

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

April 25, 2005

A meeting of the Board of Trustees was convened on April 25, 2005, at 1:00 p.m. in the Grand Ballroom of the Martin Luther King Jr. University Union, Eastern Illinois University, Charleston, Illinois. Ms. Julie Nimmons, Vice Chair of the Board, presided.

Roll Call

Roll was called:

Dr. Dettro	Present
Mr. Howell	Present
Mr. Kratochvil	Present
Ms. Nimmons	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
Ms. Lynette Drake, Acting 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

Dr. Dettro 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, collective negotiating matters as permitted by Section 2.C.2 of the Open Meetings Act, the purchase or lease of real property as permitted by Section 2.C.5 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. Mr. Kratochvil seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro	Yes
Mr. Howell	Yes
Mr. Kratochvil	Yes
Dr. Webb	Yes
Mr. Welch	Yes
Mr. Yost	Yes
Ms. Nimmons	Yes

Motion carried.

Dr. Dettro moved that the Board reconvene in Open Session. Mr. Yost seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro	Yes
Mr. Howell	Yes
Mr. Kratochvil	Yes
Dr. Webb	Yes
Mr. Welch	Yes
Mr. Yost	Yes
Ms. Nimmons	Yes

Motion carried.

Ms. Nimmons reported that in Executive Session the Board agreed to extend the President's contract through June 30, 2007 at the same pay rate. A copy of the contract will be provided to the Board members.

Action Items

1. Dr. Webb moved to approve the minutes of the Board Meeting on January 24, 2005 and the Board Telephone Conference Call on March 11, 2005. Dr. Dettro seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro	Yes
Mr. Howell	Yes
Mr. Kratochvil	Yes

Dr. Webb	Yes
Mr. Welch	Yes
Mr. Yost	Yes
Ms. Nimmons	Yes

Motion carried.

2. Annual meeting and the election of officers for the Board of Trustees 2005-2006 term - Mr. Brad Ingram conducted the election.

Mr. Yost nominated Ms. Nimmons for Chairperson. Mr. Kratochvil seconded the motion. Ms. Julie Nimmons was elected unanimously by secret ballot as Chairperson.

Dr. Webb nominated Mr. Welch for Secretary. Mr. Welch declined the nomination. Ms. Nimmons nominated Mr. Kratochvil for Secretary. Mr. Yost seconded the motion. Mr. Roger Kratochvil was elected unanimously by secret ballot as Secretary.

Dr. Dettro nominated Mr. Yost for Vice Chairperson. Mr. Howell seconded the motion. Mr. Don Yost was elected Vice Chairperson by a voice vote of acclamation.

Mr. Yost nominated Dr. Webb for the Member Pro-Tem of the Executive Committee. Mr. Kratochvil seconded the motion. Dr. Robert Webb was elected the Member Pro-Tem of the Executive Committee by a voice vote of acclamation.

3. Dr. Webb moved to approve the meeting calendar for 2006 and changing the September 2005 meeting to Friday, September 16. The meeting dates for 2006 are: Friday, February 10, 2006 (meeting on campus), Friday, March 10, 2006 (conference call), Monday, April 24, 2006 (meeting on campus), Monday, June 19, 2006 (meeting on campus), Monday, August 7, 2006 (conference call), Friday, September 15, 2006 (meeting on campus), Friday, November 17, 2006 (meeting on campus), and Friday December 15, 2006 (conference call). Mr. Welch seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro	Yes
Mr. Howell	Yes
Mr. Kratochvil	Yes
Dr. Webb	Yes
Mr. Welch	Yes
Mr. Yost	Yes
Ms. Nimmons	Yes

Motion carried.

4. Dr. Dettro moved to approve the Tenure Recommendations of the following individuals effective with the 2005-2006 academic year:

Dr. Jeffrey Stephens Ashley, Department of Political Science
Mr. David S. Bell, Library Services
Dr. Teresa Anne Britton, Department of Philosophy
Dr. Merribeth Bruning, Department of Early Childhood, Elementary, and Middle Level Education
Dr. Jose R. Deustua-Carvallo, Department of History
Dr. Yevgeniy Gordon, Department of Mathematics and Computer Science
Dr. Assegedetch HaileMariam, Department of Psychology
Mr. Chris Kahler, Department of Art
Dr. Peter V. Loewen, Department of Music
Dr. Kathleen A. O'Rourke, School of Family and Consumer Sciences
Dr. Jeanne R. Snyder, School of Family and Consumer Sciences
Dr. John Paul Stimac, Department of Geology/Geography
Mr. Bradley P. Tolppanen, Library Services

Dr. Webb seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro	Yes
Mr. Howell	(Did not cast a vote)
Mr. Kratochvil	Yes
Dr. Webb	Yes
Mr. Welch	Yes
Mr. Yost	Yes
Ms. Nimmons	Yes

Motion carried.

5. Mr. Welch moved to approve the contract renewal and wage agreement for the Painter's District Council #58. Under terms of this agreement, the estimated cost of 3% increase effective May 1, 2005 is \$36,140, the estimated cost of 3% increase effective May 1, 2006 is \$37,220, and the estimated cost of 3% increase effective May 1, 2007 is \$38,580. The union ratified this agreement on April 7, 2005. Dr. Dettro seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro	Yes
Mr. Howell	Yes
Mr. Kratochvil	Yes
Dr. Webb	Yes
Mr. Welch	Yes

Mr. Yost Yes
Ms. Nimmons Yes

Motion carried.

6. Mr. Kratochvil moved to authorize President Hencken to offer a three-year contract to Mr. Mike Miller for the period May 1, 2005 to April 30, 2008 to serve as Men’s Basketball Coach. Mr. Yost seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro Yes
Mr. Howell Yes
Mr. Kratochvil Yes
Dr. Webb Yes
Mr. Welch Yes
Mr. Yost Yes
Ms. Nimmons Yes

Motion carried.

7. Mr. Welch moved to approve the revision of the current Board “*Regulations.*” The current regulations provide slightly different educational benefits for Civil Service and Faculty/Administrative employees. The Board “*Regulations*” are being revised to provide the maximum education benefit under either employee classification to all employees so that all classes of employees of the University receive the same educational benefits. For “Faculty and Administrative Employees,” Section II.B.6.i, and for “Civil Service Employees,” Section II.C.7.h, are revised. Dr. Webb seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro Yes
Mr. Howell Yes
Mr. Kratochvil Yes
Dr. Webb Yes
Mr. Welch Yes
Mr. Yost Yes
Ms. Nimmons Yes

Motion carried.

8. Dr. Dettro moved to approve the resolution authorizing the execution of an Installment Purchase Contract, the issuance of Certificates of Participation, in an amount not to exceed ten million dollars (\$10,000,000.00), and authorizes officers of the Board to execute all necessary documents on behalf of the Board.

RESOLUTION AUTHORIZING FINANCING OF CAPITAL IMPROVEMENT PROJECTS

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 an Installment Purchase Contract, and the issuance of Certificates of Participation (Capital Improvement Projects), Series 2005 (the "Certificates") in connection therewith, in order to provide funds to complete construction of the Doudna Fine Arts Center, build an addition and make improvements to Blair Hall, construct a new textbook rental facility, renovate space to accommodate the Honors College, acquire property for possible campus expansion, make improvements to the Seventh Street pedestrian concourse and other projects as approved by the Board.
2. The University's current revenue bond registrar and paying agent, LaSalle Bank National Association, Chicago, Illinois, is hereby authorized to serve as Trustee.
3. The Board approves a competitive public sale of the Certificates, subject to the following conditions: (a) such Certificates to be issued shall not exceed an aggregate principal amount of \$10 million (net of original issued discount, if any); (b) such Certificates will have a final maturity of no later than February 15, 2025; (c) the price at which such Certificates will be sold will not be less than 97% of the par amount thereof; and (d) such Certificates have a true interest cost of borrowing not to exceed 53/4%.
4. The Board approves the preparation and distribution of a Preliminary Official Statement, Official Statement, Official Notice of Sale and Official Bid Form in connection with of the sale of the Certificates. The Board approves the form of such documents, copies of which are on file with the Secretary of the Board for recording. The appropriate officer the Board is hereby authorized and directed to execute the Official Statement and the Official Bid Form in the name of and on behalf of the Board in substantially the forms presented to 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 forms thereof presented to this meeting.
5. The Board approves the form of the Installment Purchase Contract, Indenture of Trust, Acquisition Agreement and Continuing Disclosure Agreement. Copies of such documents are on file with the Secretary of the Board for recording. The appropriate officers of the Board are hereby authorized and directed to execute such documents in the name of and on behalf of the Board in substantially the forms presented to 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 to this meeting

6. The Board approves the purchase of bond insurance for the Certificates, if required by the successful bidder for the Certificates, and agrees to comply with the terms and provisions of such bond insurance as are approved by the Treasurer 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.

Mr. Yost seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro	Yes
Mr. Howell	Yes
Mr. Kratochvil	Yes
Dr. Webb	Yes
Mr. Welch	Yes
Mr. Yost	Yes
Ms. Nimmons	Yes

Motion carried.

Information Items

May, 2005 Board Meeting - President Hencken presented information on a special Board Meeting needed, hopefully to be scheduled on May 6, 2005. The meeting is to review the bids for the Academic Center/Coaches Offices in the new addition at Lantz Arena.

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

<u>Vendor</u>	<u>Type of Purchase</u>	<u>Bids</u>	<u>Amount</u>
Church Organ Network of Illinois	Purchase and installation of an organ for the Music Dep	1	\$131,666

Deposit & Investment Report - For three months ending March 31, 2005: Operating Funds Investment Performance – The University had an average daily investment balance of approximately \$47 million and a net average daily balance of approximately \$43 million. The annualized average yield was 2.57 percent. Endowment Funds Investment Performance – The Portfolio Market Value as of March 31, 2005 was \$469,927, which was a 0.45 percent return on investments for the quarter.

Legislative Update - Dr. Nilsen updated the Board on legislation being considered by the Illinois General Assembly. As of April 15, 2005, we are tracking approximately 60 bills, and most of the focus is on the appropriation process. President Hencken testified in front of the House Higher Education Appropriation Committee and the Senate Appropriation Committee, talking about Eastern's budgetary request, both operating and capital. President Hencken asked the legislators to support the IBHE's budget request for a 1.6% increase over FY05 for higher education. The Governor's recommendation is for no increase. On April 13, the University took a bus of students, administrators, and staff to Springfield to meet with legislators and to tell them the good news about Eastern.

North Central Association Accreditation Update - Dr. Robert Augustine presented an update on the North Central Association Re-accreditation. The University received a glowing report from the Site Visit Team.

Banner Project Status Report - Mr. Bill Witsman updated the Board on the status of the Banner implementation. Almost seventy employees have been assigned to different committees or teams. The project orientation and planning sessions have been held. Technical training sessions and banner installation are in process right now. The project is on schedule.

Report from the University President

President Hencken publicly thanked the vice presidents for their work with the NCA Committee. Eastern received a tremendous report. Construction has officially begun in Blair Hall and on the Doudna Fine Arts Center. The Alumni Association donated a Clock Tower to the University, and the Clock Tower will be dedicated during Celebration. At the end of April, we will hit the \$8,000,000.00 mark on gifts that the University has receipted. This does not include the twelve people who have been added to the Heritage Society. The students raised \$40,000 at the Relay for Life for the American Cancer Society. The Greeks raised \$40,000 for St. Jude's Hospital. Panther Service Day was held in April. The search process for a Vice President for Student Affairs is almost complete, with four finalists coming in for the first round of interviews.

Report from the Board Chair

Ms. Julie Nimmons announced that Dr. Roger Dettro will be leaving the Board on June 30, 2005. Ms. Nimmons thanks Dr. Dettro for all of his hard work and for being a sustaining force through some difficult times, serving the University well. Also, a commendation for Dr. Nathaniel Anderson was read to the Board.

Ms. Nimmons read a commendation for Dr. Nathaniel Anderson:

Commendation Presented to Dr. Nathaniel Anderson

WHEREAS, Dr. Nathaniel Anderson was a charter member of the Eastern Illinois University Board of Trustees, having been appointed by Governor Jim Edgar in 1996, and performed with distinction during his nine-year tenure; and

WHEREAS, Dr. Anderson served as Chairperson of the University's Board of Trustees for the past five years, having been unanimously and consistently chosen by his fellow trustees for the post; and

WHEREAS, Dr. Anderson's ties to Eastern Illinois University go back many years, to when he earned both his bachelor's degree in recreation and a master's degree in education from the institution where he was a member of the Panther football team and an Associated Press All-American selection; and

WHEREAS, he continued to forge ties with the University by serving on Eastern's Alumni Association's board of directors and as a member of the University's Panther Club, and having had a scholarship established in his name through Eastern's Office of Minority Affairs; and

WHEREAS, Dr. Anderson welcomed his appointment to the Board of Trustees as a natural way in which to continue to serve his alma mater, representing the students, staff and faculty of Eastern Illinois University as a member of the institution's inaugural board and faithfully working toward the betterment of the University; and

WHEREAS, Dr. Anderson played a vital role in the progress of Eastern Illinois University, which, during his tenure, included the renovation and expansion of Buzzard Hall, Booth Library and the Tarble Arts Center, and the construction of the Human Services Building; and

WHEREAS, he selflessly gave of his time and energy, remaining accessible and available to his University constituents and traveling countless miles throughout the State of Illinois to attend to University business, be it in Charleston or in Springfield, lobbying and meeting with legislators on Eastern Illinois University's behalf; and

WHEREAS, Eastern's Board of Trustees will greatly miss Dr. Anderson's presence and his unwavering support of the University, as well as his leadership, his knowledge and his friendship.

NOW, THEREFORE, BE IT RESOLVED THAT the members of the Eastern Illinois University Board of Trustees, along with the University's administration, faculty and staff, do hereby express their utmost gratitude to Dr. Nathaniel Anderson for his dedicated service to higher education, Eastern Illinois University, and the people of Illinois, and do hereby offer him their heartfelt best wishes for continued success and happiness.

Board Committee Reports

Finance Committee, Dr. Robert Webb - The committee met with Vice President Cooley and discussed the University audit. Mr. Jeff Cooley has agreed to track and look at trends each year on a few items, such as unit cost and tuition for the Board's consideration. The Auditor General accepted Eastern's audit completely and had no recommendations. Mr. Yost added that Eastern will not be required to appear before the Legislative Audit Commission for testimony. This is another compliment to Vice President Cooley and his associates.

Board Relations Committee, Mr. Roger Kratochvil - The committee has one recommendation, that the University utilize the services of a professional consultant to determine the University's readiness to launch a major capital campaign. Resources to support the feasibility study have been pledged by both the Eastern Illinois University Foundation and the Eastern Illinois University Alumni Association. There will be no expense to the University. Mr. Kratochvil moved to endorse the recommendation of a feasibility study. Dr. Dettro seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro	Yes
Mr. Howell	Yes
Mr. Kratochvil	Yes
Dr. Webb	Yes
Mr. Welch	Yes
Mr. Yost	Yes
Ms. Nimmons	Yes

Motion carried.

Board Bylaws, Policies, and Regulations Committee, Mr. Leo Welch - There are about a dozen regulations that have been modified for purposes of clarification or requirements, most not substantial in nature. The committee is also working on a recommendation if there are implementation requirements to a policy, so that the University knows exactly what procedures to follow to implement a policy. These recommendations will be submitted to the Board for approval, but not in the near future.

Planning Committee, Ms. Julie Nimmons - The Board Retreat will begin on Sunday, June 12th and conclude on June 13th. President Hencken and Dr. Nilsen are in the process of finalizing an outside facilitator to conduct the Retreat.

Report from Board Members attending AGB Conference

Mr. Don Yost reported that he attended a session, The Future of High Ed. This was a panel of former University Presidents who discussed some of the things they find challenging, such as the fallout of post 9/11, especially as it relates to foreign students. Other topics discussed by the panel included funding, the internet, as well as the concern of one University President that there might be an attack on the humanities. Another topic of concern was our world ranking. Currently, the United States ranks somewhere around 7th or 8th, and the concern is ongoing because of the lack of students enrolling in math and sciences.

Dr. Robert Webb reported on the Sorbanas Oxley Act, which was passed in 2002. The Act is designed to regulate publicly held companies. The discussion right now, is whether universities should adopt some of the provisions. The suggestion is that the finance committee be given the assignment of working with the administration, auditors, and the attorneys, and to come back to the Board with specific recommendations.

Mr. Leo Welch reported on a workshop entitled, Presidential and Board Assessment. Currently, Eastern does not have a system in place for Presidential Assessment. Mr. Welch suggested that this topic may be discussed at the Board Retreat.

Report from Constituencies

Staff Senate, Kathy Cartwright – Ms. Cartwright gave a brief history of the Staff Senate. The Staff Senate is currently working on two issues. The first issue is to encourage all staff to personally hand write letters to our State Senator and State Representative, asking for additional funding for Eastern. Also, the Senate is in the process of developing a letter to send to our State Senator and State Representative asking that no changes be made to the current pension plan which the Governor may target.

Student Body President, Chris Getty – At the beginning of this semester, Student Government sent four members to the conference on Student Government Associations in Texas. All of these Student Senators ran for election and gained seats on student government for next year. Student Government highlighted the city council elections with a debate forum led by Adam Howell. The third annual Panther Service Day was also held by Student Government and had over 130 volunteers. Led by Student Vice-President for Academic Affairs, Dirk Muffler, groundwork has been laid for an on-campus day care for students, staff, and faculty. Student Senate approved all student fee increases and the apportionment budgets that were presented to the Senate. Over 1900 students voted in the spring election. Student Government has now acquired a new executive board and fifteen new senators. Mr. Getty announced that Mr. Andrew Berger, Executive Vice President Elect will serve as the Student Trustee next year. Mr. Getty also noted that serving as Student Body President has been an honor and a tremendous experience. He also thank Dr. Anderson and Dr. Detro for their time and commitment to the University.

Adjournment

Dr. Webb moved to adjourn. Dr. Dettro seconded the motion.

Roll was called and the vote was as follows:

Dr. Dettro	Yes
Mr. Howell	Yes
Mr. Kratochvil	Yes
Dr. Webb	Yes
Mr. Welch	Yes
Mr. Yost	Yes
Ms. Nimmons	Yes

Motion carried.