

**MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF
EASTERN ILLINOIS UNIVERSITY
CHARLESTON, IL**

September 16, 2005

A meeting of the Board of Trustees was convened on September 16, 2005, at 1:00 p.m. in the University Ballroom of the Martin Luther King Jr. University Union, Eastern Illinois University, Charleston, Illinois. Ms. Julie Nimmons, Chair of the Board, presided.

Roll Call

Roll was called:

| | |
|----------------|---------|
| Mr. Berger | Present |
| Mr. Kratochvil | Present |
| Ms. Nimmons | Present |
| Mr. O'Rourke | Present |
| Dr. Webb | Present |
| Mr. Welch | Present |
| Mr. Yost | Present |

Also present were the following:

Mr. Lou Hencken, President
Dr. Blair Lord, Provost and Vice President for Academic Affairs
Mr. Jeff Cooley, Vice President for Business Affairs and Treasurer, Board of Trustees
Dr. Jill Nilsen, Vice President for External Relations
Dr. Dan Nadler, Vice President for Student Affairs
Mr. Joe Barron, General Counsel
Ms. Cynthia Nichols, Director of Civil Rights and Diversity
Ms. Judy Gorrell, Executive Secretary to the President and Assistant Secretary, Board of Trustees
Mr. Brad Ingram, Board Counsel

Executive Session

Mr. Yost moved that the Board of Trustees convene in Executive Session to consider the employment of employees as permitted by Section 2.C.1 of the Open Meetings Act, pending, probable, or imminent litigation as permitted by Section 2.C.11 of the Open Meetings Act, and executive session minutes as permitted by Section 2.C.21 of the Open Meetings Act. Dr. Webb seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.

Mr. Kratochvil moved that the Board reconvene in Open Session; Dr. Webb seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.

Action Items

1. Mr. Kratochvil moved to approve the minutes for the Board meeting on June 20, 2005. Mr. Welch seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.

2. Dr. Webb moved to approve the minutes for the Finance Committee Meeting on June 20, 2005. Mr. Yost seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.

3. Mr. Welch moved to approve the Executive Session Minutes of the Board of Trustees from the meetings on April 29, 2002, October 21, 2002, January 17, 2003, August 6, 2003, September 30, 2003, December 19, 2003, February 6, 2004, March 31, 2004, September 10, 2004, November 18, 2004, January 24, 2005, March 11, 2005, April 25, 2005, and June 20, 2005. Dr. Webb seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.

4. Dr. Webb moved to approve the expenditure of \$1,713,300 to Central Management Systems (CMS) to cover Eastern's prorated share of the shortfall in the group insurance program. This insurance is paid in quarterly installments of \$428,325. Mr. O'Rourke seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.

5. Mr. Yost moved to authorize President Hencken to offer to Dr. Daniel Nadler a three-year contract for the period September 16, 2005 through September 15, 2008 to serve as the Vice President for Student Affairs, and to Dr. Diane Hoadley, an extension of her contract through June 30, 2008 to serve as the Dean for the Lumpkin College of Business and Applied Sciences. Mr. Kratochvil seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.

6. Mr. Kratochvil moved to approve the University Naming Committee's recommendation to the President that the area immediately south of Booth Library, north of Lumpkin Hall, be named: The Alumni Quad, pursuant to Section VI.C. of the Board of Trustees *Regulations*, and in accordance with the University's *Internal Governing Policies* [148]. Mr. Welch seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.

Information Items

Summer and Fall, 2005 Enrollment Report –

President Hencken reported that summer enrollment for 2005 was a headcount of 4,142 students, an increase of 215 students over Summer 2004. Enrollment for Fall 2005 was a record enrollment of 12,129 students.

Summary of Purchases \$100,000 - \$249,999 –

| <u>Vendor</u> | <u>Type of Purchase</u> | <u>Bids</u> | <u>Amount</u> |
|------------------------------------|--|-------------|---------------|
| Advanced Microelectronics | Agreement for computer installation, maintenance, troubleshooting etc. services. | a | \$130,000.00 |
| Computer Associates | Software Maintenance | b | \$151,479.00 |
| Duncan Video, Inc. | Digital Equipment for WEIU-TV | 2 | \$159,999.76 |
| A & R Mechanical Contractors, Inc. | Equipment, labor and materials to repair sidewalks | 2 | \$141,354.00 |
| KEC Design | Labor and materials to install new Hall Food Service | 3 | \$174,750.00 |
| Sungard Systems and Warren Merrill | Software, operation datastore for all Banner modules | b | \$200,000.00 |
| Prairie State Waste Services | Garbage collection and disposal | c | \$160,000.00 |
| IBM Corporation | Software license renewals and maintenance | b | \$139,546.20 |

^a Renewal of an existing agreement. This is Option Year One of a contract which provides the option to renew the agreement for nine additional one-year periods.

^b Sole source

^c Renewal of an existing agreement. This is Option Year Three of a contract which provides the option to renew the agreement for four additional one-year periods.

FY 2005 Deposit and Investment Report – For FY 2005, the University had an average daily investment balance of approximately \$48 million and a net average daily balance of approximately \$44.5 million. The annualized average yield for the year was 3.03 percent. A list of approved depositories was provided.

Fiscal Year 2006 Financial Plan Revision – On June 20, 2005, the Board of Trustees approved the University's Fiscal Year 2006 Financial Plan (Plan). The Plan presented to the Board included estimated revenue and expense amounts for fiscal year 2005. Those estimates were based on actual data received through May 11, 2005 and estimated activity to the end of the fiscal year.

The Plan has now been revised to reflect actual revenue and expense totals for fiscal year 2005. This information is unaudited and presented for comparison purposes only. Since the projected budget for Fiscal Year 2006 did not change, this item is presented for information only.

Banner Project Status Report – Mr. Bill Witsman presented an update on the Banner project. There are eleven teams, about eighty people, routinely working on this project. During the spring and summer, both software and hardware were installed. Many consulting and education sessions have been occurring, with over a hundred such sessions planned for the next two or three years. April kicked off our transition to a new financial system. In July, the human resources part of the project was started. All of the teams, even the ones that have not started the transition, have been looking at the business processes that we go through on campus, to make sure everything is covered when it comes time to make the transition. The project is currently on both budget and schedule.

Report from the Office of Civil Rights – Ms. Cynthia Nichols presented an update to the Board on Civil Rights and Diversity. This year, twenty-three percent, seven of thirty, of the newly employed tenure track faculty, were members of minority groups, and fifty-four percent were female. Twenty-one percent, ten of forty-eight, of the recently recruited professionals and managers, were members of minority groups, and fifty-four percent, twenty-six of forty-eight, were female. Members of minority groups are projected to comprise thirteen percent of the fall 2005 tenure track faculty and more than ten percent of the administrative and professional categories of employees. Women will likely comprise forty percent of the tenure track faculty. Eastern's five year hiring numbers indicate that we are meeting or exceeding the national doctorate availability data for both members of minority groups and also for women. However, Eastern will continue to be able to add diversity to its faculty and professional staffs as departments apply aggressive, innovative approaches to recruiting applicants. Such efforts by every search committee will enable the university to address the FY 06 Presidential goals, as adopted by the Board of Trustees.

President's Report – President Hencken reported on a federal law that requires every university that receives federal funds to have something in observance to the U.S. Constitution. The university is putting on several programs in observance of Constitution Day. Eastern received a twenty thousand dollar grant from the Century Council, Michael Andretti Foundation and Jim Beam, concerning programs on alcohol education.

Construction on both Blair Hall and the Doudna Fine Arts Center appear to be on schedule, and Blair Hall should be occupied during the spring semester.

Dr. Blair Lord presented an update on the Nursing Program. Eastern has received a report and two installments from the consultant hired to do a feasibility study. The university is well prepared for the program, except for funding. The community and region is in deep need of nursing. Several committees are looking at different aspects of starting this program.

Dr. Bonnie Irwin presented a report on the status of the Honors College. As of the tenth day, there were 585 students in the Honors College and 93 in departmental honors. The average ACT of the incoming freshman class of honors students is 27.9, the second highest in our history. The honors college funds independent research for twenty-four students each year.

Mr. Bill Elliott presented a report on the status of the International Program. The program currently has 132 international students representing 48 countries. Many of the students are recruited through web-based advertisements, community colleges, visits to different countries, and the Study Illinois Consortium.

Report from the Board Chair – Ms. Nimmons presented information on two budgets for the Board of Trustees. By printing fewer Board packets and moving the meetings to the afternoons, the Board has been able to cut back on expenses. The second budget is for the Board Retreat, which was agreed to be very successful and should be a yearly event.

Mr. Welch presented information on the August 23, 2005 Illinois Board of Higher Education meeting. One of the issues discussed was the high price of buying textbooks and how some schools, such as Eastern have solved that with the Textbook Rental Service. Another issue is the low priority of higher education in the government, and how we will have to work extremely hard and diligently to bring about change.

Committee Reports –

Finance Committee – Dr. Webb reported that the Finance Committee met and Vice President Cooley reported on some financial matters. The Finance Committee has two action items to bring before the Board.

Action Items (continued)

7. Dr. Webb moved to change the name of the Finance Committee to the Finance/Audit Committee. Mr. O'Rourke seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |

| | |
|--------------|-----|
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.

- Dr. Webb moved to approve the resolution that the Finance/Audit Committee will meet at least annually with the University's independent external auditors to discuss financial operations of the institution. This meeting would be subject to approval of the Illinois Auditor General. Mr. O'Rourke seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.

Committee Reports (continued)

Board Relations Committee – Mr. Kratochvil reported on his meeting with Dr. Nilsen to discuss finances, foundation, and a feasibility study for having a major fund-raiser. All projects are in the works.

Academic and Student Affairs Committee – Mr. Welch reported that the committee discussed the goals of the Provost of the University. The process to review the mission statement for the university is underway. Student health and wellness initiatives and recommendations were discussed. The Illinois Board of Higher Education is putting forward an initiative, Illinois Civic Engagement. Eastern Illinois University will make a testimony at the forum.

Planning Committee – Ms. Nimmons reported that the committee discussed President Hencken's goals and what he is doing to achieve them.

Reports from Constituencies –

Faculty Senate, Dr. Assege HaileMariam – Dr. HaileMariam greeted and welcomed the Board members. She commented that although each group has different opinions on many issues, the primary goal is educating students. Dr. HaileMariam also encouraged Board

members' attendance at Faculty Senate meetings, and open lines of communication between the two groups.

Student Government, Mr. Ryan Berger – Student Government started the year with First Night. It was the first year of the event, which occurred in the Alumni Quad on the first night of classes. Paws for a Cause, a Hurricane Katrina relief effort, has been a big event for Student Government. The goal is to raise \$10,000 for the Red Cross and right now they are almost half-way there.

Adjournment

Mr. Yost moved to adjourn. Mr. Berger seconded the motion.

Roll was called and the vote was as follows:

| | |
|----------------|-----|
| Mr. Berger | Yes |
| Mr. Kratochvil | Yes |
| Mr. O'Rourke | Yes |
| Dr. Webb | Yes |
| Mr. Welch | Yes |
| Mr. Yost | Yes |
| Ms. Nimmons | Yes |

Motion carried.