarships named for the women in their respective departments.

EXECUTIVE SESSION

Chair Sanchez 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.

Trustee Siegel so moved, seconded by Trustee Skoien. A roll call vote of the Trustees to recess to Executive Session was unanimous.

BOARD OF TRUSTEES MEETING RECONVENED

Chair Sanchez reconvened the public meeting of the Board of Trustees at approximately 11:20 a.m.

CONSENT AGENDA APPROVAL

Chair Sanchez asked for a motion to approve the items placed on the consent agenda earlier in the meeting. They include President's Report No. 36 Action Items 9.a.(2), 9.a.(6), 9.a.(9), 9.a.(10) and 9.a.(11), and our receipt of Information Items 9.b.(1), 9.b.(2), 9.b.(4), 9.b.(5), 9.b.(6) and 9.c.(1) to that consent agenda. Trustee Vella so moved, seconded by Trustee Skoien. The motion was approved.

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. We have an unusual situation this morning on this particular request, Mr. Davidson stated. The request was not timely. Nonetheless, there are certain circumstances involved in the presentation of the request that in my judgment were adequate to justify an exception being made under the rules. It is, therefore, my recommendation that the individual who is representing the Civil Services Employees Association, IEA/NEA, be allowed an opportunity to briefly address the Board, not to exceed five minutes.

Under the extraordinary circumstances that you have just articulated, Chair Sanchez said, the Chair will recognize that individual for a presentation of no more than five minutes.

Ms. Leslie Pergament-Nenia, a secretary in the Department of Kinesiology and Physical Education and speaking as a member of the Civil Services Employees Association, IEA/NEA spoke briefly on perceived concerns shared by many NIU civil service personnel paid on an hourly rate and the issue of increasing workloads on campus due to not filling vacancies.

PRESIDENT'S REPORT NO. 33

Before I begin my report, President Peters said, I would like to add my thanks to our outgoing Chair, Manny Sanchez, for his tireless leadership, enthusiasm and good humor during the past two years. I would also like to say that, while everyone who meets Manny knows that he is tremendously energetic and upbeat, I have also come to understand, as you all have, that he is extremely caring and deadly serious about his commitment to this university and all its students, faculty and staff. So, Manny, on behalf of the entire university community and, once more, especially on behalf of the students and alums with whom you identify so closely, thank you for your service.

I would also like to congratulate our new chair, Gary Skoien, the President said. Gary, we are very fortunate to have you be willing to take on this important role at this time. Your background in both state government and private business provides a tremendous resource to us at a time when efficiency and accountability and focus are the orders of the day.

Also, I would like to note that Gary is the fifth person to chair this Board since its inception in 1996, President Peters said. That means, of course, that he will have the accumulated wisdom of four previous Board Chairs to draw upon: Myron Siegel; Bob Boey; George Moser, who could not be with us today; and Manny Sanchez. All four of these trustees were among the original members appointed by Governor Edgar in 1996. So, Gary, you are the first "youngster" to take over as chair. Congratulations to all the new officers, and thanks for your dedicated service.

I'd like to take this opportunity to acknowledge several special people who are with us today, Dr. Peters said. As it happens, half of them are leaving key positions and half are coming into key positions.

When I first arrived at NIU three years ago, fresh from a provost position and full of ideas and questions about undergraduate education at NIU, the President said, everyone kept telling me I needed to talk with this fellow named Bob Wheeler. Bob served as acting vice provost for just three years, but he brought the full weight of more than 30 years of teaching and service to this important role. Bob's knowledge, wisdom and integrity made him an invaluable member of any group seeking to improve the quality of the undergraduate experience. Bob, we wish you well in your retirement. Thank you for choosing to spend your career and talents in mathematics and administration at NIU.

He has been invaluable in the Latino Initiative on Higher Education, Chair Sanchez said, on the first occasion and even through tomorrow. So, Bob, I thank you, personally, as well, for that commitment and that effort.

In many ways, President Peters said, NIU's entrance into "the modern era" began with the establishment in 1990 of our College of Engineering. That watershed event was in no small part the making of one man: Rom Kasuba, the college's first and, until now, only dean. When Rom came here in 1986, the

college really only existed on paper. Four years later, he achieved what many thought could not be done – full ABET (Accreditation Board for Engineering and Technology, Inc.) accreditation. Five years later, Rom had the biggest smile in the room when we dedicated the new, state-of-the-art College of Engineering Building. Rom, the students of NIU and the residents of this region are indebted to you for your expertise and dedication, and we wish you well as you move on to new challenges.

It seemed to me as though every other administrator I met when I first arrived here was an “acting” or “interim” appointment, President Peters said. I soon learned that most of those folks were dedicated teachers and researchers who had to be lured into these jobs with the promise that they would only last a short time. Dan Griffiths is just such a person, and it was simply my good fortune that someone of his caliber agreed to stay on past his designated term in the key role of Acting Vice Provost for Research and Dean of the Graduate School. Though he isn’t retiring, Dan is leaving us to accept a provost position at Marquette University.

One of the marks of a successful institution is the way it handles transitions, the President said. I think we do that exceptionally well here at NIU, and the following three people exemplify that strength.

Promod Vohra comes before you today to be confirmed as our Acting Dean of Engineering. Promod has served as associate dean in the college for seven years and, along with Dr. Kasuba, has been instrumental in guiding the development of the engineering program. He is a very energetic, skilled administrator, and I have no doubt that he will fulfill his dream of bringing new status and prestige to the college.

Perhaps the greatest testament to the value of anyone’s work is the notion that it will live on after we leave. Certainly, both Rom Kasuba and Bob Wheeler have that satisfaction.

Now, we will for the first time since I arrived here, have a permanent Vice Provost, President Peters said. Gip Seaver brings a long and successful career in teaching, research and administration into a job many call the toughest on campus. Gip, among other things, is charged with bringing new focus to the critical function of enrollment management – a very important role in NIU’s future. He is also an outspoken advocate for experiential learning, which is fast-becoming one of NIU’s trademark undergraduate experiences. Welcome, Gip, and good luck to you.

Finally, I would like to acknowledge and welcome the man we hope to name our new Vice President for Research and Dean of the Graduate School, Dr. Rathindra Bose. I will tell you more about him in a few minutes, when his appointment comes before you for final approval.

Also, I would like to acknowledge someone to whom I have become very close, the President said. In fact, I served on her Ph.D. committee in the past week or so. Kathe Shinham will be leaving to take up a job at another Illinois university. Kathe, thank you very much for the tremendous job you have done for us.

Before I begin my report, President Peters said, I would like to also thank the staff and the Trustees for getting us through a very difficult legislative season, for producing a balanced budget, for introducing policies that kept access to our students in place, and for enabling us to present a salary increase plan for our wonderful deserving employees. I want to thank Ivan Legg, Fred Schwantes, Dr. Eddie Williams and his group, Kathy Buettner, Ken Zehnder, the students, Kevin Miller and the Trustees who were there to help us through what was truly a difficult time. But it has only just begun. This year is going to be even more challenging.

UNIVERSITY RECOMMENDATIONS FORWARDED BY THE BOARD COMMITTEES

Agenda Item 9.a.(1) – Fiscal Year 2004 NIU Foundation Professional Services Contract

The NIU Foundation Professional Services Contract is approved every year, President Peters said. This is a renewal for the Fiscal Year 2004 contract for the Northern Illinois University Foundation in the amount of \$471,270. There is no increase over last year, and the contract is for services provided. Chair Sanchez asked for a motion to approve the FY04 NIU Foundation Professional Services Contract. Trustee Vella so moved, seconded by Trustee Adduci. The motion was approved.

Agenda Item 9.a.(2) – Fiscal Year 2004 Copy Paper – ITS Document Services and Materials Management

Consent Agenda Items.

Agenda Item 9.a.(3) – Fiscal Year 2005 Budget Guidelines

Essentially, these are planning documents that we prepare for the IBHE, President Peters explained, which then are submitted to the Governor's Office for action. What we do is try to lay out, in generic form, priorities we think are important to this university in line with the guidelines from IBHE. You will see that, as usual, we have our salary increase package at the top in the table that follows. Every year we ask the state and the Governor to provide a salary increase. Last year we asked for that increase and none was forthcoming, which means we have to find the money for any salary increases out of our own budget. Hopefully, this year the Governor will find it in the budget to appropriate some up-front money for increases so we do not have to reallocate. The five percent is a 3+2 plan – 3 percent from the state and 2 percent to be reallocated for merit. We have also asked for some funding for program priorities. We need more tenured faculty. Our enrollments are up and we need more faculty to handle that.

Chair Sanchez asked for a motion to approve the Fiscal Year 2005 Budget Guidelines. Trustee Vella so moved, seconded by Trustee Skoien. The motion was approved.

Agenda Item 9.a.(4) – Fiscal Year 2004 Internal Budget Update

Normally we approve the 2004 final budget in September, the President said, but we are moving that forward to this meeting for interim approval. He then asked Ms. Kathy Buettner to give a quick synopsis.

Since my partner, Ken Zehnder, gave a report earlier, I will keep my remarks very brief. The Trustees were given a copy of an internal budget update in keeping with requests from the Governor and the Bureau of the Budget for action on the budget lines for the upcoming year. We are asking that the Board review these guidelines, Ms. Buettner said, and give us interim authority until the September Board meeting when the final budget can be done. We still have many issues to resolve with the Bureau of the Budget in Springfield involving contributions for healthcare costs and other things for which we have to structure payments over the next couple of months.

The budget, basically, is a reduction of about 8.2 percent. All of the universities suffered a similar reduction this year on the GR side, and the Income side is up slightly, as you know, from the tuition increases that this Board found necessary to pass to offset the declining budget at the state level.

Also as part of this item, President Peters said, I would like to add approval for a Fiscal Year 2004 salary increment program and guidelines. To summarize, the plan is called the "3 percent-plus salary package plan." It provides for salary increments as follows: Beginning July 1 for all regular faculty, supportive professional staff and exempt civil service and hourly civil service, it provides for the following: A 1.5 percent immediate increase on July 1 and at least a 1.5 percent increase in January 2004. The plus part, above the 3 percent, is dependent on the stability of the state budget and our finances. We will make a determination as we move toward January. But the 3 percent is committed and guaranteed. Again, I cannot tell you the number of hours that the staff worked to squeeze out these dollars for our wonderful employees. Therefore, he said, I urge interim approval of the 2004 budget, including the salary increment package. I would like to clarify for purposes of the record, Parliamentarian Davidson said, that all of the actions being considered in this pending motion as well as the one that immediately preceded it are all an essential component of Agenda Item 9.a.(4). Chair Sanchez asked for a motion to approve the Fiscal Year 2004 Internal Budget Guidelines. Trustee Adduci so moved, seconded by Trustee Vella. The motion was approved.

Agenda Item 9.a.(5) – Recommendations for Faculty Promotions, Tenure, and Promotions with Tenure for 2003-2004 Academic Year

The list of Recommendations for Faculty Promotions, Tenure, and Promotions with Tenure for 2003-2004 Academic Year, which were obtained through a very rigorous process, begins on page 21. The Academic Affairs, Student Affairs and Personnel Committee endorsed this item unanimously, President

Peters reported. I might add that 29 tenures is a low number and reflects the budgetary situation we have been experiencing. I move approval of these people and this institutional commitment to their tenure. Chair Sanchez asked for a motion to approve the recommendations for faculty promotions, tenure and promotions with tenure for 2003-2004 academic year. Trustee Vella so moved, seconded by Trustee Skoien. The motion was approved.

Agenda Item 9.a.(6) – Tenure Appointments

Consent Agenda item.

Agenda Item 9.a.(7) – Appointment of Vice President for Research and Dean of the Graduate School

After a national search and after restructuring the position of Associate Provost and Dean of the Graduate School so ably filled by Dean Jerry Zar, President Peters said, this university is taking the next step in its evolution and has added the title of Vice President of Research to this function. And, after a long and exhaustive search, we have found an outstanding individual to fill that position, Dr. Rathindra Bose, who is a chemist and a biochemist of some repute. I cannot say I read every one of his almost one hundred publications, he said, or even admit understanding one of them, but I know an outstanding research scientist when I see one. Dr. Legg, who makes this recommendation as Provost, is also a chemist and has read all of Dr. Bose's papers.

Dr. Bose comes to us from a similar position at Kent State University. He has a tremendous reputation. Rathindra has already helped us configure a federal agenda item. I could not be more proud to move for your recommendation and approval the appointment as Vice President for Research and Dean of the Graduate School and a professor of chemistry with tenure, Dr. Rathindra Bose. Chair Sanchez asked for such a motion. Trustee Adduci so moved, seconded by Trustee Vella. The motion was approved.

Dr. Bose's comments were as follows:

Chair Sanchez, President Peters, distinguished Board members, Provost Legg, distinguished guests and my colleagues here, I'm really delighted to be part of the Northern Illinois University community. I believe this university has what it takes to be the ideal institution for the 21st Century. The outstanding leadership and wisdom of President Peters, and the Board members that I am hearing this morning, faculty dedication, excellent infrastructure, a wide variety of programs in this institution and the partnership with the two important prominent federal labs are going to move this university forward. As you look at the top 50 institutions in the United States and ask yourself how did they get there, you will find research and graduate education are the key compliment for advancing the reputation of the university. I see enormous opportunity in this institution, enhancing the research enterprise in the College of Engineering, enhancing arts and sciences education in bringing this team together. I see that faculties have been expanding their scholarly activities and responsibilities beyond traditional classroom teaching to outreach programs and technology transfer. I have been working with Kathy Buettner. At Kent State, I was called a high-energy person, but I need to compete with Kathy to retain that particular title here. It has been delightful working with her, and I am looking forward to working with her in the future.

I just wanted to close by making one comment. Chair Sanchez, you mentioned something about diversity and NIU making history by selecting you the Chair of the Board of Trustees. I feel like-minded. I was born and brought up in the poorest part of the world, Bangladesh, and came to this country. It is a testament of this institution that it has selected me as the vice president. I also looked at NIU's minority student graduation rate, and I believe it is number 26 or 27 in the nation. We want to take that particular momentum and get the national recognition that this university deserves through a lot more federal and state support. Not very many institutions are doing that at this point. I am very delighted and looking forward to working with President Peters, Provost Legg, Vice President Williams and the rest of the team here. My wife and I, along with our two children, are really looking forward to being part of this institution. Thank you very much.

Agenda Item 9.a.(8) – Appointment of Acting Dean of the College of Engineering and Engineering Technology

As you know, President Peters said, we are proposing the appointment of Dr. Promod Vohra as Acting Dean of the College of Engineering and Engineering Technology. He needs no introduction, and his credentials need no further scrutiny. I move that appointment for your approval. Chair Sanchez asked for a motion to approve the appointment of Dr. Promod Vohra as Acting Dean of the College of Engineering and Engineering Technology. Trustee Vella so moved, seconded by Trustee Adduci. The motion was approved.

Agenda Item 9.a.(9) – Request for New Emphases and New Specialization Within Degree Programs
Agenda Item 9.a.(10) – Request to Delete Existing Specializations
Agenda Item 9.a.(11) – Transfer of Tenure and Tenure-Track Location for Faculty in the College of Education

Consent Agenda Item(s).

UNIVERSITY REPORTS FORWARDED FROM THE BOARD COMMITTEES

Agenda Item 9.b.(1) – Quarterly Summary Report of Transactions in Excess of \$100,000
Agenda Item 9.b.(2) – Periodic Report on Investments

Under University Reports for information, the President said, there is Item (1), the Quarterly Summary Report of Transactions in Excess of \$100,000 and (2) the Periodic Report on Investments, which is pretty much controlled by state investment policy and, given that, looks pretty good.

Agenda Item 9.b.(3) – Student System Replacement
Agenda Item 9.b.(4) – Elimination of the Department of Leadership in Educational and Sport Organizations
Agenda Item 9.b.(5) – 2002-2003 Program Review Summary
Agenda Item 9.b.(6) – Higher Learning Commission Accreditation Update
Agenda Item 9.b.(7) – Substantive Legislation
Agenda Item 9.b.(8) – Fiscal Year 2002 Compliance Audit Report

Consent Agenda items.

ITEMS DIRECTLY FROM THE PRESIDENT

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

Consent Agenda item.

Agenda Item 9.c.(2) – Report on Administrative and Operational Efficiency

Given the lateness of the hour, President Peters said he would delay the Report on Administrative and Operational Efficiency until a later time.

CHAIR'S REPORT NO. 23

Agenda Item 10.a. – Resolution - Student Trustee Jesse Perez

I want to personally thank you, Jesse, for your leadership and outstanding service to this Board of Trustees, Chair Sanchez said. You have been a valued member of the Board and an excellent representative of the students. Their viewpoints have been heard because of your insight and perspective. In particular, you have been a strong asset with regard to the Latino Initiative, which will take place tomorrow. I want to digress by personally thanking you, as I did Dr. Wheeler, for that wonderful support. Your viewpoints have not only provided us a perspective of what the students want, but you have been an articulate advocate for the students at our Trustee meetings and in the Executive Sessions as well. Congratulations on an outstanding job. On behalf of my colleagues, the Chair said, I request a

motion to approve this Resolution honoring Jesse Perez's contributions to the Board. Trustee Vella so moved, seconded by Trustee Adduci. The motion was approved.

Student Trustee Perez made the following comments:

It has been a great year. As a Board member and as a representative of the Student Association, we have accomplished very much in this seemingly short year. I am very grateful to include my time on the Board as part of my college experience. This great experience could only be possible with the support of the students, the faculty and my fellow Board members. For that I thank you. I would like to extend well wishes to our incoming student trustee, Kevin Miller. Thanks again to everyone who has been supportive of my efforts.

I would just add that when the legislators in Springfield had the foresight to incorporate students onto these boards, Chair Sanchez said, I am sure they envisioned a student of high intellect, high energy and high integrity to represent them. And, fortunately, from the birth of this Board of Trustees to the present time, Jesse is the most immediate reflection of the fulfillment of that vision. You have been a proud ambassador for the students and a fellow Trustee. Thank you very much.

Agenda Item 10.b. – Executive Session Minutes Release

The Illinois Open Meetings Act requires public bodies to review the minutes of their Executive Session Minutes on a semiannual basis and to determine what parts of the minutes they should make available to the public because they no longer require confidential treatment. Upon review and advice of the Board's Parliamentarian, Ken Davidson, who is also our General Counsel, Chair Sanchez said, I recommend that the Board approve no additional release from confidentiality of any of the previously unreleased sections of the Executive Session minutes at this time. Those sections which 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 this review and determination. Trustee Skoien so moved, seconded by Trustee Adduci. The motion was approved.

Agenda Item 10.c. – Oath of Office Ceremony for New Student Trustee

I would like to now move to the welcoming of our new Student Trustee, Kevin Miller, the Chair said. Kevin is the third elected student trustee for the university. He has served as Student Association Senator, Director of Governmental Affairs, Speaker of the Student Senate and Student Association (SA) President. He is currently serving as a Peer Fellow with the university Honors Program. Also, he was the founder and past president of the Honors Student Association. Kevin is a member of the Professional and Political Science fraternity, Phi Sigma Zeta. He is currently a junior double major in political science and English. After graduation, he aspires to gaining admission to graduate school to pursue a law degree and a Masters of Public Administration.

We are delighted to have you join the Board this year, Kevin. Your service in student and community government and experience on campus has provided you with a depth of knowledge that will be a tremendous asset to the Board. This Board takes the opinions and counsel of the Student Trustee very seriously, and I want you to know I am looking forward, as I know our next Chair and fellow Trustees are, to working with you next year. Now, if you will join me at the podium, I will swear you into your position.

Before I do so, I want you all to know that I had the privilege of seeing first-hand the difference that the students make in Springfield. And those students are not led by UI, they are not led by ISU. They are led by us here at NIU. I saw Kevin there; and his presence and his commitment to this university, pre-election as student representative to the Board of Trustees, has already been demonstrated.

Chair Sanchez administered the oath as follows:

I, Kevin Miller, 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.

President Peters presented Kevin with his Trustee pin, noting that they are only given to and worn by Trustees.

Mr. Miller made the following comments:

Thank you very much for the great introduction. This important day in my life holds great significance for me since it stands as a tribute to all that I have worked for throughout my past three years here at NIU. During that time, I have had the distinct pleasure of working with a talented faculty, staff, administration and, most importantly, students of our university through both good times and bad. Through every position I have held here at the university, from student senator to student body president, I have tried to take advantage of the opportunity to serve the university community in the best way possible. In short, I have been given a chance to make a lasting impact on the future of what is, in my opinion, the best and greatest university in the state of Illinois.

Although I am well aware of the hard times ahead resulting from the difficult budgetary situation in Springfield, I am definitely not afraid to do my part in minimizing negative impacts to NIU and members of the NIU community. More importantly, however, I am especially aware that NIU is poised for success. Even though every member of the community is affected by these difficult times, this is also a time of great opportunity for our institution. It is this truly awesome potential that NIU possesses that excites me most about serving as student trustee. This excitement, however, is shared by so many people who have stood by my side and on whose shoulders I now stand. Without their support, I am certain that I would not be speaking before you today. First, I would like to thank the staff of the University Honors Program. Without their support, both personal and professional, I would not have had the academic or personal foundations that have steadied me along my sometimes hectic and difficult path. I would also like to extend special thanks to my running mates, Shawn Crisler, Andrew Bessara and Andrew Josephson as well as all of those who assisted us throughout our campaign, for serving as a source of steadfast and seemingly endless motivation and inspiration. Thank you all. Along the same lines, when I think of endless motivation, the name Jesse Perez immediately springs to my mind. Throughout the time I have known Jesse, he has truly been a great student servant and a great friend. I must say that I am truly honored to follow in his footsteps; and, thank you very much for all that you have given me.

And last, but certainly not least, I would like to thank a good friend of mine, Mr. James Barr. James, a former student trustee himself and veteran of the Student Association, has served as my moral compass, as my mentor and, most importantly, as my friend. James, without your guidance, your support, and occasional shove in the right direction, I wouldn't be half the man I am today. Thank you for everything.

As I have already said, I am excited to step into this new position and enthusiastically looking forward to serving the university community in the best way that I can. I am always happy to receive suggestions, comments and even the occasional dose of constructive criticism. I pledge to each of you today that I will do my very best to serve the interests of NIU. Thank you.

I had not noticed that James was in the audience, but you all are a tremendous reflection of the kind of goodness and talent that NIU promotes and produces. Congratulations, Kevin, we all look forward to working with you this coming year.

OTHER MATTERS

I would like to announce to the Trustees that this wonderful replica memento of the convocation center marquee was provided by Turner Construction Company.

NEXT MEETING DATE

Chair Sanchez 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 Sanchez asked for a motion to adjourn. Trustee Skoien so moved, seconded by Student Trustee Perez. The motion was approved. The meeting was adjourned at approximately 12:14 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

FISCAL YEAR 2004 NIU FOUNDATION PROFESSIONAL SERVICES CONTRACT

Summary: The Northern Illinois University Foundation contract supports the fundraising services and activities provided by the Foundation on behalf of the university. This contractual agreement is in accordance with the Legislative Audit Commission Guidelines. The contract amount will be offset by the Foundation payment to the university for personal services, fringe benefits, facilities and program expenditures to meet the contract obligations.

Recommendation: The university requests approval of a renewal order for the FY04 contract for the Northern Illinois University Foundation in the amount of \$471,270.

**FISCAL YEAR 2004 COPY PAPER
ITS DOCUMENT SERVICES AND MATERIALS MANAGEMENT**

Summary: The university recommends renewal of open orders for purchases of various printing papers, envelopes and supplies on an as-needed basis by Document Services and Materials Management for campus resale. Pricing will be based on industry market pricing prevailing each quarter.

Recommendation: The university requests approval of expenditure authority for FY04 as follows:

Unisource, Addison, IL \$650,000

FISCAL YEAR 2005 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 Illinois Board of Higher Education (IBHE) for review, revisions and inclusion in the IBHE Higher Education Operating Budget recommendation to the state legislature and the Governor. To ensure the timely preparation and submission of the university's FY05 budget request to the IBHE, salary, price and programmatic levels need to be approved by the Board in early summer.

1. 5% Faculty and Staff Salary Increase: The 5% translates to a 3+2 plan (3% merit and 2% to catch up for no increments in FY03).
2. 15% Utilities: To meet the increased cost of utilities.
3. 3% General Price Increase: To meet the increased cost of goods and services provided to the university.
4. 3% Fire Protection Increase: To cover projected cost increases for local fire protection services.
5. 15% Library/Technology Increase: To continue meeting the unique increases for library and technology materials and equipment.
6. \$250,000 Medicare Increase: To provide sufficient funds to meet mandated contributions for Medicare.
7. \$5,490,000 in Program Priorities Requests: Continue programmatic efforts to enhance and strengthen academic commitments in undergraduate education, technology, distance education and off-campus programs, assessment and faculty diversity.
8. \$3,125,000 in Non-Academic Program Improvements: The university will continue its requests for the establishment of an adequate funding base for deferred maintenance and replacement of computer systems infrastructure which maintains critical management and operational data. These two programs are urgently needed to maintain the university's physical and information base.
9. \$1,653,500 O&M for New Buildings: To provide operation and maintenance funds for the Center for Diversity Resources, Barsema Hall, the Convocation Center and the Family Violence Center. The Center for Diversity Resources opened Spring 2001; Barsema Hall and Convocation Center opened Fall 2002; and, the Family Violence Center will be operational by Summer 2003.

Recommendation: In establishing the FY05 requests, the university recommends Board of Trustees approval of the above guidelines for its budget development.

COMPARISON OF BUDGETARY GUIDELINES

(\$ in thousands)

	FY04				FY05
	BOT	Recommendations			Recommended
	Guidelines	IBHE	Governor ⁽¹⁾	Appropriation ⁽²⁾	Guidelines
Salary Increase	5.0%	2.0%	0.0%	--	5.0%
Utility Increase	10.0%	0.0%	0.0%	--	15.0%
General Price Increase	3.0%	0.0%	0.0%	--	3.0%
Fire Protection	3.0%	0.0%	0.0%	--	3.0%
Library/Tech Increase	10.0%	0.0%	0.0%	--	15.0%
Medicare Increase	\$250.0	\$0.0	\$0.0	--	\$250.0
Program Priorities	\$4,500.0	\$0.0	\$0.0	--	\$5,490.0
Deferred Maintenance	\$1,500.0	\$0.0	\$0.0	--	\$1,500.0
Computer Systems	\$1,625.0	\$0.0	\$0.0	--	\$1,625.0
O&M for New Buildings	\$1,653.5	\$0.0	\$0.0	--	\$1,653.5

⁽¹⁾ The Governor's recommendation includes a \$9.1 million reduction from the FY03 allocation.

⁽²⁾ Pending approval by the General Assembly and Governor.

FISCAL YEAR 2004 INTERNAL BUDGET UPDATE

Summary: There will be an oral presentation summarizing the Fiscal Year 2004 appropriation process and the final General Assembly and Governor's action on the appropriated budget. Pursuant to the established Board of Trustees meeting schedule, the university will present the detailed FY04 internal budget for approval at the September 2004 Board of Trustees Meeting. At this time, the university requests that the Board of Trustees receive the report and extend, to the September Board Meeting, interim approval of the estimated budget as presented.

FISCAL YEAR 2004 SALARY INCREMENT GUIDELINES

In response to the directive given to the President by the Board of Trustees at its March 19 meeting, and consistent with President Peters' long-term prioritization of faculty and staff salaries as a top priority, FY04 increment allocation guidelines are summarized below as part of the FY04 interim internal budget approval by the Board of Trustees.

Summary: In accordance with Board *Regulations* §II.C.2.a., annual salary increment guidelines are approved by the Board of Trustees. The approval of annual salary increment guidelines authorizes distribution of a comprehensive annual increment. Following completion of the fiscal year salary adjustment process, increment totals are verified and reported to the Board of Trustees.

The FY04 salary increment program for university employees follows an FY03 budget that did not provide for a general salary increase program for employees in Illinois public higher education. For FY04, internal funds will be reallocated to provide for a two-stage salary increment process referred to as the "3 percent-plus" program. This increment program will involve a 1.5 percent general increment distributed July 1, 2003 on an across-the-board basis to eligible faculty and staff employed by the university on or before December 31, 2002. A second salary increase distribution will involve another across-the-board 1.5 percent distribution made on January 1, 2004 to the same group of employees who remain employed as of December 31, 2003. Normally, merit is prioritized as a distribution principle for NIU salary increase programs. However, given the limited resources available for university salary increase programs during the FY03-04 timeframe, and in consideration of cost-of-living increases applicable to all employee categories during the two-year period, both 1.5 percent increments will be distributed as an across-the-board update to eligible employees' base salaries consistent with university increment processing policies.

In addition to the two 1.5 percent increment distributions outlined above, the FY04 increment program incorporates a "plus" concept that underscores the President's, as well as the Board of Trustees, commitment to enhance salaries to the maximum extent possible. Under the increment plan, the "plus" reflects a commitment that, if the financial environment of the state and university stabilize, additional efforts will be made to further enhance this salary program. Specific salary competitiveness issues will be evaluated including civil service pay rates, especially in the clerical/paraprofessional classifications, and other salary competitiveness factors related to the instructional mission of the university.

For purposes of administering and verifying the FY04 increment, the percentage specifications outlined above will pertain to three independent employment categories, comprising salary pools, within which total adjustments will be made consistent with the FY04 increment guidelines. These categories are as follows:

1. **Regular Faculty:**
 - 1.5 percent allocated as of the beginning of the contract period or August 16, 2003
 - 1.5 percent allocated as of January 1, 2004
2. **Supportive Professional Staff/Exempt Civil Service:**
 - 1.5 percent allocated as of July 1, 2003
 - 1.5 percent allocated as of January 1, 2004
3. **Hourly Civil Service:**
 - 1.5 percent allocated as of July 1, 2003
 - 1.5 percent allocated as of January 1, 2004

The FY04 increment guidelines pertain to nonnegotiated faculty and staff. The December 31, 2003 salary base will be utilized in calculating the 1.5 percent increment effective January 1, 2004. Graduate assistant positions will be incremented in FY04 according to guidelines established by the Provost. Employees on temporary contracts who are reappointed during FY04 may receive salary increases in conjunction with the reappointment subject to the availability of funds.

Recommendation: The university recommends approval of the FY04 "3 percent-plus" salary increment guideline within the scope of interim budget approval for FY04.

**RECOMMENDATIONS FOR FACULTY PROMOTIONS, TENURE AND
PROMOTIONS WITH TENURE FOR 2003-2004 ACADEMIC YEAR**

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

<u>Name</u>	<u>Department/School</u>
<u>From Associate Professor to Professor</u>	
Carnes, Gregory A.	Accountancy
Creamer, Winifred	Anthropology
Gowen III, Charles R.	Management
Kipperman, Mark	English
Kuo, Yih-Wen	Art
Luna, Guadalupe	College of Law
Russo, Nancy L.	Operations Management and Information Systems
Schoenbachler, Denise D.	Marketing
Smart, Laura	Family, Consumer and Nutrition Sciences
Smith-Shank, Deborah L.	Art
Tahernezehadi, Mansour	Electrical Engineering
Walker, James A.	Geology and Environmental Geosciences
Ye, Zhuan	Mathematical Sciences
<u>From Assistant Professor to Associate Professor</u>	
*Atkins, E. Taylor	History
*Balamuralikrishna, Radha	Technology
*Birner, Betty	English
Brown, Jeffery	College of Law
*Bukonda, Ngoyi K. Zacharie	Allied Health Professions
*Feurer, Rosemary	History
*Hamlet, Janice	Communication
*Hill, Stuart A.	Biological Sciences
*Kahn, Katie	Art
*Liu, Chang	Operations Management and Information Systems
*Luetkehans, Lara M.	Educational Technology, Research and Assessment
*Markowitz, Fred E.	Sociology
*Marsh, Sarah J.	Management
*Pan, Junlin	University Libraries
*Sassone, Leslie A.	Educational Psychology and Foundations
*Stock, Gregory	Operations Management and Information Systems
*Stoffel, Lawrence	Music
*Sytsma, Sharon E.	Philosophy
*Unger, Daniel H.	Political Science
*Wolfe, Randi Beth	Teaching and Learning
*Xie, Xiaolin Charline	Family, Consumer and Nutrition Sciences
*Yao, Qingwei	Chemistry and Biochemistry

Name

Department/School

Tenure Only

Arriola, Elvia R.	College of Law
Boughton, Douglas	Art
Carpenter, Paul J.	Kinesiology and Physical Education
Downing, Charles E.	Operations Management and Information Systems
Johannessen, Larry	English
Silber, Kenneth H.	Educational Technology, Research and Assessment
Stewart, Mary	Art
Young, James C.	Accountancy

Recommendation: The university requests Board of Trustees approval of the university's 2003-04 tenure and promotion decisions.

TENURE APPOINTMENTS

Recommendation: The University requests Board of Trustees approval of the decision to grant tenure to (1) Michael Bishop in conjunction with his appointment as Associate Professor in the Department of Philosophy, effective August 16, 2003; (2) Kenton Clymer in conjunction with his appointment as Professor and Chair of the Department of History, effective July 1, 2003; and (3) Dr. Douglas Klumpp in conjunction with his appointment as Associate Professor in the Department of Chemistry and Biochemistry, effective August 16, 2003.

Note: See the following biographical statements.

MICHAEL BISHOP

Appointment as Associate Professor in the Department of Philosophy

Dr. Michael Bishop received his B.A. degree cum laude from the University of Maryland, his M.A. degree from the University of Michigan, and his Ph.D. degree from the University of California at San Diego. Dr. Bishop was president of the Iowa Philosophical Society and is currently chair of the Department of Philosophy and Religion at Iowa State University where he also holds a tenured appointment as Associate Professor. He has often served as a referee of journal articles and reviewer of book manuscripts for various presses, as well as a reviewer of grant proposals to the National Science Foundation. He is active in various professional societies, which lately have included the duties of symposium organizer on his specialty in the philosophy of science.

Dr. Bishop has published 11 articles, 3 book chapters and 2 symposium papers. His publications are significant contributions to the scholarship in his areas of specialization: the philosophy of science and epistemology. The majority of his work has appeared in prestigious philosophy journals like the *Philosophy of Science and Synthese*, whose acceptance rates are 20 percent of papers submitted. Leading figures in philosophy of mind speak glowingly of his work and consider his forthcoming book on judgments of excellence as a milestone in the profession. One leading scholar notes "[His writings] will earn Bishop a reputation as one of the more interesting and innovative people of his generation;"

In the area of teaching, Dr. Bishop receives consistently high marks from students. He has taught a range of courses and has been responsible for the creation of a highly innovative course in practical logic and scientific reasoning at Iowa State. Dr. Bishop received an Early Excellence in Teaching Award at Iowa State and has been named to Who's Who Among American Teachers in 1996 and 2002. He is also highly regarded for service as a very effective administrator.

In summary, Dr. Bishop is an excellent and innovative teacher who is devoted to his students. His scholarship is nationally recognized as outstanding and his expertise will fit well with the Department of Philosophy needs.

DR. KENTON CLYMER

Appointment as Professor and Chair of the Department of History

Dr. Clymer received his A.B. degree with honors from Grinnell College and his M.A. and Ph.D. degrees from the University of Michigan. He has received prestigious research fellowships in India, Germany, Malaysia, London and Manila. Dr. Clymer has been awarded a Bancroft Visiting Professorship, Fulbright Lectureships and a Danforth Lectureship. He has considerable administrative experience serving as chair, associate dean and associate provost for the Texas International Educational Consortium in Malaysia, and consultant for the Indochina Project. Currently, he holds the position of chair of the Department of History at the University of Texas El Paso (UTEP) and is a tenured full professor.

Dr. Clymer is an internationally recognized scholar with expertise on American foreign relations, specifically, with Southeast Asia. He has published two books, a monograph and completed the manuscript for a fourth book. In addition, Dr. Clymer has published more than 20 articles in major journals and is a much sought-after author for articles on foreign policy issues. Three of his article-length studies have appeared in edited collections published by Harvard University Press, Blackwell Publishers and Scholarly Resources. He has been awarded approximately two dozen major grants and fellowships. One of these awards was from the National Endowment for the Humanities for \$150,000 to enable UTEP and El Paso Community College to redesign U.S. History survey courses.

As a teacher at University of Texas, Dr. Clymer is recognized as having an exemplary reputation. He has taught large survey courses as well as more advanced undergraduate and graduate courses in his specialty. Dr. Clymer believes strongly in the importance of fostering and rewarding excellence in teaching. And, as mentioned earlier, he has taught on visiting appointments in several countries.

Dr. Clymer's outstanding qualities as a candidate for the department chair are equally applicable to his qualifications for tenure. He comes with a strong reputation as a published scholar, dedicated teacher, and congenial colleague. His area of expertise will complement and strengthen the Center for Southeast Asian Studies research and instruction in addition to that of the Department of History.

DR. DOUGLAS KLUMPP

Appointment as Associate Professor in the Department of Chemistry and Biochemistry

Dr. Douglas Klumpp received his B.S. degree from the University of Oklahoma and his Ph.D. degree from Iowa State University. He is a tenured associate professor at California State University-Pomona. Dr. Klumpp brings to this position an active, visible, and federally-funded research program (recent award \$400K) in organic chemistry. He has a focused program of research on the generation of reactive electrophilic systems and the chemistry of strong acid systems as they relate to biomedical science. Dr. Klumpp is the author or coauthor of more than 40 abstracts and articles that have been published in professional journals including the *Journal of Organic Chemistry*, *Synthesis*, and the *Journal of the American Chemical Society*. He has presented more than 20 papers at national meetings of the American Chemical Society.

In addition to a strong and visible research program, Dr. Klumpp presents evidence as an accomplished instructor and has taught classes at all levels from freshman through graduate level. He is especially effective with the teaching that occurs in the one-on-one supervision of the large number of undergraduate students who have worked with him on research projects. Five years of evaluations by students reveals consistent performance that is in the very good (top) to good rating. His department indicates that these are the kinds of consistent positive evaluations that are the hallmark of a good instructor.

Dr. Klumpp has also been involved in institutional service. He is currently involved in academic advising in his department, has been instrumental in living-learning activities with the residence halls, and has served on his department program review committee.

In summary, Dr. Klumpp has demonstrated professional activity that would clearly merit tenure at NIU.

**APPOINTMENT OF VICE PRESIDENT FOR RESEARCH
AND DEAN OF THE GRADUATE SCHOOL**

After a national search, Dr. Rathindra N. Bose has been selected for appointment as Vice President for Research and Dean of the Graduate School. He will hold the rank of tenured professor in the Department of Chemistry and Biochemistry. Dr. Bose is a tenured professor serving as vice president for research and dean of graduate studies at Kent State University, where he has been employed since 1988. His duties there have included assistant, associate and full professorships as well as chair of the Department of Chemistry (1996-2001). Prior positions include academic positions at the University of Dhaka, Bangladesh and Wichita State University. Dr. Bose received his Ph.D. degree in physical inorganic chemistry at Georgetown University and his M.Sc. degree in inorganic chemistry and B.Sc. (Hon) degree in chemistry at Rajshahi University, Bangladesh.

Dr. Bose has authored or coauthored 76 publications in refereed journals and 62 conference abstracts as well as having written a textbook in Bengali on inorganic chemistry. He has also received numerous honors, teaching and research awards, including the Distinguished Teaching Award and the Alumni Distinguished Teaching Award at Kent State University. He has a successful track record securing grants having acquired research grants totaling more than \$2.5 million from the National Institutes of Health, U.S. Department of Education and Ohio Board of Regents. In addition to substantial current grant funding, he has a number of grant proposals in preparation. Dr. Bose is a member of several professional organizations and serves on university and national level committees.

Recommendation: The university recommends Board of Trustees approval of the appointment of Dr. Rathindra Bose as Vice President for Research and Dean of the Graduate School.

**APPOINTMENT OF ACTING DEAN OF THE
COLLEGE OF ENGINEERING AND ENGINEERING TECHNOLOGY**

Dr. Promod Vohra has been asked to serve as Acting Dean of the College of Engineering and Engineering Technology. Professor Vohra received his Ed.D. degree in instructional technology, and his M.S. degree in electrical engineering from Northern Illinois University, and his B.S.E.E. in electrical engineering from the Delhi College of Engineering in New Delhi, India. Dr. Vohra is a Certified Senior Industrial Technologist (C.S.I.T.) and a Registered Professional Engineer (P.E.). After his work as a technical product engineer in India, Dr. Vohra has been employed at Northern Illinois University since 1988 as assistant, associate, and tenured professor in the Department of Technology, assuming the position of associate dean of the college in January 1997. He is also the affirmative action/faculty grievance officer for the college.

Professor Vohra has assumed a strong leadership role in the college through his extensive activity in university and community service on a large number of committees and membership in professional organizations. In addition to his teaching assignments and course and laboratory development, he has served as a consultant and a resource person for a variety of educational and public groups. He has received more than \$8 million in external and internal equipment and other grants. Professor Vohra is an active scholar who has presented more than 40 papers at regional, state, national and international professional conferences and meetings, and he has written or contributed to more than 25 journal articles and proceedings. In addition, he reviewed 40 papers for UNESCO-United Nations International Centre for Engineering Education and 20 articles for the *Journal of Industrial Technology* (JIT) through the National Association of Industrial Technology (NAIT). Professor Vohra serves as a member of the NIU Alumni Board of Directors and was honored with an NIU Excellence in Undergraduate Teaching Award in 1995.

Recommendation: The university recommends that the Board of Trustees approve the appointment of Dr. Promod Vohra as Acting Dean of the College of Engineering and Engineering Technology.

REQUEST FOR NEW EMPHASES AND NEW SPECIALIZATION WITHIN DEGREE PROGRAMS

New subdivisions of existing undergraduate programs are called emphases, and new subdivisions of graduate programs are called specializations. The creation of both of these subdivisions requires the approval of the Board of Trustees. If the Board approves the addition of new emphases or specializations, the university will report them in the Annual Listing of Changes sent to the IBHE each June. This request is brought to the Board of Trustees after receiving approval from curriculum committees at the department, college and university levels and the concurrence of the Provost. The request was also endorsed by the Academic Affairs, Student Affairs and Personnel Committee at its June 5 meeting.

Emphasis, Human Resource Management, and Emphasis, Organizational Management (within the B.S. in Management)

Description: The Department of Management in the College of Business is proposing to offer an emphasis in human resource management and an emphasis in organizational management. All students would complete three core management courses in addition to four required courses in either human resource management or organizational management, respectively, and one elective from a designated list of courses to complete the requirements for the selected emphasis. Currently, students complete this course work within the designation of an "area of study."

Rationale: The baccalaureate degree program in management offers students the choice of selecting an area of study in human resource management or in organizational management, however "areas of study" are not noted on students' transcripts. This change in designation from "area of study" to "emphasis" will represent students' educational background more accurately via transcript notation and help students better promote themselves to potential employers.

Costs: No new resources are needed to implement these changes.

Specialization, Learning Behavior Specialist I (within the M.S.Ed. in Special Education)

Description: The Department of Teaching and Learning in the College of Education is proposing to offer a specialization to prepare students for Illinois teacher certification as a Learning Behavior Specialist I. The proposed specialization would replace the specialization in behavior disorders and the specialization in learning disabilities, which are currently part of the M.S.Ed. degree program in special education and are proposed for deletion in the next agenda item. All students completing the new specialization would complete core requirements for the degree program as well as specified course work within the specialization including curriculum development, classroom management for special educators, social and emotional support and management, collaboration for inclusive teaching and learning, the use of assistive technologies in instruction, clinical experience and student teaching in special education, and a capstone seminar in special education.

Rationale: The proposed specialization is designed to meet the new Illinois State Board of Education's rules for teacher certification in special education, which were developed in response to a federal court order resulting from the *Corey H* case. While Illinois has traditionally delivered special education with student placements in special education teacher certification categories, such as learning disabilities, mental retardation or emotional disturbances, the federal court order found this system for the certification of special education teachers to be out of compliance with the federal law regarding special education. The remedy required by the court requires that the disability-specific certification of special educators be

eliminated, and that a new, noncategorical certification of special educators, Learning Behavior Specialist I, be instituted.

Costs: No new resources are needed to implement this change. The resources appropriated to the current specialization in behavior disorders and the specialization in learning disabilities will be reallocated to the specialization, Learning Behavior Specialist I.

Recommendation: The university recommends Board of Trustees approval of the Emphasis, Human Resource Management, and Emphasis, Organizational Management (within the B.S. in Management) and the Specialization, Learning Behavior Specialist I (within the M.S.Ed. in Special Education).

REQUEST TO DELETE EXISTING SPECIALIZATIONS

Public university governing boards have the final authority to delete subdivisions of major programs. This request is brought to the Board of Trustees after receiving approval from curriculum committees at the department, college and university levels and the concurrence of the Provost. The request was also endorsed by the Academic Affairs, Student Affairs and Personnel Committee at its June 5 meeting.

Specialization in Behavior Disorders and the Specialization in Learning Disabilities (within the M.S. Ed. in Special Education)

Description: The Department of Teaching and Learning in the College of Education proposes to delete the specialization in behavior disorders and the specialization in learning disabilities within the M.S. Ed. degree program in special education. Both of these specializations would be replaced by a new specialization, Learning Behavior Specialist I, pending its approval by the board.

Rationale: In response to a federal court ruling in the *Corey H* case, the Illinois State Board of Education adopted new requirements for preparing teacher candidates for initial certification for special education, which is noncategorical in nature. Except for the teacher candidates preparing to work with students who have vision impairments, those who are deaf or hard of hearing, or those with speech and language impairments, all teacher preparation programs in special education are required to revise their curricula to prepare teacher candidates for certification as Learning Behavior Specialist I, which is described in the preceding agenda item.

Costs: The resources appropriated to these two specializations will be reallocated to the new specialization, Learning Behavior Specialist I. The courses for the new specialization will replace those required for the specialization in behavior disorders and the specialization in learning disabilities proposed for deletion.

Specialization in Multiply Handicapped, Deaf or Vision (within the M.S. Ed. in Special Education)

Description: The Department of Teaching and Learning in the College of Education proposes to delete the specialization in multiply handicapped, deaf or vision.

Rationale: This specialization requires students to have teacher certification in visual impairment or deaf and hard of hearing or to acquire certification in one of these areas concurrent with course work in the specialization. The elimination of the undergraduate emphasis in deaf and hard of hearing within the B.S. Ed. degree program in March 2003 will significantly reduce the number of students seeking enrollment in the specialization in the M.S. Ed. degree program. Currently no students are enrolled in this specialization. The last student admitted to the specialization in spring 2001 is not currently enrolled in it. Students who desire to pursue advanced study to work with individuals with sensory impairments can enroll in the specializations in blind rehabilitation, orientation and mobility, or visual impairments, which are components of the M.S. Ed. degree program in special education.

Costs: The deletion of the specialization in multiply handicapped, deaf or vision would result in the university's ability to reallocate funds to other high-demand programs within the College of Education.

Recommendation: The university recommends Board of Trustees approval to delete the Specialization in Behavior Disorders and the Specialization in Learning Disabilities (within the M.S. Ed. in Special Education) and the Specialization in Multiply Handicapped, Deaf or Vision (within the M.S. Ed. in Special Education).

**TRANSFER OF TENURE AND TENURE-TRACK LOCATION
FOR FACULTY IN THE COLLEGE OF EDUCATION**

<u>Faculty</u>	<u>From</u>	<u>Transfer of Tenure To</u>
Rodney Caughron	Leadership in Educational and Sport Organizations	Kinesiology and Physical Education
Keith Lambrecht	Leadership in Educational and Sport Organizations	Kinesiology and Physical Education
Rosita Marcano	Leadership in Educational and Sport Organizations	Educational Psychology and Foundations
Kimberly Miloch	Leadership in Educational and Sport Organizations	Kinesiology and Physical Education
Lorrie Reed	Leadership in Educational and Sport Organizations	Educational Psychology and Foundations
Joseph Saban	Leadership in Educational and Sport Organizations	Educational Psychology and Foundations
Susan Stratton	Leadership in Educational and Sport Organizations	Educational Psychology and Foundations

Recommendation: The university requests Board of Trustees approval of the university's request to transfer the tenure of the faculty in the Department of Leadership in Educational and Sport Organizations in the College of Education to the departments noted above.

**Chair's Report
No. 25**

June 19, 2003

RESOLUTION – STUDENT TRUSTEE JESSE PEREZ

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 Jesse Perez 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 ninth Student Trustee; and

WHEREAS in said position, Mr. Perez 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. Perez 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. Perez to all of the above-mentioned interests of this Board which included assisting university and city relations regarding the Metropolitan Planning Organization (MPO), assisting the Asian American Task Force in securing a location for its program, and accompanying fellow trustees to lobby legislators in Springfield for State support of the University.

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

BE IT FURTHER RESOLVED that this **RESOLUTION** be presented to Mr. Perez 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. Jesse Perez.

Adopted in a regular meeting assembled this **19th** day of **June, 2003**.

**BOARD OF TRUSTEES OF
NORTHERN ILLINOIS UNIVERSITY**

Chair

(SEAL)

Attest: _____

Secretary

EXECUTIVE SESSION MINUTES RELEASE

The Illinois Open Meetings Act requires public bodies to review the minutes of their Executive Session Minutes on a semiannual basis and to determine what parts of the minutes they should make available to the public because they no longer require confidential treatment. Upon review and advice of the Board's Parliamentarian, it is recommended that the Board approve no additional release from confidentiality of any of the previously unreleased sections of the Executive Session minutes at this time. Those sections which are still subject to confidentiality, together with sections from subsequent meetings, will be considered again in six months.



**Board of Trustees
Special Teleconference
Meeting**

JUNE 30, 2003

No item in this report for release prior to 4:00 p.m. Monday, June 30, 2003.

A G E N D A

**SPECIAL TELECONFERENCE MEETING
of the
BOARD OF TRUSTEES
of
NORTHERN ILLINOIS UNIVERSITY
4:00 p.m. – Monday – June 30, 2003
University Suite**

4:00 p.m. Call to Order, Roll Call, Notice Verification, Meeting Agenda Approval – University Suite



- 14. Call to Order and Roll Call
- 15. Verification of Appropriate Notification of Public Meeting
- 16. Meeting Agenda Approval Action..... 166
- 17. Chair's Comments/Announcements
- 18. Public Comment*
- 19. President's Report No. 36
 - a. Student Information Services System Replacement Action..... 171
- 20. Other Matters
- 21. Next Meeting Date
- 22. Adjournment

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

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

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

Minutes of the
Special Teleconference Meeting
of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
June 30, 2003

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Vice Chair Gary Skoien at approximately 9:22 a.m. in the Clara Sperling Sky Room of Holmes Student Center. Recording Secretary Mimms conducted a roll call of Trustees. Present were Trustees Robert Boey, Myron Siegel, Gary Skoien, Barbara Giorgi Vella, Student Trustee Jesse Perez and Chair Sanchez. Trustee George Moser joined the meeting in progress. All members were present via teleconference. Not present was Trustee Catherine Adduci. 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

Trustee Siegel moved to approve the agenda as amended, seconded by Trustee Vella. The motion was approved.

PUBLIC COMMENT

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

CHAIR'S COMMENTS

This meeting has been called, Chair Sanchez said, as a result of discussions regarding the PeopleSoft contract for the Student Information Services System that were held at the Finance, Facilities and Operations Committee Meeting on June 5 and at the Board of Trustees meeting on June 19.

PRESIDENT'S REPORT NO. 36

Agenda Item 6.a. – Student Information Services System Replacement

President Peters asked Dr. Eddie Williams to make the presentation on the university's recommendation for the replacement of its Student Information Services System.

First, Dr. Williams said, I want to thank all of the Trustees for taking time out of their busy schedules to review this very important item. The Finance Committee did a thorough review of the appropriateness of the selection of PeopleSoft software for our student system. After that exhaustive review, the university recommended approval. We then placed the item on the agenda of our full Board meeting as an information item so that we would come back to the Board when we had a contract with which we could go forward. As Chair of the finance Committee, Trustee Boey stated that he fully concurred with Dr. Williams' statement.

As a result, university staff has been in negotiations with PeopleSoft, and now we have a contract that we feel we can recommend to the Board. Specific components of the contract include a contract amount of \$820,000 for purchase of the software. This would be financed over a five-year period with a financing rate not to exceed 3.75 percent. In addition to that, the PeopleSoft Company included in the contract certain guarantees to the university assuring that if there were any problems concerning the future of their company, our investment would be protected. They have included liquidated damages to the extent of twice the value of the contract. After further review, we are recommending that the Board approve the contract for the purchase of the software under the stated conditions.

This is Agenda Item 6.a., President Peters said, which includes a recommendation, as specified by Dr. Williams, and a Resolution.

Trustee Siegel asked if PeopleSoft was going to escrow the software, the source codes, just in case something does happen, to insure that we get it. Dr. Williams stated that that was part of the agreement. Also, he said, I want to clarify for the Board that we also have a resolution as part of the recommendation. Other components of this project will be brought individually for Board approval as they are deemed appropriate and necessary for various stages of the project. So other aspects of this project, which were discussed in broad detail with the Finance Committee, will be brought back to the Board during the following year. And as I also indicated, PeopleSoft has guaranteed the prices for those operations for that time period.

Chair Sanchez asked Parliamentarian Davidson to read the Resolution into the record. Mr. Davidson advised the Trustees that there was a slight rewording of the Resolution to reflect that there is an option for the Board to choose between either Academic Capital Group or other suitable vendor for the financing.

Accordingly, the resolution has been adjusted to allow for that option. The Resolution was read as follows:

RESOLUTION

WHEREAS, the Board of Trustees of Northern Illinois University ["Customer"] is entering a Master Installment Payment Agreement ("IPA") and Installment Payment Schedules thereto with either Academic Capital Group, Inc. ("Academic"), a Delaware corporation, or other suitable vendor;

NOW, THEREFORE, BE IT RESOLVED, that the Customer be, and hereby is, authorized to enter into the IPA and IPA Schedules thereto with either Academic or other suitable vendor for a period of five years, and;

BE IT FURTHER RESOLVED, that an official of the Customer be, and hereby is, authorized, empowered and directed to sign on its behalf the Master Installment Payment Agreement, IPA Schedules, and any addenda, notes, UCC financing statements or other instruments issued under the provision of the IPA, and any other instrument or document which may be necessary or expedient in connection with agreement upon or fulfillment of the provisions of the IPA.

Trustee Boey inquired where the provision of liquidation damages of two times \$820,000 fit in. Mr. Davidson stated that it is in the master installment payment agreement and is in the nature of liquidated damage. It is not liquidated damages per se. To further explain, he said that liquidated damages are typically amounts that are paid when there is a dispute or some kind of a loss, but it is too hard to quantify the actual loss. And because of PeopleSoft Internal Revenue rules, PeopleSoft was unwilling to specifically characterize the protections for its customers as liquidated damages. But, nonetheless, they are in the nature of liquidated damages. This is all included in the authorizations for the software licensing and all the pricing

Chair Sanchez asked for a motion to support the recommendation for the replacement of the university Student Information Services System. Trustee Boey so moved, seconded by Trustee Skoien.

Because this is by teleconference and we might have lost one or more of the Trustees, Parliamentarian Davidson said, we would like to verify by roll call vote for the record.

Chair Sanchez asked for a roll call vote on the motion, which was as follows:

Trustee Adduci	--	Trustee Skoien	Yes
Trustee Boey	Yes	Trustee Vella	Yes
Trustee Moser	--	Student Trustee Perez	Yes
Trustee Siegel	Yes	Chair Sanchez	Yes

The motion was approved.

NEXT MEETING DATE

Chair Sanchez announced that the next regular full Board meeting is scheduled for Thursday, June 19, at 9:00 a.m. in DeKalb.

ADJOURNMENT

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

The meeting was adjourned at 12:11 p.m.

Respectfully submitted,

Sharon M. Mimms
Recording Secretary

**President's Report
No. 36**

June 30, 2003

STUDENT INFORMATION SERVICES SYSTEM REPLACEMENT

Summary: The university has previously informed the Board of Trustees of a compelling need to replace the aging student information services system. Currently, the Board is in a unique position to replace the university's existing student services system with a WEB-based PeopleSoft Student System by exercising its previously negotiated purchase option that expires June 30, 2003. This combined with attractive financing rates will allow the Board to replace the university's system at a significantly lower cost than possible if the decision is delayed.

Negotiations with PeopleSoft have resulted in a proposal for the Board to authorize a purchase of software licensing, one year of maintenance and installation services, prepaid staff training units, as well as competitive financing for the package, with provisions that allow for enhancements of the package over a twelve-month period.

When determined appropriate, the university will request supplemental Board action for authority to fund additional enhancements related to the project.

Recommendation: The university requests Board of Trustees approval to purchase a new student information services system from PeopleSoft that will include acquisition of (a) relevant software licensing, (b) one year of software maintenance and support, and (c) installation and training services, for a total project capital cost not to exceed \$820,000. The university further requests authorization for Board of Trustees officers to contract for relevant financing of this phase of the replacement project at a rate not to exceed 3.75 percent per year over five years.

In furtherance of these approvals and authorizations, it is requested that the following Resolution also be approved:

WHEREAS, the Board of Trustees of Northern Illinois University ["Customer"] is entering a Master Installment Payment Agreement ("**IPA**") and Installment Payment Schedules thereto with Academic Capital Group, Inc. ("**Academic**"), a Delaware corporation;

NOW, THEREFORE, BE IT RESOLVED, that the Customer be, and hereby is, authorized to enter into the IPA and IPA Schedules thereto with Academic for a period of five years, and

BE IT FURTHER RESOLVED, that an official of the Customer be, and hereby is, authorized, empowered and directed to sign on its behalf the Master Installment Payment Agreement, IPA Schedules, and any addenda, notes, UCC financing statements or other instruments issued under the provision of the IPA, and any other instrument or document which may be necessary or expedient in connection with agreement upon or fulfillment of the provisions of the IPA.