

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

NOVEMBER 21, 2008

A meeting of the Board of Trustees was convened on November 21, 2008, at 11:00 a. m. in the Grand Ballroom of the Martin Luther King, Jr., University Union, Eastern Illinois University, Charleston, Illinois. Mr. Roger Kratochvil, Chair of the Board, presided.

Roll Call

Roll was called:

Mr. Kratochvil	Present
Ms. Nimmons	Present
Mr. O'Rourke	Present
Dr. Webb	Present
Mr. Welch	Present
Mr. Wilbur	Present
Mr. Yost	Present

Also present were the following:

Dr. William L. Perry, 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. Robert Miller, 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. O'Rourke moved that the Board convene in Executive Session to consider collective negotiating matters as permitted by Section 2.c.2 of the Open Meetings Act, securities investments and investment contracts as permitted by Section 2.c.7 of the Open Meeting 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. Mr. Wilbur seconded the motion.

Roll was called and the vote was as follows:

Mr. Wilbur	Yes
Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes

Motion carried.

Mr. Wilbur moved to reconvene in Open Session. Ms. Nimmons seconded the motion.

Roll was called and the vote was as follows:

Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes
Mr. Wilbur	Yes

Motion carried.

Action Items

1. Dr. Webb moved to approve minutes of the September 12, 2008 Board meeting. Mr. Wilbur seconded the motion.

Roll was called and the vote was as follows:

Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes
Mr. Wilbur	Yes

Motion carried.

2. Mr. O'Rourke moved to approve the executive session minutes of June 26, 2006 and April 24, 2006. Mr. Welch seconded the motion.

Roll was called and the vote was as follows:

Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes
Mr. Wilbur	Yes

Motion carried.

3. Mr. Wilbur moved to approve the resolution to authorize issuance of auxiliary facilities system revenue bonds. Ms. Nimmons seconded the motion.

RESOLUTION AUTHORIZING ISSUANCE OF AUXILIARY FACILITIES SYSTEM REVENUE BONDS

BE IT RESOLVED by the Board of Trustees of Eastern Illinois University in regular meeting assembled, that:

1. It is hereby determined to be desirable that the Board of Trustees of Eastern Illinois University (the "*Board*") authorize the execution and delivery of its Eastern Illinois University Auxiliary Facilities System Revenue Bonds, Series 2008B (the "*Bonds*") in order to provide funds to finance the acquisition, construction and equipping of a new textbook rental facility and adjacent parking facility, to finance capitalized interest (if needed), and to pay necessary issuance costs. The Bonds shall be in an aggregate original principal amount not to exceed \$5,000,000 with a final maturity no later than October 1, 2039.

2. U.S. Bank National Association, Chicago, Illinois, is hereby authorized to serve as Bond Registrar and Paying Agent for the Bonds.

3. The Board approves the sale of the Bonds to Edward D. Jones & Co., L.P. and Barclays Capital Inc. (the "*Underwriters*") upon the terms set forth in the Bond Purchase Agreement. The price at which the Bonds will be sold by the Board to the Underwriters, exclusive of net original issue discount or premium, will not be less than 97.25% of the par amount of the Bonds and the true interest cost of the Bonds will not exceed 6.00%. The Board approves the form of the Bond Purchase Agreement, a copy of which is on file with the Secretary of the Board for recording. The Treasurer of the Board (or other appropriate officer of the Board) is hereby authorized and directed to execute the Bond Purchase Agreement in the name of and on behalf of the Board in substantially the form presented at this meeting, or with such changes as may be approved by the officer of the Board executing the same, his/her execution thereof to constitute conclusive evidence of the Board's approval of all changes from the form thereof presented at this meeting.

4. The Board ratifies the preparation and distribution of the Preliminary Official Statement and authorizes the preparation and distribution of an Official Statement, in

connection with the sale of the Bonds. The Board approves the form of Preliminary Official Statement, a copy of which is on file with the Secretary of the Board for recording. The Treasurer of the Board (or other appropriate officer of the Board) is hereby authorized and directed to execute the Official Statement in the name of and on behalf of the Board in substantially the form of the Preliminary Official Statement presented at this meeting, with the addition of final terms of the Bonds, and with such other changes as may be approved by the officer of the Board executing the same, his/her execution thereof to constitute conclusive evidence of the Board's approval of all changes from the Preliminary Official Statement presented at this meeting.

5. The Board approves the forms of the Eighth Supplemental System Revenue Bond Resolution and Continuing Disclosure Agreement. Copies of such documents are on file with the Secretary of the Board for recording. The Chairman and Secretary of the Board (or other appropriate officers of the Board) are hereby authorized and directed to execute the Eighth Supplemental System Revenue Bond Resolution, and the Treasurer (or other appropriate officer of the Board) is hereby authorized and directed to execute the Continuing Disclosure Agreement, in the name of and on behalf of the Board in substantially the forms presented at this meeting, or with such changes as may be approved by the officer or officers of the Board executing the same, his/her or their execution thereof to constitute conclusive evidence of the Board's approval of all changes from the forms thereof presented at this meeting.

6. If required by the Underwriter of the Bonds, the Board agrees to comply with the terms and provisions of bond insurance, if such terms are determined by the Treasurer to be in the best interest of the Board.

7. The members, officers, agents and employees of the Board are hereby authorized and directed to do all such acts and to execute all such documents as may be necessary to carry out and comply with the provisions of this resolution and with the actions of the members, officers, agents, and employees of the Board which are in conformity with the intent and purposes of this resolution, whether heretofore or hereafter taken or done, which actions shall be and are ratified, confirmed and approved.

Roll was called and the vote was as follows:

Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes
Mr. Wilbur	Yes

Motion carried.

4. The Energy Service Agreement was removed from the agenda so details regarding the financing of the project can be resolved and to address issues of concern expressed at the public meetings.
5. Dr. Webb moved to approve the project which includes all labor and materials to construct a new 19,200 square foot facility at 975 Edgar Drive to replace the existing textbook rental facility. The cost of the facility is not to exceed \$2,847,234. The recommended vendors: general construction – Felmley-Dickerson Company, Bloomington, IL, at a cost of \$1,681,900; plumbing – Clark Plumbing & Heating, Champaign, IL at a cost of \$101,291; fire protection – Prairie Fire Sprinkler, Inc., Decatur, IL at a cost of \$39,962; heating – T. A. Brinkoetter & Sons, Decatur, IL at a cost of \$298,000; ventilation – Industrial Services of Illinois, Mattoon, IL at a cost of \$89,892; electrical – Rathje Enterprises d/b/a Bodine Electric, Decatur, IL at a cost of \$377,349; and a 10% contingency of \$258,840. Mr. Wilbur seconded the motion.

Roll was called and the vote was as follows:

Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes
Mr. Wilbur	Yes

Motion carried.

6. An anonymous donor has provided a generous gift to the New and Emerging Artist Series and has requested that the percussion lab in the Doudna Fine Arts Center be named for Dr. Vaughn and Ruth Jaenike. Ms. Nimmons moved to approve the naming of the percussion lab in the Doudna Fine Arts Center, the Vaughn and Ruth Jaenike Percussion Lab. Mr. O'Rourke seconded the motion.

Roll was called and the vote was as follows:

Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes
Mr. Wilbur	Yes

Motion carried.

7. Mr. Welch moved to approve the Successor Agreement – American Federation of State, County and Municipal Employees (AFSCME) Local #981 Service Unit. Under terms of the agreement, bargaining unit members would receive a three (3) percent across-the-board increase effective September 15, 2008 (at an estimated cost of \$171,915), three (3) percent across-the-board increase effective September 15, 2009 (at an estimated cost of \$177,072), and a three (3) percent across-the-board increase effective September 15, 2010 (at an estimated cost of \$182,384). Mr. Wilbur seconded the motion.

Roll was called and the vote was as follows:

Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes
Mr. Wilbur	Yes

Motion carried.

8. Mr. Welch moved that Mr. Paul McCann be elected Treasurer and ex-officio member of the Board of Trustees of Eastern Illinois University effective January 1, 2009 due to the upcoming retirement of Mr. Jeff Cooley. Mr. Yost seconded the motion.

Roll was called and the vote was as follows:

Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes
Mr. Wilbur	Yes

Motion carried.

9. Mr. Welch moved to approve the revisions to Board *Policies* and *Regulations* with the exception of Section V. Administrative Affairs. A hard copy of the revisions was placed in Booth Library and they were also made available on the Board of Trustees website for public review and comment. The Board has reviewed the comments received regarding the revisions. Mr. Wilbur seconded the motion. The following Board *Regulations* are being voted on at this meeting:

- Introduction
- Article I. Policy Making Authority
- Section I. Board Procedures
- Section II.A. Employees
- Section II.B. Faculty and Administrative Employees

Section II.C. Civil Service Employees
Section II.D. Other Employees
Section III. Academic Affairs
Section IV. Students
Section VI. Physical Facilities

Roll was called and the vote was as follows:

Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes
Mr. Wilbur	Yes

Motion carried.

Information Items

President's Report

Dr. Perry asked Dr. Lord to introduce four faculty members, who will give presentations on research they are doing in their disciplines.

Dr. Lord introduced Dr. Lisa Taylor from the School of Family and Consumer Sciences. Dr. Taylor reported that she is currently conducting a study called "Get Out of My Way", which is focused on analyzing consumer behavior on Black Friday. Dr. Taylor is conducting this study along with other FCS faculty including Kathleen O'Rourke, Jill Bowers, Katie Shaw, and Deborah Reifsteck. Undergraduate and graduate students are given five hours of training to conduct the actual research. They choose a retail store, observe people in line waiting for the store to open, and follow the shoppers into the store to observe their behaviors. Each student chooses ten people to observe, and then records emotions and general behaviors that they see. Dr. Taylor shared some benefits of this study which include: students being involved in the actual research, conference presentation opportunities, submission to peer review journals for publication, and publicity for EIU.

Dr. Lord introduced Dr. Vince Gutowski from the Department of Geology/Geography. Dr. Gutowski discussed student and alumni contributions to research and education at Eastern. As there are only undergraduate students in the Geology/Geography Department, they are often able to see the results of their research before they graduate. Dr. Gutowski reported that students learn applied skills doing research, and often make connections with future employers.

Dr. Lord introduced Dr. Steven Lucas from the Department of Secondary Education and Foundations. Dr. Lucas shared information on the Teacher Graduate Assessment, which is a state-wide assessment of teacher education programs in the twelve public universities in Illinois. The project surveys all first-year teachers throughout the state of Illinois who graduated from a public

university. The project also surveys the principals who hire these teachers. The collected data shows information such as where graduates are teaching, career and program satisfaction, and level of preparation. Dr. Lucas reported that this project was developed at Eastern Illinois University, with the first assessment done in the spring of 2005, and continues to be coordinated here. Dr. Lucas also shared that the Department of Secondary Education and Foundations is developing a Bilingual Education course that will be offered at the Masters level for Secondary & Elementary Education students, and for students pursuing a Masters in Teaching. He hopes this course will be approved and available within the next 2 years.

Dr. Lord introduced Dr. Janet Marquardt from the Art Department. Dr. Marquardt gave a brief presentation on her emphasis on critical thinking, and how that encourages students to challenge their own beliefs of art history and the history of other cultures.

Dr. Perry introduced Dr. Dan Nadler and Mr. Jeff Cooley, who gave a report on campus safety & security, and emergency notification. Dr. Nadler reported that two additional emergency notification sirens have been installed, and another siren is currently being installed on the north end of campus. Dr. Nadler shared that an “active shooter” exercise is being planned to take place on campus. This exercise will increase preparedness in the event of a shooting incident on campus. He also reported that a text messaging alert service has been launched and tested, with good results, and that 99% of students surveyed responded that they do feel safe in the residence halls.

Mr. Cooley added that lighting upgrades on campus continue. These upgrades are made in conjunction with student government and the City of Charleston.

Report from Board Chair

Mr. Kratochvil shared that he was invited to speak at a Rotary meeting in Litchfield, IL recently. While he was there, he met numerous EIU alumni and also parents of current and former students. Mr. Kratochvil was pleased to report that the people he met and talked with had wonderful memories of Eastern, and that they were pleased with the direction in which the university is moving.

Committee Reports

Executive/Planning Committee – No report.

Board Relations Committee – No report.

Finance/Audit Committee – Mr. O’Rourke reported that most of the Committee’s discussions had already been heard and acted on by the Board. He said that some time was also spent discussing the textbook rental building bonding and construction.

Academic and Student Affairs Committee – Mr. Welch reported that the committee reviewed the shuttle bus operation, issues regarding parking, had a briefing on the textbook rental program and how it works, and discussed the Electronic Writing Portfolio.

Board Regulations – No report.

Earned Degrees Report

Dr. Lord reported that in FY 2008, Eastern awarded a total of 2,998 degrees. He pointed out that as larger numbers of students graduate, replacing those students becomes a challenge. Dr. Lord also reported that the list has changed very little in the last few years, and the most popular majors have remained so consistently.

Alumni Association Report – Mr. Gary Kling, President of the Alumni Association, reported that the Alumni Association held forty-two events this year. He also reported that over the past three years, the Alumni Association has donated \$75,000 to the university, for the beautification of the Alumni Quad by the clock tower. The Alumni Association also provides the university with \$15,000 annually to support university outreach and alumni activities, and allows the university rent-free use of the Brainard and Linder Houses. Mr. Kling stated that over the last four years, the Alumni Association has invested over \$600,000 in the university. He shared information on awards and scholarships given annually by the Alumni Association, including the Livingston Lord Scholarship. The Alumni Association has awarded over \$5000 in scholarships to current students, and Mr. Kling’s goal is to increase that amount to \$25,000 - \$30,000.

EIU Foundation Report – Mr. Tim Gover, EIU Foundation, gave a brief update on the Foundation’s investment status. Investments are managed by Hammond & Associates of St. Louis, Missouri. Mr. Gover shared that the investment committee continues to monitor the investment figures very closely, especially in this difficult financial period.

Reports from Constituencies

Student Government – Mr. Levi Bulgar, Student Body President, reported that the Student Government has undertaken some by-law revisions, in order to streamline some of its policies and procedures. The Student Government has revamped the Student Supreme Court, which works to ensure that the Student Bill of Rights is upheld, and works with the elections commission to ensure that rules and regulations are upheld during any election on campus. Mr. Bulgar also shared the names of the Associate and Chief Justices on the Student Supreme Court.

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

<u>Vendor</u>	<u>Type of Purchase</u>	<u>Bids</u>	<u>Amount</u>
Moorhead-Gruber Architects	Design services for the proposed installation of sprinkler and fire alarm systems in Stevenson Hall.	^a	\$147,000
ASI Modulex	Installation of various signage components in Doudna Fine Arts Center.	2 ^b	222,089
Yellow Rose Productions, Inc.	Contract for the professional services of comedian, Bill Engvall, at the	^c	125,000

Family Weekend concert
September 27, 2008.

- a. Vendor selection was made in accordance with the Qualifications Based Selection (QBS) Act.
- b. 13 vendors did not respond.
- c. Sole source.

FY 2008 Deposit and Investment Report

For the three months ending September 30, 2008, Operating Funds Investment Performance – the University had an average daily invested balance of approximately \$38 million and a net average daily balance of approximately \$34 million. The annualized average yield was 2.22 percent. Endowment Funds Investment Performance – Portfolio Market Value as of September 30, 2008 was \$488,906.78, which was a (10.9) percent return on investments for the quarter.

Other Matters

Mr. Kratochvil thanked Jeff Cooley for his service to Eastern and his assistance to the Board. Mr. Kratochvil also recognized Mr. Cooley for his sense of humor, reliability and experience, and wished Mr. Cooley well in his upcoming retirement.

Adjournment

Mr. Yost moved to adjourn. Ms. Nimmons seconded the motion.

Mr. Kratochvil	Yes
Ms. Nimmons	Yes
Mr. O'Rourke	Yes
Mr. Yost	Yes
Mr. Welch	Yes
Dr. Webb	Yes
Mr. Wilbur	Yes

Motion carried.