

MINUTES  
Board of Trustees  
Illinois State University  
July 21, 2006

The Board of Trustees convened at 9:00 a.m. on Friday, July 21, 2006, in the Old Main Room of the Bone Student Center, Illinois State University, Normal, Illinois. Chairperson Kasten called the meeting to order and Trustee Maitland called the roll.

The following members were present.

Trustee Jay Bergman  
Trustee Anne Davis  
Trustee Carl Kasten  
Trustee Betty Kinser  
Trustee Joanne Maitland  
Trustee Mike McCuskey  
Trustee Stan Ommen

A quorum was declared. Also present for the public session were:

President Al Bowman  
Assistant Provost Kay Moss  
Vice President for Student Affairs Steve Adams  
Vice President for Finance & Planning Steve Bragg  
Vice President for University Advancement Dianne Ashby  
Assistant to the President Jay Groves  
Board Legal Counsel Carol Posegate

Others in attendance included representatives of the media, faculty, staff, and Ms. Mindy Mangialardi of the Campus Communication Committee.

**APPROVAL OF AGENDA**

Chairperson Kasten: Is there a motion to approve the Agenda? Trustee Ommen so moved and was seconded by Trustee Maitland. Motion made, seconded and vote recorded with all members present voting aye.

**APPROVAL OF MINUTES**

Chairperson Kasten: Are there any changes to the Minutes of May 12, 2006? Hearing none, I ask for a motion to approve. Trustee Davis so moved and was seconded by Trustee Kinser. Motion made, seconded and vote recorded with all members present voting aye.

**CHAIRPERSON'S REMARKS**

It is a real pleasure for us today to welcome to the Board of Trustees Brett Schnepfer. Brett is from Champaign and is currently a senior majoring in business administration and political science. It is my understanding that after graduating he intends to go to law school. He has served the Illinois State broader community as a member of the student government association and, Brett, we are honored that you are going to be a part of us for the next year. Please stand while I issue the Oath of Office.

I do solemnly swear that I will uphold the Constitution of the United States and of the State of Illinois, and that I will faithfully discharge the duties of the office of member of the Board of Trustees of Illinois State University to the best of my ability.

Congratulations Brett, welcome to the Illinois State University Board of Trustees. We are all looking forward to working with you during the coming year. Would you like to say a few words?

Trustee Schnepfer: Thank you for introducing me to the Board. I am really looking forward to the next year, and I want to thank the students for giving me their confidence. I look forward to representing a different perspective here on the Board from a person who is directly on campus and a student and look forward to working with all the Board members and continuing to make ISU a better university.

### **ELECTION OF OFFICERS**

According to our Bylaws, the Chairperson and Secretary of the Board will stand for election at the first meeting of each fiscal year. Voting will be by a voice roll-call vote.

I will ask Secretary Stan Ommen to ask for nominations and conduct the vote for the position of Chairperson.

Trustee Ommen: Thank you Carl. The floor is now open for nominations for Chairperson of the Illinois State University Board of Trustees.

Trustee Bergman: I nominate Carl Kasten for another term as Chairman.

Trustee Ommen: Are there any other nominations? Hearing none, is there a motion to close the nominations?

Trustee Kinser: I would like to second the nomination of Carl Kasten.

Trustee Ommen: I will ask again if there any other nominations? Carl Kasten has been nominated as Chairperson of the Illinois State University Board of Trustees. I will now call the roll asking each Trustee for their voice vote.

Trustee Bergman – Kasten  
Trustee Davis – Kasten  
Trustee Kinser – Kasten  
Trustee Maitland – Kasten  
Trustee McCuskey – Kasten  
Trustee Ommen – Kasten  
Trustee Schnepfer – Kasten  
Trustee Kasten – abstain

Trustee Ommen: Congratulations Mr. Chairman, you have been re-elected.

Chairperson Kasten: I want to say thanks to all of the Board members for their confidence. It is always uplifting and brings a little bit of humility when you think of a great university and an opportunity that is afforded and we have very dedicated and busy Board members who give this place high priority in their lives and I am grateful for that.

The floor is now open for nominations for Secretary.

Trustee Davis: Because of his efficiency I would like to nominate Mr. Stan Ommen. Trustee McCuskey seconded the nomination.

Chairperson Kasten: Are there other nominations? Hearing none, Stan Ommen has been nominated as Secretary of the Illinois State University Board of Trustees. I will now call the roll asking each Trustee for their voice vote.

Trustee Bergman – Ommen  
Trustee Kinser – Ommen  
Trustee Maitland – Ommen  
Trustee Kasten – Ommen

Trustee McCuskey – Ommen  
Trustee Schnepfer – Ommen  
Trustee Davis – Ommen  
Trustee Ommen – abstain

Congratulations to you Stan.

Trustee Ommen: Thank you and I am honored.

#### **REPORT OF RELEASED EXECUTIVE SESSION MINUTES**

In accordance with the provisions of the Open Meetings Act, the Illinois State University Board of Trustees is required to periodically review the minutes of its Executive Sessions to determine the necessity of retaining the confidentiality of those minutes. The Board has reviewed the Minutes of the Executive Sessions held on the following dates:

October 21, 2005	Release paragraphs 1-3. Retain paragraph 4 as confidential
November 11, 2005	Release all
February 17, 2006	Release all

Copies of these minutes are in your meeting folders. As Board Chairperson, I will entertain a motion at this time to release as public the above list of Minutes of the Executive Sessions held by the Illinois State University Board of Trustees. Trustee Ommen so moved and was seconded by Trustee Maitland. Motion made, seconded and vote recorded as all members present voting aye.

In my comments this morning I want to thank the Campus Communication Committee for organizing this morning's discussion hour. We had an excellent and informative discussion with Bloomington Mayor Steve Stockton and City Manager Tom Hamilton, Normal Mayor Chris Koos and City Manager Mark Peterson. Also joining us was McLean County Board Chairperson Mike Sweeney and McLean County Administrator John Zeunik. We had a wonderful discussion which always enables us to see from the University perspective what is happening in this marvelous community and to feel like we are a part of the tremendous growth of the Bloomington/Normal communities in every way – culturally, demographically and the integrity of the cities which now we are told hits 125,000 without the students on the campuses is pretty extraordinary. So we are living in a dynamic community and we know that our future is tied to theirs and they know that their future is tied to ours.

Following our May Board meeting, I know that many Trustees participated in Commencement exercises. Commencement is probably the most important and most fulfilling aspect of the University experience, and I thank the members of the Board for being involved in that important event.

I want to take a moment to congratulate President Bowman on being one of just 80 university presidents across the nation asked to attend a Council of Europe Forum on Higher Education and Democratic Culture: Citizenship, Human Rights and Civic Responsibility. It is no secret that Illinois State has been a leader in the American Democracy Project going on at college campuses across the country, and I am proud that President Bowman has taken such an active role in educating our students to become engaged global citizens.

Our students and faculty have also earned national acclaim for their efforts in the American Democracy Project. I want to congratulate our School of Communication and Professor John McHale, who received the inaugural 2006 Walter Cronkite Civic Engagement Leadership Award, during an event at the United Nations on June 19. When you think of the enormity of that award, being from Illinois State University in competition with campuses across the country, it is absolutely astounding and a wonderful feather in the cap of Illinois State University and certainly the students and faculty who were involved in that project. The award recognizes leadership in encouraging young Americans to engage in current events and

participate in the democratic process of adding their voices to the public dialogue by creating short issue-based films.

I know President Bowman is going to cover this in more detail, but I want to thank Governor Blagojevich, Representative Dan Brady, Representative Jay Hoffman and Senator Bill Brady for all of their efforts in allowing us to get the \$18M that will enable us to go forward with the Stevenson/Turner project. This will be – like many things in the last several years – an important turnaround in our infrastructure and the capability of our facilities. In fairness, I want to thank President Bowman for his leadership on that issue and Phil Adams for all of the effort that I know he put in for making sure that happened. This is an exciting place and it is getting even better all the time.

I appreciate the inclusion in our Board materials of a publication entitled *Leadership with a Vision*. It was produced by the Offices of Media Relations and University Marketing and Communications, and offers a concise snapshot of President Bowman's vision and agenda. It is used for alumni gatherings and with a variety of internal and external constituencies.

Also, as a reminder of Illinois State's approaching 150<sup>th</sup> birthday celebration, our packets contain our first sesquicentennial pen. This is, I assume, to write down the many celebratory events and activities that will be taking place starting Founders Day 2007.

I want to comment on a couple of events that I have attended. I had a Trustee-in-Residence with Student Affairs that I really enjoyed. We went to the residence halls that were in transition and saw some historic things – plaques of first meetings of prior boards of this University that was located in one – saw the need for the renovations and rehabilitations that are going on in others, and obviously saw tremendous progress on those residence halls that are underway.

Finally, in my comments I want to thank Vice President Ashby and Alumni Director Epps and all that were in any way connected with the wonderful event last night at the Field Museum in Chicago. I enjoyed it very much.

I will now turn it over to other Trustees that might want to comment about activities they have been involved with since May.

Trustee Kinser: I did a tour of the athletic complex as well as a tour of the Illinois State University farm. I encourage all Board members as well as faculty and staff to contact those areas. I found out a lot and got a really good education at both places and thought it was great. I also attended the commencement at Heartland Community College because one of the alumni there is a vice president for continuing education and very active in programs for students that don't have the opportunity to get a college degree at Heartland, and those students are kind of recruited to Illinois State because they are good students.

Trustee Ommen: I would like to thank everyone for the cards, emails, telephone calls, thoughts, prayers and flowers. I have to tell you a story. I believe it was the first day after my surgery and this great big red and white bouquet of flowers arrives in my room and I said before I saw who it was from that it had to have been from ISU and it was – it was from Carl Kasten and the Board so thank all of you.

Trustee McCuskey: Just some comments that I have received about the University. I have come across several people whose children and grandchildren were participants and graduates in our Commencement ceremonies, and for some of these people, this is their first visit to ISU. Some of the comments I received were things like – what a wonderful campus – how well organized the commencement was – how much their child or grandchild enjoyed the University experience. Yesterday was even more pleasurable when there was a comment from a businessman from Champaign who stated his son was a junior and recently President Bowman spoke at the Gibson City Kiwanis Club and what a wonderful presentation he made. Illinois State was not on our son's radar but we have made it on his radar and we are going to visit the campus and you have an outstanding president, and those are the kinds of things you like to hear.

President Bowman: Well, Illinois State is such an easy place to sell, especially with the progress it has made over the last 20 years. It is gratifying to all of us to see the percentage of students in the top 10% of their high school graduating class who now look at Illinois State as a viable option.

Trustee Bergman: I also attended the Field Museum function last evening and it was really a good event. I also attended another event called a reception and presentation and this I think was in lieu of an inauguration. I was invited to this event for a new president for a community college in the Chicago area. So I attended and had my name tag on and knew almost no one there. But most everyone had name tags on also from other community colleges, business, etc. I was very heartened by the fact that many of the, what I am going to call, administrators of community colleges seemed to have an extremely positive vision or feeling towards Illinois State University. One of them, who was a senior person at private university came up and told me that he had a son or daughter that was a student here and loved it.

One other thing that I will mention just briefly that acting dean Jeff Wood mentioned to me this morning. We have talked about the wind generation project at the University Farm for a number of years now. I just heard from acting dean Wood that not only is the project getting pretty close but instead of one turbine that was always the plan that there might be as many as six turbines, which is going to make it even more impressive and obviously they will be right near our sign that says Illinois State University Farm.

Trustee Maitland: I might just mention that I did attend my first board meeting for the Civil Service Merit Board and it was not very long. In fact it took me longer to drive to Urbana than the meeting lasted but I think I am going to enjoy it very much.

Chairperson Kasten: I will now turn to President Bowman.

#### **PRESIDENT'S REMARKS**

Thank you, Chairperson Kasten, and congratulations to both you and Trustee Ommen on your re-election to your Board leadership positions. I know the University is thankful for your continued leadership, as well as the leadership of the entire Board. Congratulations to you also Trustee Schnepfer. Your service on behalf of the student body will be appreciated, and I hope you will enjoy what I know will be an exciting year.

I would also like to add my thanks to Mayors Stockton and Koos, City Managers Hamilton and Peterson and to our friends from McLean County government, Mike Sweeney and John Zeunik who joined us at the discussion hour. I continue to appreciate the excellent relationship and open communication the University enjoys with its community leaders.

I would like to take this opportunity to formally inform the Board of some leadership changes since the May meeting. Effective July 1, I appointed Steve Adams as our Vice President for Student Affairs. For 30 years Steve has been an effective and proven leader at Illinois State, most recently as Assistant Vice President for Enrollment Management and Academic Services. Steve is one of the big reasons Illinois State enjoys such an academically talented student body and I appreciate his willingness to take on this new assignment—thank you Steve.

Assuming the position of Assistant Vice President for Enrollment Management and Academic Services is Dr. Jonathan Rosenthal—that appointment coming from Provost John Presley. Dr. Rosenthal served as our University Registrar, and I know he will do an excellent job in his new position. Jess Ray has been appointed as our new University Registrar. Thanks to both Jonathan and Jess.

As we continue to raise private funds from our alumni and corporate stakeholders, we know we must continue to build our culture of philanthropy from within. We couldn't think of a better person to lead that effort than our own Barb Todd—so Vice President for University Advancement Dianne Ashby has appointed her as Executive Director of Internal Campaigns. We are thankful to Barb for accepting this assignment.

I also want to introduce Stephanie Epp, our new Executive Director of Alumni Relations. Stephanie has only been on the job for a short time, but is already immersed in alumni events and activities. Thank you Stephanie.

In addition, we welcome Dr. Rod Custer to the position of Associate Vice President for Research, Graduate and International Studies. Dr. Custer was chair of our Technology Department and replaces Gary McGinnis, who has retired. Welcome Dr. Custer.

I want to begin with some very exciting news. On Wednesday, Governor Blagojevich announced the release of more than \$18M to fund life-safety improvements at Stevenson and Turner Halls. As you know, Stevenson and Turner are two of the most-used classroom buildings at Illinois State, and we have been anxiously anticipating word regarding these funds. Bids for the work will be advertised next spring, with construction set to begin in summer 2007.

I want to thank the Governor, State Representative Jay Hoffman and State Senator Bill Brady for their work on moving this project forward. I particularly want to thank Representative Dan Brady for his diligence and persistence in bringing this project to fruition. I believe Representative Brady is with us today, and I'd like him to please stand for acknowledgement—thank you Dan.

Updating and enhancing our campus facilities continues to be a summer priority. Haynie Hall, the second residence hall to be renovated as part of the Long-Range Plan for Housing and Dining is nearing completion. The Haynie Hall renovation addresses deficiencies in the building's mechanical, electrical, fire alarm and sprinkler system. The project is on schedule and will open for students next month.

Wright Hall is the third residence hall of the West Campus complex to be renovated. Presently, the contractor is working on asbestos abatement and the General Contractor will begin construction next month. This project is planned to be ready for occupancy in August 2007.

Construction of a new Southeast Campus Chilled Water Plant on Beaufort Street is part of the University's Long-Range Utility Plans. This chiller will replace original equipment in Stevenson Hall and Watterson Towers and provide for more energy efficient and reliable chilled water. Construction work will begin in August of 2006.

I have appointed a University committee to evaluate current and future use of Bone Student Center. I have asked Dr. Richard Runner as Director of Facilities Planning to lead this planning effort. The committee will address how to revitalize the building through operational and physical improvements. The charge I have given to the committee is to create a plan that will revitalize Bone Student Center to better serve its users and the campus community. The timeline for planning and design is being developed to coordinate with the design process for the Student Recreation Center.

Illinois State University Board of Trustees authorized the University to initiate the design process for a new Student Recreation Center at its May meeting. This facility will provide student recreation and office space for Campus Recreation programs plus classrooms, laboratories and office spaces for the School of Kinesiology and Recreation. The Design Committee is developing the conceptual program for the new building. Currently, design consultants are being selected.

As you know, my first priority as President is raising faculty and staff member salaries. In early June, I announced a three percent increase in the FY2007 personal services budget to provide for merit-based salary increases.

I want to stress that the increase does not equate to a three percent across-the-board salary increase—but provides resources to academic and support departments for merit-based pay raises. It is critical that we continue to find the means to raise faculty and staff salaries, and in providing those raises, we must also be responsible to Illinois taxpayers and the students and families who pay tuition at Illinois State.

Speaking of our students, our summer Preview program went quite well and we expect to welcome an excellent freshman class, along with our returning students, in just about one month. Nearly 3,200 new freshmen attended Preview, along with 1,500 parents and family members. As is typical, there will be a few late withdrawals, setting the freshman class number at census day at approximately 3,215. We have been cautious to monitor the higher numbers this year and allocate the necessary resources to ensure that our new students get the classes needed to get a good start toward graduation. I also want to mention that our numbers for new minority freshman students remain strong. Nearly 400 African-American and Hispanic freshmen have indicated their intention to enroll, a continuation of our increase from last year.

It is our goal to maintain a stable total on-campus enrollment between 20,000 and 21,000 students—about 18,000 undergraduates and 2,500 graduate students.

I am pleased to report that the academic profile of our incoming freshman class is exceptional—an average ACT of 23.9, up from 23.8 last fall—an average GPA of 3.4 compared to 3.37 last fall and an average class rank of 68.8 compared to 67.4 last fall. This once again shows that Illinois State continues to be a first-choice institution for academically talented and motivated students.

This past Monday, Congressman Jerry Weller visited Illinois State to announce initial funding for the McLean County Business Incubator—a new partnership between Illinois State and the Economic Development Council of the Bloomington-Normal Area.

The incubator will provide a dynamic business and research environment that will bring together local entrepreneurs looking to develop businesses and products, businesses engaging in research and development activities, business support organizations and university faculty pursuing research interests. The infrastructure of the incubator will be capable of serving a diversity of interests and responding quickly to evolving market opportunities. This will be a long-term project that will take a great deal of planning, time and money, but Congressman Weller and the Senate Appropriations Committee have staked us to a good start with \$300,000 in planning funds.

Also on the topic of receiving funds, I want to congratulate Vice President Ashby and her entire staff for an outstanding fund-raising year. I am pleased to report that during FY2006, the Illinois State University Foundation received more than \$14M—most of it in cash—which surpasses the year immediately following the Redefining “normal” campaign. The Annual Fund is also poised to eclipse its \$1M accomplishment of last year, while increasing the total number of donors. In addition, the Student Foundation has collected \$12,000 toward their goal of endowing a scholarship in the name of Olamide Adeyooye. Dr. Ashby and her staff know that success in raising private resources is all about building and maintaining relationships—and they are doing a terrific job.

The Athletics Department is also concluding a successful summer term. The annual fund drive resulted in 225 new members to The Redbird Club and over \$270,000 in new revenue. In addition, the vision of Illinois State University Athletics has been elegantly displayed in the Redbird Renaissance publication piece, which will prove to be a useful tool for Sheahon Zenger and his development team as they continue their stewardship efforts.

The Redbird marketing staff is also continuing its successful billboard campaign around the Bloomington-Normal community, while preparing to unveil its “Spread the Red” marketing effort on Aug. 14. In the meantime, the first athletic events of the season are set to begin in just over a month. The Redbird football team, which is ranked in the top 10 nationally in every preseason poll, opens the season at Kansas State on Sept. 2.

I would now like to call the Chair of the Campus Communication Committee, Ms. Mindy Mangialardi, to the podium for a report.

## CAMPUS COMMUNICATION COMMITTEE

Ms. Mangialardi: Good morning. I would like to begin by thanking the mayors and other city and county officials for joining us for this morning's coffee hour. There are many exciting things happening in our community and we appreciate the opportunity to hear about the city's as well as the county's priorities and projects.

The Campus Communication Committee also extends a warm welcome to Brett Schnepfer, senior Business Administration major from Champaign and Illinois State's new student trustee. The Campus Communication Committee looks forward to working with you and we hope you have a great year.

The FY2006 Performance Report included in today's Board packet reflects many outstanding accomplishments of individuals, units, and departments; they give all of us many reasons to be proud of our colleagues and Illinois State University. Those accomplishments, along with so many others that could not be included in the report, reflect Illinois State's commitment to its core values and are what make Illinois State such a great institution.

In reflecting on the past year, the Campus Communication Committee appreciates the progress made toward bringing many faculty and staff salaries closer to the median salaries of their peer groups. The Committee recognizes the work done by the University administration to get us to this point and encourages the continuation of the salary enhancement process in the upcoming year. We also encourage the continual review and filling of vacant faculty and staff positions.

The Campus Communication Committee notes that the University presently has a number of administrative positions filled on an interim basis. We appreciate the willingness of many in the University community to step up and fill these positions. Each of the governing bodies looks forward to playing an active role in those searches when they get underway.

The Campus Communication Committee congratulates both President Bowman and Vice President Ashby – President Bowman for being one of only 80 University presidents invited to attend the Council of Europe forum on “Higher Education and Democratic Culture” in Strasbourg, France, and Vice President Ashby and her staff for an unprecedented fundraising year by securing more than \$14M in funds. They have certainly raised the bar when it comes to fundraising for Illinois State University.

The release of \$18M in state money for life safety improvements in Stevenson and Turner Halls is more good news for Illinois State. It is exciting to see the progress being made in our *Campus Master Plan* and we look forward to seeing construction begin on those buildings in summer 2007.

We also wish to acknowledge the members of the Board of Trustees for their participation in the Trustee-in-Residence program during the past year. Participation in that program along with their regular duties as Board members reflects a dedication and commitment to Illinois State University that is unsurpassed and greatly appreciated.

Finally, this is my last meeting as chair of the Campus Communication Committee. I want to thank the other members of the committee for their support and dedication this year, as well as the Board of Trustees, President Bowman and Jay Groves for the opportunity to work with you.

President Bowman: Thank you Mindy. Now I would ask Mr. Phil Adams to the podium to provide a legislative update.

## LEGISLATIVE UPDATE

Mr. Adams: We are in the fundraising – walk-the-precincts – stage of the legislative process, so there is not much action going on in Springfield. What I wanted to do though was to make a couple of comments about the Stevenson/Turner project to give you a little idea of what an accomplishment this was on the part of Representatives Brady and Hoffman. The process for these projects goes something like this. We have no lack of ideas on campus for building projects. We get those developed – we deal with the Board of Higher Education – we fight to get the things on the list. We have to then at some point deal with getting an actual appropriation. But a piece of the process that a lot of people don't know is the release process and that is a two-stage process. One is the Capital Development Board has to be persuaded to recommend to OMB that they release the funds. This generally takes one or two years on these big projects and at that point it is up to the director of OMB to either sign the paper or let us continue on or not. What I think is amazing is that there is currently about \$400M in appropriated projects that have not been released so for everyone involved but particularly those two gentlemen to get this done was just an incredible piece of work.

One other thing – I know when the budget passed there was a low grumbling about some of our friends who received some projects this year in the budget of the \$200,000 - \$300,000 range – Chicago State got a couple of projects as they normally do – but I think this project and the release of the money and the Schroeder project, I think it is evidence that our plan or strategic approach to going after projects of this magnitude and trying to secure big and important projects for the campus just proves that we are on the right path and we will continue to do that as opposed to scurrying around wasting favors on \$300,000 items here and there.

President Bowman: Thank you Phil.

## REPORTS

### Report 2006.07/1100.03: Fiscal Year 2006 Performance Report

Each year the Illinois Board of Higher Education requires Illinois colleges and universities to submit a report highlighting the ways it contributes to the State's higher education policy priorities as defined in the Illinois Commitment. The Illinois Commitment is divided into six areas—economic growth, P-20 partnerships, affordability, access and diversity, high quality and accountability—each with established performance indicators. Illinois State's report provides performance indicators for each of the six policy areas. Our report also identifies two areas of effective practices—the University's use of technology to enhance administrative practices and the Council for the First Year Experience.

Illinois State's coordinated planning efforts, including *Educating Illinois*, *Master Plan*, *Long-Range Housing and Dining Plan*, *Five-Year Academic Plan* and *Redefining "normal"*—follow and complement the Illinois Commitment.

You have the full report in our packets, but I just wanted to highlight a few accomplishments from last year:

- Inclusion in *Kiplinger's Personal Finance* magazine as one of the 100 best values in public colleges and universities in the country
- Recognition for WGLT by the Radio Television News Directors Association with three regional Edward R. Murrow Awards for broadcast excellence and by the Associated Press for journalistic excellence
- Recognition for the Department of Physics and Rainer Grobe and Q. Charles Su by the American Physical Society with the national 2006 Undergraduate Research Prize

- Recognition of the Sociology faculty in the top 20 for teaching scholarship productivity and top 10 for citation impact of their work
- Securing of \$20.4M in external grants and contracts
- Award of the Green Government Award from the Illinois Green Government Coordinating Council in recognition of campus environmental achievements in energy efficiency and general achievements

I want to thank Deb Smitley, Director of the Office of Planning and Institutional Research, and Angela Engel from Planning and Institutional Research for their work in this important report.

## **ACTION ITEMS**

### Resolution 2006.07/19: Approval of the Academic Plan 2006-2011

You have a copy of the Plan before you. This compilation provides a context for all of our work in the academic area. It includes mission statements, our institutional priorities, unit priorities and program reviews.

I hope you find this document informative, and I request your approval.

Chairperson Kasten: Is there a motion for approval? Trustee Ommen so moved and was seconded by Trustee Maitland. Any discussion?

Trustee Bergman: In the past these reports – you may have one college that might be a half-page and another unit that may have been five pages – this year it looks like things are more uniform so that we get about the same level of information from the different reporting sources and I would just like to say as a reader that it makes a lot more sense this year than it has in the past.

Chairperson Kasten: Other comments? Motion made, seconded and vote recorded as all members present voting aye.

### Resolution 2006.07/20: Authorization to Finalize and Negotiate an Electrical Services Contract

Beginning next calendar year, Illinois State will no longer be able to purchase electricity at current tariffs from its local utility company. Prior to the new year, the University must either select an alternative retail electric service supplier and negotiate a contract for electricity or default to the Ameren IP Basic Generation Service rate to be determined by the auction process.

Illinois State's Office of Energy Management proposed the concept of a multi-university Request for Proposal to garner the best terms and price based on the increase load represented by the five selected schools—SIU-Carbondale, SIU-Edwardsville, Eastern Illinois, Western Illinois and us. All schools are in the Ameren transportation territory.

The team used legal and technical consultants in drafting the Request for Proposal and to review responses from the four major suppliers.

Two responses best meet our requirements and continuing negotiations will determine the best supplier for Illinois State and other participating universities.

I would like to thank Ron Kelley, Director of Energy Management, for putting together the consortium of universities, for drafting our RFP and for helping to negotiate this contract. We ask you approval to conclude negotiations with each of the final vendors to achieve a multi-year contract for Illinois State.

Chairperson Kasten: Is there a motion for approval? Trustee Bergman so moved and was seconded by Trustee Davis. I have two questions. Who were the last two bidders?

Mr. Kelley: Ameren IP and Mid-American.

Chairperson Kasten: Thank you. What kind of economic impact do you see coming out of these in terms of what our costs have been and what they are likely to be?

Dr. Bragg: That is an excellent question. There is a lot of speculation as to what is going to happen on price for electricity after the end of this year as we move into deregulation. As you may have read the Citizens Utility Board has projected anywhere from 40-60% increase in residential electrical rates. Some people think that is a little high, but it is almost certain we will see an increase in electrical rates. We have already planned for that. We think that the structure of the RFP we put out be combing the loads of five institutions will present a very attractive profile and we will be able to keep our price increase certainly below that of the residential market and below that of the auction process.

Chairperson Kasten: Is there any idea on a percentage basis – I know you can't speak with any kind of precision – but I am trying to get some semblance in my mind as to what kinds of things we might anticipate.

Dr. Bragg: Because we are in the middle of negotiations I hesitate to put a figure out there but rest assured that we are planning for it and we have budgeted for it.

Trustee Ommen: What was our total cost last year in dollars?

Dr. Bragg: For electricity about \$5 million, combined utilities a little over \$11 million.

Trustee McCuskey: So if we are facing a 20% increase we are looking at a couple more million dollars that we are going to have to expend and you say that has already been taken into consideration.

Dr. Bragg: It's already been taken into consideration – we don't necessarily have it.

Trustee Bergman: Do you have any idea when you are going to look at a strike date?

Dr. Bragg: We are looking at the period between August and October.

Trustee Bergman: I know but that is a big period – do you have a closer time that you can divulge to us.

Dr. Bragg: I don't but let me ask Ron Kelley.

Mr. Kelley: There are a lot of variables when determining the best strike date. We believe that it will be closer to the August time frame rather than the October. As we get through the hottest part of the summer and we know more about what the forecast for hurricanes for example might entail, we think that the front end of August hopefully will be at least one of the opportunities to come up with a favorable strike price.

Trustee Bergman: Are you taking into account the timing of the Ameren auction?

Mr. Kelley: Yes we are, but we don't believe that the auction really represents what our market price will be because of the size and the stability of our load.

Trustee Bergman: We have generally in the past approved fiscal year electrical contracts. Fiscal year ended and this we are talking about starting January 1 – how are we handling our electrical purchase between July 1 of this year and the end of this year.

Dr. Bragg: The last approval that Board gave us ran through December.

Chairperson Kasten: I want to say thanks to both Vice President Bragg and Ron Kelley for their effort and I guess more than that their leadership in forging this partnership of the campuses. Any other discussion? Motion made, seconded and vote recorded as all members present voting aye.

Resolution 2006.07/21: Foundation Master Contract

Based on my earlier report regarding our fund-raising successes, it is clear that our Master Contract with the ISU Foundation is indeed a wise investment. The \$260,000 figure remains the same as it has in years past, and according to FY2006 figures, the Foundation allocated more than \$6.3M in direct support, scholarships and awards on behalf of the University. Given the recent trend in state spending for public higher education, philanthropy will continue to be among the most important factors to growth at Illinois State. I want to thank Trustee Ommen for his service as Foundation Chairperson and again thank Dr. Dianne Ashby, Vice President of University Advancement, who serves as the Foundation's Executive Director. I request your approval for this Master Contract.

Chairperson Kasten: Is there a motion for approval? Trustee Kinser so moved and was seconded by Trustee Davis.

Trustee Ommen: I will refrain from voting because of my position with the Foundation.

Trustee Bergman: The same with me, Mr. Chairman.

We will vote and note for the record that both Trustee Ommen and Bergman are refraining from voting. Motion made, seconded and vote recorded as six ayes and two abstaining.

President Bowman: Because the next resolution concerns the meeting calendar of the Board, I will ask Chairperson Kasten to read this resolution.

Resolution 2006.07/22: 2007 Calendar for Board of Trustees

In order to provide adequate notice of future meetings in accordance with the Open Meetings Act, the Board of Trustees of Illinois State University hereby determines the dates of meetings in the year 2007 and requests that it be posted as it must be and published in accordance with the Open Meetings Act no later than December 1 as is required. Those dates are:

February 16	on campus
May 11	on campus
July 27	on campus
October 26	on campus
November 8-9	to be announced

May I hear a motion for approval? Trustee Maitland so moved and was seconded by Trustee McCuskey. Motion made, seconded and vote recorded as all members present voting aye.

Resolution 2006.07/23: Authorization for Sports Supply Contract with Primary Vendor

President Bowman: Currently, athletic teams purchase footwear, equipment, apparel and uniforms from a number of sources and manufacturers. A primary vendor contract will consolidate the majority of purchases with a primary vendor—saving time and expense.

Through the competitive procurement process, it has been determined that Nike, Inc. offers the most attractive quality, service and price structure. We ask your approval for a five-year agreement with Nike to be used as needed at an approximate cost of \$1,250,000.

Chairperson Kasten: Is there a motion for approval? Trustee Ommen so moved and was seconded by Trustee Kinsler. Any discussion?

Trustee McCuskey: How does this compare to our similarly situated sister universities, Northern and Southern? What are they doing? Is this a usual five-year agreement or is this a compromise figure and cost – how do we compare to other universities?

Dr. Zenger: There is a pretty easy answer to that question. We will be only the second school in our conference with a Nike contract. The only other school is Northern Iowa and they will be joining us in their first year. This is quite an honor for an institution such as us. We are coming in at level equal to or similar to Iowa State University. The contract we have been offered is something that is somewhat surprising. Larry Lyons has been the project manager on this and this is truly an honor for Illinois State athletics.

Trustee McCuskey: I want to commend you because that is exactly what I thought you were going to say. Being in Champaign/Urbana, the University of Illinois is a Nike school and so I thought it was a feather in the University's cap and thank you and Larry and everyone who worked on this.

Dr. Zenger: More than anything, this is something really special for our student athletes. You may not notice when you watch us compete that different teams wear different gear and so and so forth. This is something that young people are aware of when you are recruiting them today – they are very image conscious. This really means something to them, and quite frankly our coaches are image conscious and it means something to those staff members that we are trying to attract. There is in the end a 15-40% cost savings per item with this package.

Trustee Ommen: Is this \$1,250,000 per year or for a full five years?

Dr. Zenger: Over five years.

Trustee Bergman: Are Northern or Southern Nike schools?

Dr. Zenger: Southern is not and Northern is Adidas.

Trustee Bergman: So to the best of your knowledge there are only two Nike public universities in Illinois?

Dr. Zenger: To the best of our knowledge, yes.

Trustee Schnepfer: You said that Northern Iowa was the only other team in our conference doing something like this, how much longer do you think it will be before other schools in the conference actually catch up?

Dr. Zenger: Probably immediately they will start asking for this. These are the types of things that happen at our conference meetings – when someone finds out one is doing it then other questions will arise. The

key question will be if Nike will accept them, and I would argue, and people have heard this speech over and over – I believe that Illinois State University is well positioned within our conference because of name, location, history and academic standing that not all schools in our conference have.

Trustee McCuskey: Any estimate Sheahon over a five-year period what this might save?

Dr. Zenger: Larry and I were just talking about that and at this point we have to go per item and it would be a complete guess – we intend to reinvest part of the savings in purchasing higher quality equipment and gear. There is a lot of new merchandise out there now that is different fabrics that last longer, and we believe that if we invest in the higher quality gear we will then save once again on the back end by not having to repurchase.

Trustee McCuskey: Congratulations and thank you.

Dr. Zenger: Again, Larry gets the lion's share of credit for the work on this project.

Chairperson Kasten: Any other discussion? Motion made, seconded and vote recorded as all members present voting aye.

I would now entertain a motion to move into Executive Session for the purpose of considering the appointment, employment, compensation, discipline, performance, or dismissal of specific employees pursuant to 5ILCS, Section 120/2 (c)(1); collective negotiating matters between the University and its employees, 5ILCS, Section 120/2 (c)(2); litigation which has been filed and is pending before a court or administrative tribunal, as allowed in 5ILCS, Section 120/2 (c)(11); and the purchase or lease of real property as allowed in 5ILCS, Section 120/2 (c)(5). Is there a motion? Trustee Davis so moved and was seconded by Trustee Kinser. Motion made, seconded and vote recorded as all members present voting aye.

We will now move into Executive Session. At the close of Executive Session, the Board will reconvene in public session only for the purpose of adjournment.

The Board reconvened in public session at 11:27 a.m. at which time roll was taken. The motion to adjourn was made by Trustee Maitland and seconded by Trustee Davis. Meeting adjourned at 11:28 a.m.