

WESTERN ILLINOIS UNIVERSITY
BOARD OF TRUSTEES
Minutes of the Meeting
March 26, 2010

The meeting of the Board of Trustees of Western Illinois University convened at 8:00 A.M. in the Capitol Rooms of the University Union on the campus of Western Illinois University – Macomb. Trustee Steven L. Nelson, Chair, presided.

The following trustees were present to answer roll call:

Trustee William L. Epperly
Trustee Donald W. “Bill” Griffin
Trustee J. Michael Houston
Trustee Steven L. Nelson
Trustee D’Angelo Taylor

Trustee Carolyn J. Ehlert Fuller - ABSENT

Trustee Nelson moved to convene the Board to Executive Session to consider personnel, legal, collective bargaining and other such issues as are covered by Section 2.c. of the Open Meetings Act with plans to reconvene in open session at approximately 9:00 A.M. Trustee Houston seconded the motion.

Roll Call

Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Yes
Trustee Taylor	Yes

Motion carried. The Board convened to Executive Session at 8:00 A.M.
Following Executive Session the Board reconvened in open session at 9:00 A.M.

The following Trustees were present to answer roll call:

Trustee William L. Epperly
Trustee Donald W. “Bill” Griffin
Trustee J. Michael Houston
Trustee Steven L. Nelson
Trustee D’Angelo Taylor

Also present for the open meeting of the Board of Trustees:

Legal Counsel Representative Heidi Benson
Board Treasurer and Vice President for Administrative Services Jacqueline K. Thompson
Administrative Assistant to the Board Kerry L. Lemaster
Associate Provost for Budget, Planning & Personnel Ken Hawkinson
Vice President for Student Services W. Garry Johnson
Vice President for Quad Cities, Planning and Technology Joseph A. Rives

Advisory Group Representatives present:

Student Government Association President – Darren Heard

Faculty Senate Chair – Dennis DeVolder

Council of Administrative Personnel President – Schuyler Meixner

Civil Service Employees Council President – Ed Lavin

REVIEW AND APPROVAL OF DECEMBER 18, 2009 BOARD MEETING MINUTES

The minutes of the December 18, 2009 Board of Trustees meeting were approved via unanimous roll call vote.

CHAIRPERSON’S REMARKS

Chair Nelson welcomed everyone. Historically, I have a theme for my remarks and this meeting my theme is things that need to be said. My thoughts and prayers are with Elaine and Al for the recent passing of Elaine’s mother. Our thoughts and prayers are with Jason Goldfarb for a speedy recovery. From the Nelson family to you and yours, Happy Easter and Passover!

Last month, I happened to watch an interview of Al by the Illinois Public Radio. During the interview, I discovered that 8 years ago this month he was selected as the President of WIU and it was announced. In recognition of his 8th anniversary as selection of President, we want to present him with an anniversary cake. Dr. Goldfarb commented I was hoping he said cash for our cash flow.

In the last few months, I have been in contact with Heidi Benson; of late I thought my role as chair had to do more with legal issues. I want to report that Heidi is doing a great job.

In February, I was able to attend the ribbon cutting ceremony for the WIU Farm Show, the largest farm show in the nation run by students. I want to report that we have great students and great parents of students. I want to also thank the SGA and the Inter Hall Council for last night’s event. It was wonderful.

We have a diverse board – a banker; an insurance executive, who is an independent business man who is rumored to be working on his doctorate degree; a retired professor; a retired corporate executive; a lawyer; and a student. I sincerely hope that this type of diversity on the Board continues.

Today, I will be asked to vote on a resolution to establish a line of credit to meet on our ongoing expenses because of the lack of state funding. This is a sad day for me. I will vote yes on the resolution that I am philosophically opposed to because it is necessary for my University.

When I first started practicing law, I did collection work. The senior partner repeatedly reminded me that you can’t get blood out of a turnip. If I can give an award for getting blood out of a turnip, it would be to Ron Ward.

I am now experiencing the pain of the cost of higher education with my senior high school daughter. The least expensive university that she has been accepted by is the University of Illinois, as an in-state freshman in engineering, before the anticipated tuition increase, room, board, fees and tuition total in the neighborhood of \$32,000. My solution for higher education: when you are young with small children, higher education is not a priority. When your children are no longer in college, higher education is not a priority but parents of children in high school and college, higher education is a priority. My solution – give everyone a high school or college student.

This Wednesday, I will be attending the groundbreaking for the first building on the Riverfront Campus. What a great day for WIU, our students and the Quad Cities. I had thought that we should put up two large signs for the ceremony – one should say the State of Illinois owes us over \$30 million and the other would say is this the next Thompson prison, but I thought the better of it.

Congratulations to our WIU RAs who brought home awards from the 2010 Illinois State Residence Association Conference.

Congratulations to Richard Carter, the Director of the Non-Traditional Programs, who was awarded the Council of College and Military Educators William E. Kennedy Award, because of the educational programs we offer at the Rock Island Arsenal for service members and their families.

Congratulations to Terri Hare on the selection as Director of University Scholarship Activities.

For the second consecutive year, WIU has been named to the President's Community Service Honor Roll for its exemplary service efforts.

The IBHE has approved masters in biology at Shedd Aquarium and WIU and Eastern Iowa Community College have now partnered to offer a three-year program which will result in a bachelor of science degree in recreation, park and tourism administration.

I want to thank everyone for their efforts in securing grants and contracts through the second quarter. We already have more grants and contracts than we did in FY09.

With those comments, I will turn it over to President Goldfarb.

PRESIDENT'S REMARKS

President Goldfarb thanked Chair Nelson. I guess I'm supposed to blow out the candles first. I do want to thank the Board for the cake. I also do want to thank everyone for the wishes I have received and Elaine has received. Her mom, I think many of you know, passed away a little bit over a week or so ago. She was 94 but it was still unexpected and we appreciate all of the support we received from everyone in the community. My son, Jason, as many of you well know, this was a tough month for us family wise and I appreciate again the support I received from the Board as I have had to be gone as my son had emergency neurosurgery and had a follow up yesterday. Everything looks great and hopefully he is home today and that will be the last of it.

I really did think many people on campus know this – I really thought this was a birthday cake, since my birthday is on April Fool's Day. It truly is and you also knew that this year my birthday is on Passover, so I cannot have cake on that day so you had it for me today, so thanks Steve. I'll blow out the candles because I am sure we are violating some University policy of fire on campus. I'll put the cake out front so everyone can have some cake. Thanks so much!

It is really hard to believe that it was eight years ago at the March Board of Trustees meeting it was announced that I would be President of Western. It really is actually hard for me to also believe that I am soon coming to the end of 33 years in public higher education in the State of Illinois. I wish I could be more optimistic, but it is just very hard to also believe how difficult budget times have been over the past eight years. In particular, how difficult they have been in this past year, where I really do believe it is possibly the most difficult budgetary year I have seen in my career in the State of Illinois. The reason for that, as I try to explain over and over again, and you will hear from Ron Ward as Steve indicated before is

not because our budget was reduced but because there is such uncertainty in terms of cash flow and trying to control the ability to make payrolls and pay bills for the University. I cannot tell you the amount of time that is being spent by Ron's office, by Jackie Thompson, by Julie DeWees, and by myself, in terms of working on making certain that we are basically just focused on payrolls each month.

You will probably hear from Ron this morning. We have received reimbursement for our spring MAP funds which is a little bit over \$5 million in this past week. We have also received two payments a little over \$2 million each between those three payments close to \$10 million, which is an additional payroll. We are expecting our federal stimulus money some time before April 1st or on my birthday possibly for April Fool's Day.

Nonetheless, that will once again move us a month further into the cycle and continue to allow the University to operate and meet its payroll obligations. We are not alone in this. Every institution in the State of Illinois is engaged in this issue. I think you all have seen the letter that the Presidents have sent to the Governor, legislators and the comptroller, indicating that this is causing crisis situations on every campus in the State of Illinois. We have curtailed, and you can hear from each of the vice presidents, expenditures requiring approval for all purchases over \$500 by vice president. We have also tried to hold back on as much as hiring as possible this spring in terms of vacated positions. We continue to try to manage our operation as bare bones as possible in order to continue to move us along.

Steve also knows as does all the board members I am also despondent that we will be looking in a resolution that will allow the institution to borrow. We went into that very hesitantly and we do not believe it is the ultimate appropriate approach. But if necessary very obviously like all of the other institutions in the State of Illinois, we want to make certain we meet our obligations to our students, faculty and staff. Our hope is that we will not have to use such strategies.

FY11 budget, I have done a letter to the campus, indicating that the budget will have a reduction of basically our federal stimulus funds of almost \$4 million in terms of reduction almost 7%. I have asked the campus to begin doing a review of all budgets to be reduced at about 3.5% level and that is total budget. Remember half of our budget comes from state funds and the other half from tuition, so that is basically a 7% reduction. We are reviewing that and we will do public presentations at the end of April, so that the campus and the public are aware what vice presidents are recommending. I will then review those in light of any other budgetary changes that occur and then we will make final decisions and then report those to the campus as soon as we can once we have a sense of what our actual state budget is for the coming year. Again, you have to remember we have a long process in the State of Illinois very often in terms of ultimately reaching the final budget.

I appreciate the fact that the campus has continued to make progress as Steve pointed out. He is very good at keeping track of the kinds of accomplishments that occur on our campus. We continue to make progress during these very difficult times. We are excited about the groundbreaking for the Quad Cities on March 31st. The governor will be in attendance. I continually try to remind individuals that we cannot take capital funds by the way that the State allocates and moves those into operating funds. They will tell you there is actually legislation to try to make that occur, but at the current time that cannot occur. We will clearly take the capital funds that come in from the State of Illinois and begin working on our new campus in the Quad Cities, which we believe has great potential in terms of future growth for us as an institution.

You will hear from Brad that we are doing quite well in terms of fundraising in these very difficult economic times. We will have a public announcement that we are more than half way to our \$60 million goal and our comprehensive campaign is full. We continue to have very significant gifts come in from

donors, in particular alumni who have great respect and great appreciation for what occurred in the institution.

I think I did report early on but in case I haven't – we have reported the highest graduation rate in the history of the University this past year. We are continuing to work on improving our graduation rate with our students. You will see in the midst of our trying to control costs we have agreed to work with Noel Levitz. We had talked about trying to bring in consultants early on to work on enrollment management strategies to try to increase our freshmen class. Our yield in particular our application pool since we have such a strong application pool. They will be working with us. While we are concerned about the number of freshmen, there are positives even in amidst of last year class. I have pointed out over and over again – we have increased ACT score, higher percentage of students in the top quarter of their class, an increase of transfer students and an increase in Quad Cities students. Our key goal will be to focus on recruitment issues in relationship to incoming freshmen without decreasing the quality accomplishments that we are striving to make.

I think Joe will also talk this morning a little about our Higher Learning Commission report. I really do encourage everyone on campus to look at that report. It points out places in which we have made great strides in the last decade since the last visit. It also indicates places in which we continue to have challenges and places in which we need to continue to make strides as we move into the next decade after this report as well and that will be made available to the entire campus. There are focus groups going on right now meeting about the report and I appreciate the work that is being done by the committee that is working on the Higher Learning Commission report.

I do again appreciate the support from the Board and I appreciate the recognition of this being the start now – I think many of you actually remember when it was announced I began traveling to campus very quickly and sending emails out at 4 or 5 o'clock in the morning. I appreciate the fact that I start beginning my 9th year and look forward to trying to continue to work our way through some of these budget difficulties.

LEGISLATIVE UPDATE

Assistant to the President for Governmental Relations Dave Steelman stated I apologize for my voice – I have had to yell at a lot of people this week. Trustee Houston commented apparently you didn't yell loud enough. Dave Steelman replied apparently not.

I know the budget is bad this year. I know the budget is bad for every sector in state government this year, but I truly believe that higher education is under siege this year in the General Assembly.

Let me give you some examples:

House Bill 4706 was a bill to appeal the tuition waivers for dependents of employees at the universities. I know there was a huge amount of concern about this bill at the campus levels. We believe after expressing a number of concerns and problems with the sponsor that he is not going to continue to try and move that bill, but he has not made any promises yet.

House Bill 4906 was a bill being pushed by the Illinois Board of Higher Education. It created the accountability in Higher Education Act and essentially would have required public universities to accept a number of accountability measures and commit themselves formally to meeting the specific state policy objectives. As you might imagine, a number of institutions indicated that this might not be the time to push additional accountability and we believe they are going to hold that bill.

#3 provides that all Greek housing includes fire sprinkler systems. The requirement includes all new construction as well as existing structures. This would have to be completed for existing structures by January 1, 2019. Enforcement of the bill, if it is owned by the institution, is the institution's responsibility. If it's not, then it is local government's responsibility. Obviously, we have some concerns because as with our sprinkler bill there is not funding provided and despite that it would be the local government's responsibility, we feel a certain responsibility to look out for the Greek housing and will have to spend money for this. It's a hard issue to fight. You don't want to fight fire safety, but at the same time it is another unfunded mandate.

Senate Bill 375 provides that no contract of over \$250,000 entered into under the procurement code can be removed or extended. A new contract has to be let by competitive bid every year. Obviously, as this will have a significant impact on some of our larger contracts, such as food service, software, and transit contract. That bill is on fair bidding in the senate. Chair Nelson asked so all the contracts will become one year contracts. Dave Steelman replied that's correct. We make the argument that in order to provide some cost savings and achieve benefits from longer term contracts - we do two, three, four year contracts some times. They consider this an accountability issue. I'm getting a little tired of accountability. Part of this revolves around a dispute between the Governor's office and the Senate democrats. Hopefully, they will get that worked out.

Here's a fun one – Senator Sandoval has introduced legislation that changes the tuition guarantee statute and will have a negative fiscal impact on WIU. Basically, the bill extends the guarantee, provides that students who have attended for four continuous years can attend for up to six years with a one year tuition loan. Right now, Western and many of the other institutions use a two-year increase, but I would mind you that we also have a guarantee for tuition fees, room and board. The U of I and SIU use a one-year bump and that has been part of the momentum for this legislation. It is not going to cost them anything – it will cost us. Our guarantee is the best in the state but I have to confess it's getting more and more difficult to continue that policy with what feels like a flood of unfunded mandates like this.

I saved the best for last. Senate Bill 642 is the legislation allowing for universities to do short term borrowing. This bill had been moving nicely through the General Assembly and had in fact passed in the Senate with language that we were agreeable to. When it got to the House, things got very interesting. Several amendments have been added to the borrowing bill that we have deep concerns with. I'm going to talk about some of those just a little bit.

One of the amendments would require the University and these are all contingent on the Board borrowing. So if the board borrows, we would be required to prepare and submit a backlog bill payment plan to the Governor's Office of Management and Budget. They would have to review and approve before we could move forward. Part of the problem with that amendment is that it makes a reference to backlog payments to vendors – it makes no references to payroll and the biggest reason we are looking for this legislation is to deal with payrolls.

The second amendment would prohibit using the borrowed funds to pay certain high paid employees. What the legislation actually says you could not use borrowed funds to pay anyone who is in the top 10% of wage earners at the universities. Obviously, all institutions have concerns with these. SIU made the argument to the sponsor of that amendment that would essentially prohibit them from paying one of their breast cancer surgeons at the SIU Med School, so immediately they turned around and made an amendment that exempted MDs.

#3 is another fun one – that would prohibit tuition increases over certain levels until the debt is repaid. Actually, it would prohibit tuition increases more than the consumer price index until the debt is repaid.

Or if you stop and think about that, it is going to cost the university four years worth of tuition funds because it would be imposed in the first year and we have to maintain the guarantee.

And my all time favorite – there is an amendment to the bill that if we borrow the Board of Trustees members would have to run for retention in the next general election. Chair Nelson asked if his district is state wide or is it limited to. Dave Steelman replied it is statewide. All the trustees would have to run, including the student trustee and obtain a 3/5 vote to retain your positions as a board member. Chair Nelson asked if he could go ahead and get a campaign manager now and get my campaign started and get yard signs ready. Dave Steelman responded I think you might want to start printing your signs. Some of these amendments defy explanation – they truly do. Chair Nelson asked if the sponsor of the amendment knew that the legislation that was previously passed provides for appointment by the Governor with the advice and consent of the Senate. Dave Steelman replied you would hope. We pointed out that to him on more than one occasion. I think the logic behind that particular amendment is only elected officials can borrow responsibly. I think we can find a few people who might take exception to that.

So as you can see, and there are a couple of other bills that aren't quite as onerous and I am not even going to get into. I feel like we are under attack – I really do. It is not getting better – part of it is I believe people are trying to point fingers and ask for increased accountability because they have none.

I'm not going to talk a lot about pension reform. The pension reform bill, as you all know, passed yesterday in the General Assembly. It took a total of 10 hours from start to finish and there was a purpose for that. The people in the House that initiated pension reform legislation didn't want to allow the unions much time to do a proposition so they moved it very quickly. Changes will go into effect January 1st and would apply to new hires not to current employees but before we start talking about specifics we want to carefully analyze the language of the bill. It's a very large bill and we want to take a close look at it before we provide you the information. VP Johnson confirmed the date of January 1, 2011. Dave Steelman replied yes, January 1, 2011 – and the Governor is expected to sign that bill very quickly. He may have by this morning – I am not entirely sure.

That's all the happy news I have – I will be happy to try and answer any questions.

Chair Nelson stated he also made a comment to me the other day about the new pension bill and his spin was something to the effect that it won't/may not encourage people to run for office. And I reversed this spin and I said well it may encourage people to want new representatives, because their pensions will be less.

Trustee Epperly asked about scuttlebutt about filling board positions. Dave Steelman replied it seems to be – I hate to be this blunt but it seems to be the last thing on the priority list. We keep asking and getting no responses. Trustee Epperly asked about doing away with the legislators' tuition waivers that they have. Dave Steelman responded actually that is one of the bills that I didn't get into. There were a number of bills that were introduced in different forms to eliminate General Assembly scholarships. One that seemed most likely to move and has in fact already passed in the Senate was a version offered by the Senate President Cullerton. It doesn't eliminate – it essentially cleans them up a little bit – very little. Trustee Houston added very little – the Tribune did an editorial that basically said well this is a farce.

GENERAL COMMENTS BY VICE PRESIDENTS

Academic Services

Associate Provost Ken Hawkinson commented Provost Jack Thomas sends his apologies for not being here today. He has been invited to speak at the American Association of Blacks in Higher Education

National Conference. Provost Thomas has asked that I provide you with the following updates on a number of topics.

We are approaching the end of our budgeting planning process for the next fiscal year. Deans and directors have been meeting with their departments and units to prepare the 2010 consolidated annual report planning document and budget request. In this report, deans and directors discuss how well they met their goals from their previous year, their accomplishments and how they used the resources that they were provided. In addition, they developed goals for the coming year and request for new funding. This year the units will also be discussing cost savings for the next fiscal year which I will discuss in just a moment. The deans submitted their reports on March 16th. Directors and support units turned in their reports on March 12th.

Since Provost Thomas' arrival, he has instituted a process whereas each dean and director does a public budget presentation where they provide their FY10 accomplishments FY11 goals and FY11 budget requests. The deans' public presentation will be on March 30th and the directors' presentations are scheduled for April 7th.

As you are aware, we are experiencing a serious cash flow problem as a result of delays from the State of Illinois in providing the funding appropriated to us this fiscal year. At this time in order to meet our monthly payroll, the Provost has stated to all constituencies that it is imperative that all University offices continue to limit spending to immediate operation needs only. Departments may continue to submit requests for purchase to the Purchasing Office so bids can be obtained. However, orders will not be placed until funding is available. All purchases of over \$500, including P-card purchases and purchases charged on direct pay authorizations, as well as all travel requests must first receive prior approval from the dean and provost. Dr. Thomas is closely monitoring all such requests. This is a very tedious process for the provost in having to review and approve or not approve these many requests.

Because of this cash flow problem and the uncertainty of the level of funding the University will receive from the state in the next fiscal year all academic colleges and other units have been asked to plan for a 3.5 rescission next year. Thus far, the deans and the directors have identified over \$2.6 million in savings by suspending searches, cuts in operating budgets, greater efficiency in managing workload and leaving positions open resulting from a retirements or resignations. We have not required a blanket freeze on positions, as it is necessary to maintain staffing levels in departments with high enrollments. The deans are also reviewing and working with their chairs and faculty to identify areas wherein reorganization may take place which may result in long term cost savings without doing harm to programs.

In the last BOT meeting, Trustee Nelson asked Provost Thomas to review the BOT/BA name, since there was a lot of confusion regarding the name itself. Provost Thomas has worked with Dr. Rick Carter, Director of the BOT program and others regarding the current name. As a result, Dr. Rick Carter and Extended Studies and Distance Learning Program have recommended that the name be changed to the Bachelor of Arts in General Studies, which is the most common name among other institutions with this kind of program. Provost presented this recommendation to the Faculty Senate asking for feedback and he received no objections. Provost also presented this request to the President's cabinet and there were no objections. Provost Thomas has asked that I present this request to the Board of Trustees for their consideration.

I am pleased to announce that Dr. John D. Welty will be receiving an honorary doctorate from Western Illinois University at this year's spring commencement. Dr. Welty is currently the President of California State University – Fresno and has a lifetime achievement in the area of higher education. In 1962, a graduate of Western, he has been a strong supporter of our University.

Commencement will be held May 14-16, and we look forward to celebrating once again the success of our graduates. The Provost has completed a full review of all ceremonies and scripts and has made changes to ensure a smooth progression of ceremonies with tradition and pageantry. Dr. Thomas initiated the use of University and College gonfalons last December which were very well received and have now become a tradition at Western.

College of Business Professor Don T. Johnson has been named the 2010 Distinguished Faculty Lecturer. Dr. Johnson is in the Department of Marketing and Finance and specializes in the real estate area including investments, finance, brokerage and appraisal. Dr. Johnson will present a public lecturer early in the fall semester and many of you will have the pleasure of sharing the state with him at the upcoming commencement ceremonies.

Our Illinois Institute of Rural Affairs division is seeking Carnegie Foundation Community Engagement Classification. An honor that only goes to a limited number of schools in the country and recognizes universities for community and civic engagement. Hopefully, we will be able to report some good news on that next year.

Finally, Dr. Thomas asked last fall that a comprehensive review of summer session be conducted throughout the University. Deans and departments chairs were asked to work with their faculty in reviewing the curriculum offered to ensure that courses offered will not only meet program need but also have high enrollments. The Provost also established the task force on summer session, consisting of directors, coordinators, and various administrative offices on campus and in the Quad Cities. The deans and faculty senate chair were also invited to participate in the discussions. A report was prepared and two town hall meetings were held on the Macomb and Quad Cities campus and several reports were presented to the Faculty Senate. The primary mission of this taskforce was to develop a marketing plan for summer. Summer session now has a direct link on the University webpage that leads to all offices that support summer session, such as the registrar, financial aid, housing and so on. All these offices now have a separate summer session webpage.

We have also undertaken a major advertising campaign with billboards on Route 67 and three billboards in the Quad Cities, newspaper advertisements on and off campus, fliers distributed on campus and with other entities, news releases posted on our website, posters put up in all academic and residence hall buildings and displayed in public areas and additional marketing initiatives. This is just one example of fliers and posters that have been posted – you might have seen the poster out in the Prairie Lounge as you walked in which is also an example of the advertising that we have been using. We hope the work done by the departments and colleges to determine the best programming and course offerings and the efforts made by all the support units at the University will result in higher summer session enrollment and greater tuition income in the summer of 2010.

Trustee Epperly asked about the name change. Chair Nelson replied we don't vote and thank you for that statement.

Student Services

VP Garry Johnson commented for the sake of brevity I'll say ditto on the budget stuff. Enough said. Last night, the direct lending program passed and we had a recommendation that we would move to direct lending. We have been doing bank lending for a number of years, but we have more recommendation to move to direct lending program. Colby will talk a little bit more in the financial aid report, but were still looking at some of the details. We think it will ultimately help our students although some of the information that is coming out – there may not be as much new money in the program as originally proposed by the federal government which is kind of shocking I imagine, but we will see how it shakes out. Hopefully, it will benefit our students in the long run.

We are in the process of completing the process of fulfilling our Director of Financial Aid and hopefully we will be making an announcement fairly shortly relative to getting that taken care of.

The fourth thing is obviously we will work with the group chapters as we deal with the latest, greatest unfunded mandate in terms of sprinklers to try to help them work through their process. We have obviously developed a great deal of experience and expertise relative to what we have done in residence halls and those facilities are much smaller. We will see how that works. This is basically a follow up to what was originally part of the original recommendation at one point in time a number of years ago when the residence halls mandate came out there was attached to that but it was later removed. A requirement that any building or any facility housing students with over 11 or 12 people in it would be required to sprinkle but they removed that at that point in time. They just now apparently have run out of work so they are finding a way to increase opportunities for whomever. We will work with them to try to make that a reality.

One great report I was unable obviously to make that event last night which I was sorry about but since I was ill I just simply needed to try to get better and I am still working on that. I congratulate our students as I always do for the great job that they did and SGA and IHC, demonstrated how well two organizations could work together when they have a cause that is outstanding and positive thing that they can demonstrate. I am pleased and very proud of their work.

This past spring break we had a group go on a pay it forward trip, which is basically a bus trip that Interhall Council is a big sponsor of. A group of students go from city to city and do volunteer work during spring break and is a demonstration of just exactly how our students contribute and make a difference every single day. I'm very proud of the work they do.

I did have an opportunity to talk to John Welty, who is going to be our honorary doctorate. I've known John for about 40 years and a housing geek so that is how I know him. He is very proud and very pleased to have the opportunity to accept the honorary doctorate for his undergraduate institution as an RA. I would expect nothing less.

President Goldfarb added I might mention one of those students that went on that bus trip is sitting right next to Dr. Johnson. D'Angelo did that volunteer trip. VP Johnson responded I was just opening the door for him.

Trustee Houston stated Garry, two questions. One – just give us a quick update where we are at for sprinklers for the dorms. VP Johnson confirmed “residence halls.” And two – Dave Steelman and yourself both alluded to the legislation involving Greek houses. Would you expect that the University would be paying for that? VP Johnson replied yes, all of our residence halls – obviously we are in the process of completing. JB, where would be this summer? Matt? Matt Bierman responded as far as the residence halls we are essentially complete at this point as we want to choose to sprinkle any other facilities but we plan on taking and we haven't sprinkled offline in the near future. VP Johnson noted in terms of the Greek facilities they are all privately owned and off campus and the University has no involvement with them. It will be up to those corporations or chapters to do that work themselves, but we will offer whatever expertise we have in terms and happy and prepared to do that. It will be obviously new to work with our nationals to make sure that they understand what the mandate is and try to move it forward in 2019. For it to be completed, my sense is that some chapters may simply close their houses because of they are required to do it.

Trustee Houston noted Southeast Missouri had talked in terms of saving \$4,080 as an Illinois school. Southeast Missouri – Cape Girardeau is advertising in Springfield and provide in-state tuition for

residents of central Illinois. VP Johnson added so does Kentucky and they have done that a couple of years ago and they told us they were going to attack us.

Trustee Houston asked about health insurance deductible issue being discussed at the June meeting. VP Johnson replied yes – I would point out that we have a few issues relative to that and not as many as people might imagine. I will also say in preparation for that whatever we do right now – our deductible has been \$250 whether we go up to about \$500 with the deductible – whatever we do beyond that will ultimately change our student health insurance program forever. You just need to be aware of that before we get into that so it won't be a surprise when we get to the point in time where if we make a major change in that, we will change the program forever, so just want to make people aware of that so we don't have any surprises in June. Surprises are for birthdays and Christmas. Chair Nelson added or anniversaries.

VP Johnson noted if I can take a small liberty just before we move on – I would like to thank Terri Hare. I should have done this earlier. She has been our Associate Director of Financial Aid and has been in Financial Aid office for a number of years. She is now the new scholarship coordinator so Brad's win is our loss at this point in time, so we will have to address that at some point in time. Terri has done a great job for us in Financial Aid and I would be remiss if I didn't publicly thank her for her hard work and effort on behalf of our students.

Quad Cities, Planning and Technology

VP Joe Rives commented obviously we are ecstatic in the Quad Cities about groundbreaking and look forward to hosting you at the event. As we work on the process with building one, please know that the bids have come in and are currently being bedded by the Illinois Capital Development Board. The good news is that everything is coming in on or under budget, so we will be able to reallocate and use some of those funds for alternates that we had said if those monies were available we would do those projects.

We hope to a few weeks after groundbreaking to make the announcement of who are the contractors so again the project can be put forth in the community. Everything looks like it is on target to start construction on May 1. Construction will take between 12-18 months.

WQPT will be moving into their new facility from Black Hawk College to the Crown Center, old Sears. I've become a Quad Citian. John Deere is centralizing locations so we are moving into a former John Deere facility, so we are excited about that.

I'll have an opportunity to discuss accreditation later this morning. I really do want to thank the governance groups for all we have been through over the course of the year as they have reacted to over nine drafts of the process. As Dr. Goldfarb said, we did 14 focus groups and 100+ members of the campus community both in Macomb and the Quad Cities talking about the report. I look forward to your guidance and feedback a little bit later.

It's really hard to talk about technology and not show technology so I will keep this low tech and quick. The first page of your handout I am pleased to announce is our knowledge-based synopsis, automated help system. Last spring, we did a survey about how we can get better at our service we provide to students, faculty and staff. Over 70% said, we don't want to talk to you, we would rather have a webpage that we can look up problems and find solutions. This supports all of the software that Western Illinois University supports. It also has the ability to customize and I won't run you through the whole screen. The key thing is the center box where you can type in a query. Then if you turn to page two, you will see that the query was WebCT Vista drop down boxes and then it will point you along the way. Again, I will not go through the whole screen and this by the way gets launched to the campus starting Monday, so that's our first phase and we are really excited by that.

April 1st, we will be working with our users' advisory group and our internet technology group on the next page which is our campus portal or intranet. Things we want to communicate at Western but not necessarily to the external work world. We are excited about Dr. Goldfarb being a beta user too. If any of you want to beta use the portal, again I don't want to go through the whole screen but this is really pretty cool. It is something Western hasn't had in the past and you have asked us to develop and it was in the institutional Strategic Plan for technology. Also in the left hand corner, you will see library systems through Western online. It's single sign on so that means you just click and go to those common services. Those are the most commonly used appliqué at Western, including STARS which is information from our mainframe. We're really excited about the portal. We will beta it the months of April and May and then work with faculty and staff at the start of the next school year to get everybody used to it and make presses for finance based on the feedback we hear.

The last page of your handout is the new website work. I know you are curious in terms of where we are on it. The first job we had to do was arrive with the campus community on the final design and that has happened. The second thing we had to do was to purchase a content management system which populates the website as opposed to people coding websites which is much more cost efficient. That's been purchased and we worked with the technology deployment and we are almost there on the deployment. I say we are almost there because the next step we have been working on is to assign user rights so people can go in and enter their information and have their materials populated. During that over the next few months, we will be doing user training. There are 15,000 webpages at Western Illinois University, so it's going to take some time and effort to get everyone engaged in the system, comfortable with it and populated. Of those 15,000 pages, there are 2,000 dead and broken links. That means you can click on something and it goes nowhere, so we will be working with departments to make sure that everything is cleaned up so we don't have people on the path to nowhere.

We will use the June 4th board meeting to show you that we are ready to launch and the top page is off the home page will be live. It is going to take some time to cascade down the organizational chart. All these efforts have really been spearheaded by University Technology in collaboration with a lot. I know Richard is here if you have more technology based questions.

In the Quad Cities on March 17th, the Directors that report to me did their annual presentation and budget recommendations to me and the campus community on plans, priorities, how to deal with budget reductions. We, as a campus, are having dialogue right now as are those the priorities we want to put forward – are those the budget reductions we want to take.

On April 2nd at 8:30 A.M. in the Capitol Rooms, University Technology directors and managers will be doing the same presentation. Both presentations in the Quad Cities and uTech is complete divisional, so they are codec'd and if you would like to attend that event.

Advancement and Public Services

VP Jackie Thompson stated University Marketing will also be working with Noel Levitz and providing us counsel for marketing, advertising and scholarship. University Relations has had as of March 22nd, 7,000 followers on WIU's facebook, which is up 1,000 followers since the BOT meeting. MySpace has 1,488 friends and 572 following on Twitter. Darcie did comment however that this number does increase substantially during the crisis update situation which happy to not have as many this year.

On Alumni programs, they have been very busy this year. If you saw Amy and her staff's travel, it's pretty amazing about how much she is on the road spreading the word about Western. Alumni programs is also developing alumni volunteer program to coincide alumni association strategic plan which will include alumni admissions, alumni career services, and alumni mentoring.

As mentioned earlier, Terri Hare was hired as the Scholarship Director and I do want to thank Julie Murphy and her committee. They were phenomenal on how fast they were able to get the search done. I think it started in November and ended in January, so they did a really great job.

I also want to announce that Janet Gabbert who is a long term accountant in the foundation office is retiring at the end of this month. They have hired Holly Fecht and Holly is taking over the duties and doing an excellent job. Brad is going to talk about the development part during his contributions.

Administrative Services

VP Jackie Thompson stated Administrative Information Management Systems has had a pretty busy semester so far. Currently, they are testing the faculty timekeeping in a test mode not an actual mode. Sue Adams and her team of people really moved this along quite well and it's been a joint effort with Ken and with Faculty Senate and UPI. They have all come together and done just a great job with this. We should be launching July 1st.

They also considered the honoring grading system for final grades which was implemented at fall semester 2009. They received accolades from both faculty and staff. Also, AIMS and Financial Aid should be commended this year. They distributed by January 5th, FAFSA information and Western was one of the earliest in the state to do that.

I mentioned at the December meeting about the Hertz Car Share Pilot Program. What's really nice about this is as of February 28th, we had 60 members in the hours of usage. According to Hertz, WIU is well above the average in participation enrollment when compared to other start up university host sites. I really hope this really does work for Western and our faculty, staff and students.

In early April, the Rocky Bike Share Program will be rolled out which will allow students, faculty and staff to visit a university website to reserve a bike. We are trying to reduce the number of cars on campus.

This is really one of my favorites I think. We are going to have our annual employee recognition ceremony/reception on April 27th. This year there are 333 employees with 10 or more years of service. It totals over 7,000 years of service. We have one person at 45; another person at 40 years; 6 at 35; 25 people at 30 years; 23 people at 25 years; 85 people at 20 years; 73 people at 15; and 119 at 10 years. I think it's a real compliment to our campus the dedication we have of our faculty and staff.

Finally, I'm going to follow up on Senate Bill 51 that was passed last year. It is to be implemented July 11st of this year. It's really hard for me to even explain this but they are taking very complex procurement process and made it even worse and more complex. Terry Roegge, Director of Purchasing, and I have both been serving committees trying to get this implemented. We don't know who is going to pay for the additional people which are really oversight to the University. There's going to be a chief procurement officer, the state or someone has to find the money for, and there are going to be state purchasing officers and procurement policy board. It's going to really relieve a lot of the purchasing authority from the University campuses and move them to another level. If anyone wants to see it here, I have before and after purchasing handouts and you can just see the complexity of what the procurement process is. All it is going to do is cost more money and increase the time period greatly. It may be at some point that you would like Terry to come and speak to the Board about the impact, but it's really too early for us to know the total impact of the Senate Bill 51.

Chair Nelson asked if there is a dollar limitation. VP Thompson replied the dollar limitations have not changed much but the process and the time have. Before Senate Bill 51 the way we operate now, for a sole source, the number of steps in the process is 3-6 weeks and it will go 5-9 weeks. For a competitive

bid today, it is 6-8 weeks and then it will go 8-10. Emergency is 4 weeks now and will go 4-6 weeks with Senate Bill 51. The number of weeks in process increases – it’s just very cumbersome. Terry Roegge noted no dollar limitation – it’s all dollars. It will affect mostly your dollars starting at \$50,000 but is really for all purchases. State purchasing officers can come in and look at anything and the compliance monitors will look at everything they are doing. VP Thompson added and really at this point there is no funding, which is a concern but they created all these new positions and we don’t know how they are going to be funded. Terry Roegge explained they will report to the ethics commission and the university will take the stance that they are responsible for their salaries - they have no budget.

ADVISORY GROUP REPORTS

Consent Agenda: Civil Service Employees Council, Council of Administrative Personnel, Faculty Senate, and Student Government Association:

The advisory groups wish to recognize the administration and the Board of Trustees for their management of finances for the University in these incredibly difficult and challenging times. Today we see resolutions to approve significant spending, spending that is necessary by virtue of its potential benefit or by mandate. We recognize the difficulty in making these decisions, when the spending of each dollar campus-wide is so carefully considered. The resolutions request spending on enrollment management, critical to the institution; renewal of heating plant and campus steam lines, critical to provision of services to the campus; changes to the University Union, critical to the safety of the people within. We read with concern the resolution to approve borrowing money or establishing a line of credit. We agree with sentiments expressed by Ron Ward at earlier BOT meetings, that borrowing is not a desirable solution to the financial circumstances of the University. As the economic situation statewide grows increasingly bleak, we recognize that the number of options continues to dwindle. We recognize that hard questions must be asked and answered, and that increasingly dramatic measures may be required to keep the University afloat. We sincerely hope that some relief will come in the form of the State of Illinois releasing the funds that have been committed to the University.

Faculty Senate Chair – Dennis DeVolder

Chair Dennis DeVolder gave his report as follows:

The Senate recommended approval of a change to the admission requirements for international students. The University will now accept International English Language Testing System (IELTS) scores as demonstration of English proficiency. Applicants may now submit either IELTS or Test of English as a Foreign Language (TOEFL) scores.

As reported last December, the Senate recommended modification of the parameters for the core requirement within an option in a degree program. Following the approval of that recommendation, the Department of Philosophy and Religious Studies proposed and received approval for a Pre-Law option in the Philosophy program. This is significant in that it enhances the opportunities for students interested in attending law school, and it establishes a model for other departments contemplating Pre-Law within their majors.

The Senate recommended approval of a policy for the rewarding of posthumous degrees. This policy formalizes a process that has been in place for some time. The Senate suggested some changes to eligibility requirements and the ordering of steps in the process. To summarize the final result, any student who passes away while:

- currently enrolled or actively pursuing the degree
- in good academic standing
- with at least a 2.0 cumulative, major and minor GPA, and
- classified as a Senior

is eligible for the degree. The student's family will be presented with this option, and the wishes of the family will determine whether the degree is awarded. Additionally, provisions are made for students who fall short of the eligibility requirements, and are based on the recommendations of the student's major department chair and dean.

The Senate's Committee on Provost and Presidential Performance has conducted its annual survey, and they are in the process of creating the report. The committee plans to deliver the draft report to the Senate Executive Committee on April 6 and to the full Senate on April 13. Following the Senate's acceptance of the report it will be distributed according to Senate protocol.

The Student Government Association brought two bills to the Faculty Senate for consideration. SGA Bill 2009-2010.003 requested that the Faculty Senate immediately stop its implementation of the plus/minus grading system and retain the current grading system as is. The Senate discussed this request over two Senate meetings and heard from a small number of concerned students and faculty. Ultimately the Senate voted against supporting this bill. The second bill, SGA Bill 2009-2010.004, recommended that if the Senate wished for the plus/minus grading transition to go forward, that we instead recommend a system that used plus only. The Senate also voted against making such a recommendation. In summary, the Senate voted to take no action to stop or alter the change to plus/minus grading scheduled for Fall 2010.

The Senate received a preliminary report from the Faculty Senate Ad-Hoc Committee on Summer School 2010. The preliminary report represented a response to the report of the Provost's Summer School Task Force. There was considerable discussion of this report over two Senate meetings. The report spoke to six specific initiatives from the Task Force, with the responses echoing common themes. These themes include:

- expanding the level of input from faculty;
- marketing should not drive curriculum;
- quality – as opposed to credit hour production and revenue enhancement – should drive decisions about course offerings;
- a number of ideas that are appealing on face value need supporting data, demonstrating likelihood of effectiveness, before implementing them.

In its final report, the Faculty Senate Ad-Hoc Committee on Summer School 2010 will provide a detailed charge for a standing Senate committee on summer school.

In conjunction with the discussion of this report, questions were raised about the position of the Office of Admissions within the administrative hierarchy. This question was raised by the Senate's Council on Admissions, Graduation, and Academic Standards several years ago and after some discussion it fell off the radar. In recent weeks, faculty members have begun an effort to bring back this discussion. We expect discussions to go on as the consultants are here and as that process goes on.

Student Government Association President – Darren Heard

President Darren Heard stated over spring break students volunteered and went back to their former high schools in promoting Western trying to recruit students as you might say. We discussed that through Eric Campbell and he was all for it, so hopefully they will do that again next year. Student fees committee will be formed by the end of this week and elections take place next week on STARS for the positions.

Civil Service Employees Council – Ed Lavin, President

President Ed Lavin commented I have nothing more to add to my report, but I would like to take a minute. This is going to be my last trustee meeting that I will be attending, so I want to say some thanks to some people. First, I would like to thank the Civil Service leaders who allowed me to represent them for the past two years; a special thanks to President Goldfarb and all the trustees for making me feel

welcome and helping me along; all the help I received from the vice presidents, especially Vice President Thompson, who I work very closely with and I will miss; and all the help received from the President's office from Paula and Kerry and emails to get my reports in or I've sent the wrong one. There is one thing that I really will miss and it is reports from Dave Steelman with the excitement from Springfield. I was just wondering whether or not we can get his monthly reports and stuff put on a DVD and possibly we could sell those to help out with the budget crisis. I just want to thank everybody for everything that they have done for Civil Service and the help that they have given me.

In mid-December, the Civil Service Employee Council held a social in the Prairie Lounge, at which time we presented the five CSEC Scholarship winners, and the twelve Employees of the Month winners to the campus community, and also announced the winner of the Employee of the Year award.

Teresa Little from University Marketing/Advancement & Public Services is the recipient of the 2009 CSEC Employee of the Year award. Teresa was the August recipient of the Employee of the Month award. She received a plaque honoring her and a \$500 stipend gifted by Carol Watts of Macomb. Teresa received this award because she exemplifies the ideal staff professional in her attitude, disposition, level of competence, and personal style. Teresa is always on the lookout for new opportunities to put WIU at the forefront of the public eye. She is a very strong advocate for WIU and a very valued employee.

CSEC also has three new Employees of the Month winners:

January - Neil Huston is a grounds foreman in the physical plant landscape department.

February - Sharon Brown is a library specialist in Malpass Library.

March - Stacie Hunt is ISA manger in Administrative Information Management Systems.

CSEC is in the process of taking scholarship applications at the present time. Application can be picked up at Human resources 105 and also on CSEC web page. Application deadline is April 23, 2010. We may be awarding up to nine \$1,000 scholarships depending on the number of applicants.

The Spring Luncheon is just around the corner. It will be held on April 27, 2010 in the Heritage Room at the Union.

The fourth annual CSEC Scholarship Golf Outing is in the planning stages and will be held at Gold Hills Golf Course. We have not selected a date at this time.

CSEC Open Forum with President Goldfarb will be held on April 5, 2010 in the Sandburg Theater, there will be two sessions 11:00-12:00, and 3:00-4:00. We are grateful to President Goldfarb for taking time out of his busy schedule; we are expecting a large turnout.

We will be holding elections for officers and representatives to the CSEC in April. The new officers and representatives will be seated at the May meeting.

Council of Administrative Personnel President – Schuyler Meixner

President Meixner noted I don't have anything additional to add in my report. I, too, enjoy Dave Steelman's report, so maybe we could YouTube those. Thank you all very much for the opportunity for COAP to be represented as a constituency group.

- In January, the COAP Executive Board conducted a survey of its membership seeking administrator input regarding the budget crisis. Responses were received from 106 non-negotiated COAP members. This represents a response rate of roughly 40% among these constituents. Results have been tabulated as follows:

- 91.6% Immediate discontinuation of “Pay for Exceptional Performance”
- 65.4% University-wide hiring freeze
- 48.6% Reduction/elimination of FY 2011 salary increase
- 48.6% Intensive and comprehensive cost-benefit analysis of all departments/units
- 28.0% Mandatory furlough days (unpaid leave)
- 48.6% Four day work week
- 72.9% Reduction/elimination of travel

- Nominations are currently being accepted for the annual vacancies on the COAP Executive Board. We are seeking member nominations for 2-year terms in the following positions: Vice President, Division Representative – Academic Affairs, Division Representative - Administrative Services, and Quad Cities Representative. Elections will be held at the end of April.
- COAP will be hosting the annual meeting with the President in May. As always, the membership looks forward to hearing directly from President Goldfarb, and we are very appreciative of the time he shares to address the group each year.

The COAP Executive Board gratefully acknowledges President Goldfarb and the University Cabinet for their exemplary leadership during these difficult budgetary times and we appreciate the opportunity for continued input as the FY11 budget unfolds.

FINANCE COMMITTEE REPORT

Trustee Epperly noted Carolyn Ehlert is the Chairman of the Committee and she does not regret being here. She is in Florida and I don’t know if it’s because she is in Florida or just because of all the financial issues but she doesn’t miss it.

Purchases of \$100,000-\$500,000 Receiving Presidential Approval

VP Jackie Thompson commented this is for Noel Levitz who we have contracted with to review our admissions and marketing program that we have talked about a little bit earlier today and they have already started. VP Johnson noted it is for two semesters and a cross over to next fall semester as well and at that point time they review whether we need to continue.

Report on Investment Activities

Ron Ward thanked Steve for mentioning his name in his turnip story. Our investment report for this quarter is on page 44. Basically, our portfolio holds about \$49 million. If it were not for the backlog of funds from the state, we would be pretty much looking at where we were this time last year – a very similar number. The rate of return is just ridiculously low – the benchmark is .06 for the quarter which is basically reflecting the treasury rates. Safety is the primary concern. Total return through fiscal year \$48,196 and that’s way low compared to past history.

Chair Nelson asked about current cash flow. Ron Ward commented I will just try to stick with the facts. This time last year at our meeting we were at about \$30 million cash due from the State, a lot of it payroll dues. Since that time until now, we are still at about that level – I hope to be at \$26.2 million shortly in a few days which is 45% of the \$59 million budget appropriation. This time last year the day of the same meeting, we learned we were going to get \$6.4 million. In January, we got \$13 million and in February we got nothing. In March, we’ve gotten \$12.9 million all in the last seven days, basically, which is promising. Apparently, they have some cash flow coming in at the State level. VP Thompson added and some of that is the Recovery Act money that will be coming in. Ron Ward noted in the \$12.9 million I have included the \$3.5 million which are federal funds, which became part of our budget last year and we expect to get that on April 1. All the paperwork is submitted and the vouchers to do that were a

horrendous paperwork process that we went through to get that money. It was a lot of reporting to IBHE and Illinois State Board and still on and on. We still even yesterday received some reporting requests even though it has already been drawn down so to speak. Basically, \$59.9 million appropriation for the year – we struggled all year to get half of it and we are still owed \$26.2 million of it. As far as what – my concern is what are they going to give us between now and June 30. They continue to just have bleak responses down there to anything.

I just want to briefly comment on the state numbers that I am always talking with Mike Barnett down there on those levels. On December 9, their backlog was \$6.8 billion. In March of 2009, their backlog was \$6.5 billion. Now currently at the end of March, it is like \$6.3 billion, so they are adding new vouchers and paying bills but they are not improving at all. They still have the \$2.5 billion short term borrowing that's out there all the time continually it seems like that they cannot get liquidated. It is just a hand to mouth type of situation so whatever money is coming in for the first quarter tax estimates and tax receipts has to be some of the money that they are passing to the universities right now.

Part of this reporting process we had to come up with in the last few weeks with IBHE to get this federal funding was for all the schools to put together cash flow statements in which we did. Before this money in the last seven days or so, our report was looking pretty bleak for the end of April. We were showing almost \$1 million all funds deficit at the end of April; May \$10 million deficit; June \$12 million deficit. Now with all this new money coming in and everything just recently, we are much better shape but still at the end of May we are projecting at about \$3.5 million as our balance of all funds and in June about \$1.3 million. It's too low.

VP Thompson noted what will happen is Ron will just keep writing notes to Springfield and saying where are we and can you get us some money. That is how we are operating.

Ron Ward stated our goal is we try to do all we can to get that money. That is all we are focused on is getting the money. I do want to add in these balances we have AFS funds set aside so at the end of April, May and June, we have \$28 million. Chair Nelson asked what's our oldest voucher. Ron Ward replied November they are due to us or due to vendors, so they are way behind. All schools had to report to IBHE a few weeks ago their balances and they owe all the universities about \$1 billion. Chair Nelson noted I saw an article in the Dispatch that through February it was like \$783 million so it is higher. Trustee Houston commented the last number I saw was \$894 million. Ron Ward added it is changing every day – last week we got the \$13 million. This short term lending authority bill that they are trying to pass down there is almost comical because they are trying to force that onto us. I don't think any of us really want that. They are doing the same old business down there – transferring funds around – transferring the burden around to some other fund or agency and that leaves that fund or agency to the wolves so to speak. That's what they are doing – I'm a financial person so I kind of understand I think their problem. Their problem is that they develop a fund for some agency or program and they don't properly fund it with cash and then they will transfer whatever budget or resources that they even have at that fund or agency to some other program which sometimes I question how they can even legally transfer appropriated funds. I'm thinking appropriated funds are legally appropriated to some budget but that Office of Budget and Management down there has a history that I've noticed in the last three to five years of stripping budgets out of some large agency or some large fund and moving the money somewhere then that leaves that agency to the wolves. That is what they do and if you look at what they've done to the universities it is the same kind of thing. They have left us all hanging for half of our appropriation the whole year here. In my view, that is what is going on down there. They don't understand when they pass legislation that there needs to be a real funding source along with it. They will pass legislation that they don't even read and understand and they will pass new legislation without even reading what they have out there. It's worrisome and I don't know what the answer is to any of it. We are focused on getting the money – that is what we are trying to do.

Chair Nelson commented let's just assume that we pass the resolution authorizing us to borrow and let's assume we have to borrow. Trustee Houston noted make the assumption that someone is going to loan you the money. Chair Nelson stated yes – that's the question I have is – who's going to loan us the money? Ron Ward replied that is my question too – I don't know. We will be struggling to get a bank unless it is a huge Bank of America or something. Chair Nelson added and at a huge rate. VP Thompson stated our goal is not to borrow money but you're right. Chair Nelson replied I know but when you look at it in these restrictive times of loans being made by a bank or participation of banks loaning money on debt that is owed to a university. VP Johnson noted my sense is anybody that is going to lend us money is going to do it based on our good name not the good name of the State – bottom line. VP Thompson added but ours is anticipation of the State payments. VP Johnson commented I think we have a few more chips out there than they do right now – anybody does.

Ron Ward stated assuming they pass that resolution – we got to do that borrowing by August 31. VP Thompson added that is how it reads right now but they may change it. Chair Nelson noted then I have to start campaigning on September 1st.

President Goldfarb asked Ron to go through the figures again so there's clarity. Given the dollars that have just come in from the State, clearly, we make payroll again pretty through the close to the end of the fiscal year. Ron Ward noted we have a lot of funds and the momentum from the amount of funds we have is always amazing to me. The cash flow is tremendous through here. VP Thompson added I think we can make it through May payroll – we are getting really close. Ron Ward commented we are getting down to balances way low. President Goldfarb explained but what everyone has to understand is there is no reserves for purchasing and no reserves for emergency. Ron Ward stated we have expended all the funds. Generally, we have always had about \$50 or \$60 million and we have worked that down and we have AFS. The bond attorneys are concerned and so all the universities are putting the AFS funds off to the side and restricting them. VP Thompson noted the bottom line is the money that just started coming in plus the recovery money that we anticipated has really made a difference. Ron Ward added it has given us a lot of breathing room to get to June 30, but we have to keep in mind that July is going to be a big layout of cash and little income during the summer. Me, I'm concerned about if they do pass this legislation they have in there right now – you have to borrow it by August 31. To me, that is not – I look at a revolving line of credit as something that ought to be put in place and you use it when you need it and it be kind of open ended and keep going out there – maybe a year or two out there. I don't think we should be borrowing money to pay our grocery bills.

Trustee Houston stated Ron I appreciate the reports that you send us to Jackie which she then forwards to us. It really does give you an understanding of what is happening in the Comptroller's Office and the games they are playing down there. It's a far worse situation I think until you start seeing what they are doing and the way they are doing it. They even shock me in terms of looking at that. When we look at our investment report here, we've got low interest rates but two years ago we made almost \$1.6 million but so far this fiscal year in terms of interest we are at \$48,000. Part of that is the fact we've got \$20 million less in balances. Ron Ward noted that tremendously low short term interest rate is terrible. We were able to earn as much as 5%-6% in the past years. Trustee Houston added when we talk in terms of budget that is that much money you can't spend. We don't think about that as a budget cut, but that is a huge amount of money. Ron Ward commented our high point was \$4.5 million one year three of four fiscal years ago. Trustee Houston stated I feel for you. VP Thompson added we will keep the Board informed and I think we have the process in place and you can really see I like getting the good news from Ron.

Report on Contributions

Director Brad Bainter stated I would like to start of the morning by just thanking the development officers for the University. They have done a great job this year and tough times for us as well. People are

keeping their money fairly close still these last couple years. We are out traveling – we had one in Arkansas couple weeks ago working on a planned gift. We have one in Chicago today working on a gift and we have one in Chicago working on a gift, so we are still trying to be on the road and getting our faces in front of people as much as possible.

I would also like to thank Dr. Goldfarb because it really makes a big difference when you can call someone up and say the President and I would like to come in for a visit and see you. He has been willing during his whole tenure to do that. He has been an example with his financial commitment to the University, but his willing to visit anybody, anywhere, anytime has been great for us. It has caused me some problems in eating when we go on the road together, because I am a Midwest boy and I'm not quite up to his New York standards but I get along okay.

The reason I need to thank everyone and we had a great last year, but we just went over the \$7 million mark this year which is approximately \$500,000 ahead of last year's pace, so things are going very well for us.

Just a couple of gifts to highlight – we have strong relationship with Deere as you all know and we just received word of \$39,000 gift commitment to various initiatives on campus. From a couple of our alums on the President's Advisory Board, we have received low six figure commitments – one for scholarship and one to assist in the hiring and retention of faculty in the accountancy program so a very important gift from this individual and actually maybe used to help send one of our professors who has a master degree on to get her doctorate and come back and teach. We are kind of home growing our own faculty.

We have also received notification of two low seven figure bequests – visited with two individuals that are making great plans for the future of the University through their bequests. One actually is going to benefit men's and women's golf and dance. If you kind of wonder about that connection, if you have ever been with Steve Nelson when he plays golf and holds a putt you see the ensuing dance on the green, so that is the connection between golf and dance.

We are now over \$32 million and nearly 54% toward the way of our campaign goal which is currently \$60 million. As you know, the campaign ends December 31, 2013. The campaign kickoff to formally announce the public phase of the campaign is again Friday, October 29th on the Macomb campus. Again, we will use no public funds for this event. We have had several individuals stepping up to the plate to make contributions of \$1,000 or more to help fund this event. The following week – still dates and places to be announced but we will go to the Quad Cities and we will go to Chicago for socials to announce the campaign as well.

The Foundation Board will be voting to approve a new expenditure policy for foundation funds that will go in place with the University's new expenditure policy on July 1. The Foundation Board will also be voting on new guidelines for nominating new members, term limits, attendance, streamlining the size of the Board and making sure that the new members have knowledge of and a commitment to the mission of Western Illinois University Foundation. A new mission statement has been developed in conjunction with these new guidelines.

It has already been mentioned that Janet Gabbert is retiring. It's a big loss for us – really it is. She has a wealth of institutional knowledge in foundation. She has actually been with the Foundation since 1978 investing funds as she tells me we had \$37,000-\$38,000 in assets at that time and now we have \$30 million, so she has seen a lot of growth and takes a lot of knowledge with her. Holly Fecht will do a great job – she is one of our own – accountancy degree and MBA from Western and she is doing great work for us now.

I would also like to recognize Clarene Royer in the Scholarship Office. We went for over two months without a director during critical time in January and February. She did a great job of stepping up and filling in the gaps for us.

Finally, as you know and Joe mentioned, WQPT, public television in the Quad Cities, will transition to Western at the end of the month end of April. It has been a lot of work actually and as Joe has found out and we have had several meetings this week actually to talk about the transition. It hasn't been one of those turn-key operations where we just flip the switch and it happens. There's going to be a large amount of work that falls on the Foundation when the transition goes through – through pledge processing and accounting procedures. So, I would like to recognize Janet Gabbert and Holly Fecht for their work in this process, but it really goes beyond that. I know I'm going to miss somebody and there has been a lot of other people in this process, but Jackie Thompson, Dana Biernbaum, Terry Roegge, Shannon Sutton, Cheryl Webster, Pam Bowman, Stuart Clauson, Beth Seaton, Cheri Allison, Marlene Forman, Ken Hawkinson and a lot of people at DPS have been very active in working for a whole year almost to get his transition done, so without them it couldn't have happened. VP Rives added and Kristi Mindrup. Brad Bainter replied and Kristi Mindrup from Joe's office – yes - and I said I would miss somebody so thanks.

Trustee Epperly asked about outstanding pledges – have they stayed fairly consistent from the standpoint of paying them off or have you seen any change in that? Brad Bainter responded no not really. We have always had a good rate of getting those pledges paid off – it's stayed there. We have a pretty good system in place for sending out pledge reminders and follow up phone calls to them. We are fortunate – we really do have very good alumni when it comes to supporting the University. During these times, it's very heartening when we go out and visit and people say how can we help. As you know, like last year, when we start talking about no MAP grants being placed in the Spring, we had one alum step up and say I want to give \$10,000 to cover however many MAP grants that would cover. We are very fortunate in the effect – outstanding alumni and friends of the University.

Resolution No. 10.3/1: Purchases of \$500,000 or More

VP Thompson stated that this is the next step from the certificates of participation that we were borrowing the money to replace original steam lines and some of the original equipment associated with the heating plant like the 1929 electrical switch gear and smokestack. This is really for the engineers who will be doing the design – this is the next step of the process. Trustee Houston asked about the firm from Wisconsin - is there not Illinois firms that can. VP Thompson replied I believe there were Illinois firms that bid however we cannot give preference to an Illinois firm. It's called the qualification based selection that we have to follow and I think what Terry they get 25 points out of 80.

Terry Roegge noted they get 25 points. I think there were 7 or 8 from Illinois – the spread between the points between them and the top 3 quite a bit. VP Thompson added you can give some but it is not enough to really give them an advantage. Terry Roegge stated the only time you can give a true percentage advantage to an Illinois firm is if that state also has a preference. They can take their preference and apply to the Illinois.

Trustee Epperly asked for the timeline. Scott Coker commented assuming we get approval to start with the design – we are planning in about three weeks to have a meeting with the engineering firm. They will do the design this summer. During this fall, they will start construction in Heating Plant and steam lines. Within two years, we should have everything completed. Trustee Epperly noted so we have another winter or two to get through. VP Thompson added quite honestly we really are ahead of schedule where we would normally be. When we knew that we were going to be doing the certificates of participation they started the process of developing the specification so that we could accelerate this as quickly as possible knowing the age of some of the steam lines and equipment in the Heating Plant. Scott Coker

added we moved pretty quickly to get the design started. As soon as we get approval for that, we are ready to go. Chair Nelson asked what kind of rate did we get on the bonds? VP Thompson replied we got a really good rate. Al Harris stated when we put them out for bid they came back with a true interest cost of 3.89 – very good. Trustee Houston asked if it was after the government. Al Harris replied yes.

Trustee Epperly moved to pass Resolution 10.3/1 Purchases of \$500,000 or More. Trustee Houston seconded the motion.

Roll Call

Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Yes
Trustee Taylor	Yes

Motion carried.

Resolution:

WHEREAS Western Illinois University has a need for the services of an engineer for the design and construction administration for the renewal of the University’s heating plant and campus steam lines;

WHEREAS the above mentioned project has been administered in accordance with the Illinois Procurement Code, the Architectural, Engineering and land Surveying Qualifications Based Selection Act and all other pertinent statutes and rules:

THEREFORE be it resolved that the Board of Trustees approves the awarding of a contract for engineering services from the selected firm presented.

Engineering Services for Renewal of Heating Plant and Campus Steam Lines

ITEM DESCRIPTION:

Professional engineering services for the design and construction administration for the renewal of the University heating plant and campus steam lines.

The replacement of the heating plant services will include design for the demolition and replacement of the existing masonry stack with a new steel stack, electrical switchgear relocation and replacement, gas boiler rebuilds, various energy efficiency improvements and coal handling improvements.

The services for the steam line replacement include design of an extension to the north walk tunnel and shallow box tunnel along University Drive. The engineering firm will provide summary evaluation of past analysis, final programming of project priorities and development of construction drawings and

specifications, construction administration and construction observation.

The cost for Phase I – Summary Evaluation of Past Analysis and Final Programming of Project Priorities is \$155,650, cost for Phase II and Phase III – Construction Documents, Construction Administration and Commissioning is estimated at \$737,250 and will depend on programming priorities identified in Phase I.

COST:	\$892,900 estimated plus reimbursables
RECOMMENDED VENDOR:	Affiliated Engineers, Inc.; Madison WI
FUND SOURCE:	Local and appropriated
SUMMARY OF BIDS:	Proposals were solicited and awarded in accordance with the Architectural, Engineering and Land Surveying Qualifications Based Selection Act, 30 ILCS 540/.

Resolution No. 10.3/2: University Union Entryway

VP Johnson stated if you come in through the front of the Union, you will notice that we have a wooden enclosure which is designed to corral small cattle or large squirrels. There is a structural issue in that area so it needs to be replaced. We have had some concerns about it for some time and there is a large significant water leak from the roof which needs to be addressed as well. We have also had over the course of time significant concerns that we do not have adequate ADA capabilities to the Heritage Room. For example, so currently for someone in a wheelchair has mobility issue needs to use the service elevator in the back of the room which is not appropriate and something we have been concerns about. It also ties into a long term plan which would be to do some renovation in the Grand Ballroom. In order to be able to do that, in order to take the Grand Ballroom offline for any period of time we must make sure that the Heritage Room is very adequately positioned to take care of what we would normally be doing in the Grand Ballroom. This particular project will add a tower in the front and change a new entrance to the Union and will provide us with an elevator that will actually address the ADA and other issues we have, plus it will also fix the structural issues we have in the front of the Union and save many squirrels over the course of time. Al can answer any specific questions that you might have.

Trustee Taylor asked how long it will take to construct this. Al Harris replied we are hoping to fast track this and bring the construction documents back to the Board at the June meeting and get that approved then and will start construction immediately. Trustee Epperly asked from the aesthetic standpoint – is this tied into the Master Plan if anything would ever happen that we would like to happen with Murray Street. Al Harris replied yes – that is part of some of the discussion we have made sure we had to think about this on the design because of looking long term with CT Vivian Way access. We are working close with Ted Renner of Physical Plant – making sure we are staying in.

Trustee Epperly moved to pass Resolution 10.3/2 University Union Entryway. Trustee Taylor seconded the motion.

Roll Call

Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Yes
Trustee Taylor	Yes

Motion carried.

Resolution:

WHEREAS the Illinois Board of Higher Education requires Western Illinois University Board of Trustees approval for non-instructional capital projects; and,

WHEREAS the entryway to the University Union has been deemed a life safety issue and the need for a public elevator has been identified for access to the University Union Heritage Room; and,

WHEREAS Western Illinois University is requesting approval to proceed with architectural, engineering and design of this project; and,

WHEREAS current estimates of this project are estimated not to exceed \$750,000:

THEREFORE be it resolved that the Western Illinois University Board of Trustees approves this project as required by the Illinois Board of Higher Education.

Resolution No. 10.3/3: Approval to Borrow Money or Establish a Line of Credit

VP Thompson stated a brief background. When we realized where this borrowing bill was and we wrote this resolution, it had only passed out of the Senate Committee. It has changed several times so we are proposing basically an amended version that today better reflects what we think is going to happen and Paula is passing that out.

I apologize. This has been really fluid and we have been trying to anticipate what we need to do so we have work with legal counsel on this also. I would also like to add that if we get to the point where we do need to actually go out – Terry Roegge and her staff have developed a document that we can go out and have it ready to go. It may be that we will need another approval. We don't know – this is just kind of unchartered territory for us.

Trustee Houston asked if he could take a second and look at this.

Trustee Houston moved to pass Resolution 10.3/3 Approval to Borrow Money or Establish a Line of Credit. Trustee Nelson seconded the motion.

Trustee Epperly noted going back to this – this is as we know it as of today – as of right now which very likely could change over the next day or two or week or whatever. VP Thompson added we took out the percentage because we are trying to make this as general as possible because all of these things could change. For example when we wrote the original resolution, it was repaid with an 18 month and that has already been changed to 12 months, so we just left it out and said we will abide by the law. When the law becomes law, then we will abide by whatever they say. Trustee Griffin questioned do you have any idea what that percentage might be. VP Thompson responded I think right now it is still 75% of payroll but I am not sure. Chair Nelson stated because of the current status of the legislation which is still in flux, something that we should consider holding a special meeting for once until legislation passes. Because

hypothetically, there is six of us and four of us would have to be here. The other two can participate by phone if we have four present. Trustee Houston replied I believe so and you also have to post where the other two would be. Chair Nelson commented so hypothetically we've got Bill and D'Angelo and Carolyn and I are in the Quad Cities. Carolyn and I can come down. Kerry Lemaster added Carolyn is in Florida until May. VP Thompson noted I do think with the amendments that have now, correct me if I'm wrong, passed out of the House Committee, I think postponing it is an option.

Trustee Houston stated I'm not sure that this is so general that it does anything for us. That's the question to Heidi – do you believe we could use any legislation passed based on the way this is written to avoid doing and coming and voting again. Heidi Benson replied it depends what goes into the final version. I mean that's the difficulty is that it has been a moving mark. VP Thompson added and it is still moving. Chair Nelson commented it's something as I said earlier I would vote for but the question becomes I'm voting for something that I don't really know it's final. Trustee Houston noted it also does not give a maximum dollar amount. Chair Nelson stated and the problem is that once the legislations final – we are going to know the parameters of the legislation and we can structure the resolution to fit the legislation and have a special meeting. VP Thompson added and if the legislation even passes – it is very frustrating – this is one of the most frustrating.

Trustee Epperly stated we are going to have to make an amendment to the motion that was made that I don't see any way around it. Where I am heading is that depending what happens over the next number of the days – we are going to have a much better worded motion to make those things work.

Trustee Griffin commented I want to come back to this 75% - what's the significance of that? President Goldfarb replied it's in the bill. Trustee Houston noted it comes out of the legislation. VP Thompson added we have to abide by whatever, if we decide to do it, what the final legislation says we have to do.

Trustee Houston noted in terms of looking – there is nobody here that is in favor of borrowing money. Looking at it from a different point of view if in fact the legislation passes, there is no reason for us not to put this into place whether we use it or don't use it depending upon what the situation is in terms of final legislation. If they put something in place, we need to put something in place in order to protect the University if in fact we are in position where we can't meet payroll. That's the only way I would see us using these dollars would be strictly for payroll – it wouldn't be to pay vendors or to do anything along those lines. I think the other part is as you look at this – it does become a question who is going to lend us the money. Why you say go to a large bank, as a retiree of JP Morgan Chase, I don't think JP Morgan Chase which is basically the largest bank in the country is really going to be that interested in dealing with something like this. VP Johnson added I was thinking of a friendlier bank. Trustee Houston commented as a banker, I think you would be better off with a community bank where you go to the community banks and basically they do it specific pride and for the impact it has on the community and they each take a piece of it usually based on the percentage of assets that they have within the community. They also then limit their risk in terms of any single bank and I think that really what you are going to end up with is either banks in Macomb or the banks in the Quad Cities. They are willing to do that or maybe doing some kind of combination, but I've talked to Ron and Terry in terms of this. This is not something you are going to bid.

VP Thompson noted we have to bid it. Trustee Houston responded no bank is going to bid this. I'll tell you that – you are talking about negotiating with a group of banks in order to make this happen, because you don't have a bank in Macomb that could loan us \$10 million. There are legal lending limits that prevail here which is another reason you get into. VP Thompson replied absolutely not. That is the problem with this is that we have to bid it. Trustee Houston added in order to deal with this – it is going to be complicated to do that so I mean this is not an easy type of thing. I will tell you if you put this out for bid, you won't get a single taker. VP Thompson replied maybe but then again we talked about the

procurement code and what the State of Illinois requires of us. They are putting us in a bind so that is why we are going to keep calling and asking them to send money.

Trustee Houston stated the flipside is we really need to be talking to the local banks now in terms. VP Thompson asked Terry – I don't think we can – can we? We'll do what we can do. Terry Roegge noted I have had discussions with three different banks who have expressed interest in bidding on this project. I told them what the process would be and they seemed very interested – most of them are from the Quad Cities. I think they have been made aware that we are going to do this so we do have some interest. If in fact we would bid this and no one would bid, we could be declared an emergency and go into negotiations with a bank. VP Thompson noted we would have to get permission from the State. Terry Roegge added if we had an emergency we would have to do the approvals through the State but it would be a true emergency and we could do that.

Trustee Epperly asked how many days for public notice do we have to give for a meeting. Kerry Lemaster responded we have to have it posted up at least 48 hours in advance. Trustee Houston noted and you will have to give some notice for us to get over here. Trustee Epperly asked what are we looking at for us to have a meeting. Kerry Lemaster stated she will look into the meetings act issue. Trustee Epperly stated whatever shakes out from the legislation standpoint that we have to work it out within ourselves to basically have a week's notice to get together to put this together. Chair Nelson added we have to have four people here. VP Thompson noted this bill may come to conclusion today and it may not – we don't know. Trustee Epperly stated bottom line here – whatever we find out from the State from the legislation standpoint – we have to have week's time to put our own stuff together to get us together. Chair Nelson responded 48 hours notice. Trustee Epperly noted so basically looking at 3-4 days to a week to get our schedules together to get this done from that standpoint. VP Thompson added Dave is in constant contact with me on this legislation. I will make sure we send it to Kerry like we do on the cash flow, so that you too know the status of this legislation.

Chair Nelson stated my thought is we table it until we know what the legislation is. 1st & 2nd motions were removed by Trustee Houston.

Motion by Trustee Nelson to table Resolution No. 10.3/3 Approval to Borrow Money or Establish a Line of Credit and seconded by Trustee Griffin.

Roll Call

Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Yes
Trustee Taylor	Yes

Motion carried.

Resolution:

WHEREAS the Illinois State Legislature is considering passage of legislation which will allow universities to borrow money, as necessary, from time to time in anticipation of receiving tuition, payments from the State of Illinois, or receipts of the University; and,

WHEREAS Western Illinois University may have the need for the borrowing of funds or the establishment of a line of credit with a financial institution in order to pay salaries and other expenses which have been lawfully authorized in the University's state appropriation; and,

WHEREAS the borrowing of funds may be necessary due to the shortfall of funds if reimbursement of expenses from the State of Illinois continues to be delayed; and,

WHEREAS the University is also requesting authorization to make partial repayments of the borrowing as funds become available; and,

WHEREAS the obligation to make the payments due under the promissory note or other debt instruments shall be a lawful obligation of the University payable from the anticipated moneys as set forth in the resolution authorizing the same:

THEREFORE be it resolved that the Western Illinois University Board of Trustees approves the borrowing of money, as provided by law and that this resolution constitutes full and final authority for the Chairman and/or Treasurer of the Board of Trustees to approve and execute any documents necessary to borrow funds.

Trustee Epperly stated my final comment – I just want to commend everybody from the University standpoint – I’m sure Ron must wake up just thinking stuff. Everything from the financial end all the way down to the departmental use – what everybody is going through has just to be a true pain in the neck. VP Thompson noted it’s all consuming. Trustee Epperly commented so good job!

ACADEMIC & STUDENT SERVICES COMMITTEE REPORT

Chair Nelson noted there is a piece of cake missing already – there is somebody in the audience who has a birthday today I’m told. It’s Dr. Susan Martinelli-Fernandez – we want to wish you a happy birthday. How was the cake?

Trustee Griffin noted one item for Academic & Student Services Committee.

Annual Report on Financial Aid Programs

VP Johnson commented this is the annual report that we submit to the Board on Financial Aid, and we have had that for some period of time. Colby will be happy to answer any questions that you might have and I will also ask him to give us the reader’s digest version of the issues related to the direct lending change that has just taken place along with the healthcare bill the last couple days.

Chair Nelson noted I had the pleasure of spending some time with Colby yesterday and getting the cruel details about financial aid and borrowing, so I’m anxious to hear about legislation was recently passed yesterday.

Colby Sellers stated the main thing that affects the universities is direct lending is now the law of the land. The Stafford loan program 3 years ago was at 80% of all the schools in the country and about 20% were direct. The Stafford loan is going to be finished as of June 30th. I think right now about half of the schools are direct and half Stafford so there is going to be a mad scramble to accomplish that changeover by the 1st of July. The Department of Education has said all along that they felt they were up to the task and so far they seem to be doing a pretty good job. They did a smart thing in modeling the funding mechanism for direct on the PELL grant on the same model that is used to distribute and account for money which is extraordinary that they would not try to invent something new and then force everybody to make that work. For that part, it should work.

The main difference in direct lending is it is really better for the student. Three years ago before they started changing the program and tilting the table towards direct and away from Stafford loan, it is just way better now with direct lending. The interest rates are a little bit better in this new legislation there is

some things included that were not part of the old. There's an income base repayment option – there's an in school consolidation that has been brought back in order to benefit from lower interest rates as they exist presently. The amounts of money as far as what is available to an individual student would have been the same in one program or the other. Administratively, it is a vast improvement. Direct lending has become vastly better. For those of you who don't know, I sort of retired three years ago. When I left direct and Stafford were pretty much co-equal and when I come back one of the first things people in staff said to me will you really lucked out because you didn't have to deal with all this stuff. For instance, banks one day in the program and the next day they are out, so you have to contact the student and say you know that master promissory note that was supposed to be good for four years – well you have to do another one because your bank is out of the program. The public doesn't understand that – they just see it as bureaucracy regardless of the source.

Chair Nelson asked if the borrowing would be done through the University. Colby Sellers replied yes. VP Johnson added the money will come to the University. Colby Sellers noted you get a line of credit basically. You give out money up to and you hit that and you request more. That is exactly the way they do the PELL grant. The account is vastly simpler too. If you are in Stafford loan program, you can't restrict the number of lenders – you have to allow students borrow through whichever lender they choose, so you are doing accounting for 20, 30, 40, 50 different lenders and now you do accounting for one. Chair Nelson asked if there still will be the private option that's available beyond the direct. Colby Sellers replied oh yes. VP Johnson responded obviously our hope is that it will ultimately benefit our students. We did not choose to go that route a number of years ago because it was a rather new approach and we were concerned that the processes would not be in place to meet the needs of our students, so that is why we went in a different direction. Now that the law has been passed, we have moved in that direction and we hope that it will prove to be positive change and make it easier for our students quite frankly. That's the reason for doing it we hope so we are cautiously optimistic as we like to say that it will work the way it is proposed to work. They have more experience with it since a number of the good schools that have been direct lending for a period of time, so most of the kinks were worked out. It's like buying a new model of a car – hopefully the kinks get worked out on somebody else before you buy one so we are optimistic that will be the case.

Trustee Griffin questioned there's money saved on this as far as direct. Colby Sellers replied it is a money saver. Trustee Griffin asked the amount for next year - what percentage of the total saved. Colby Sellers responded there have been all kinds of numbers thrown around – it's in the billions. The money that is saved is supposed to be directed towards - there's a deficit in the PELL grant. Now they don't have enough money to fund the PELL grant – a big part of the savings is to go to help keep the PELL grant afloat. Trustee Griffin asked after this year – if you have the same amount of dollars that would actually be more money into more grants. VP Johnson replied you would assume so – I'm not sure based on the tweaks that they did last night if that will necessarily be the case. Trustee Griffin stated I don't think anything was changed. Colby Sellers added I don't think there was enough money to guarantee what they had hoped. I still think that is on the drawing board. Trustee Griffin stated but that will increase. VP Johnson noted \$40 billion is supposedly being taken out of the pot to fund healthcare, so we have taken \$40 billion out of the saving to support healthcare. So what is left and how it is applied – we think a good portion of that is going to be directed to community colleges. I don't know that students going to four-year public schools realize those benefits but will see. I think it is too early to predict what exactly it will be in the mix when we finally get it quite frankly. We will keep you posted because it will be late breaking news. Chair Nelson commented it will have to be given to our students to advise them of this new program. Colby Sellers state we have laid the ground work in the last few months because the writing has been on the wall for awhile. We have done a lot with AIMS and with our staff to try to be ready. The next big thing is the publicity. I will say the schools in direct lending love it – they really do like it. There was a CNN thing I saw this morning before coming over here that said 2/3 of the public support the concept of direct lending rather than bank lending.

VP Johnson commented I would like to publicly mention that three years ago he retired. I want to thank him personally when we prevail on him to come back when Bill Bushaw, our Director retired to take over the role. I appreciate all of his hard work and effort. Just a note, Colby, next month will be receiving some treatment for prostate issues and so we wish him the best and our good vibes will go his way. He will be in St. Louis for a period of time dealing with that. Colby, we wish you the best and we will keep in touch with you and hopefully we will move forward and you'll get good reports.

Colby Sellers commented well I hope literally not to be haunting the halls of Sherman Hall in a few years from now. President Goldfarb replied come back and share stories with me, Colby.

PRESIDENTIAL ASSESSMENT & EVALUATION COMMITTEE

Chair Nelson stated there will be a presidential assessment this year similar to the one from last year. Notices will be sent to the governance groups to give their comments by May 1, 2010. Arrangements will be made for meetings with the vice presidents and president and as usual, there will be an evaluation report by the committee which will be released at the June meeting.

GENERAL DISCUSSION AND ACTION ITEMS

First Reading of the Institutional Self-Study for Re-Accreditation from the Higher Learning Commission-North Central Association of Colleges and Schools

VP Joe Rives stated you have been process, updated through the academic year. I just want to thank the over 200 people at Western Illinois University students, faculty and staff that have looked at our strengths in relation to the criteria for accreditation that you've read about, our challenges as we move ahead as an institution and three areas where we seek consultation from the NCA specifically in growing distance education, growing the Quad Cities campus and measuring and demonstrating our values.

Your last discussion on federal financial aid was very timely to the accreditation report. There are three primary consequences if an institution is not reaccredited. First and foremost, we would not be eligible for federal financial assistance or be able to administer any loan programs, so the feedback that you have been given through the course of the academic year and as you work through the first reading is very important we get just to continue the doom and gloom. If we are not reaccredited, then our degrees would not be transferable nor our courses so students would have nowhere to go and there wouldn't be a recognizable diploma so that would be very ill.

It is important that we get your comments. We did get from the commission our onsite review team that will be hear February 2011. The commission, as you might recall, extends from Wisconsin to Arkansas to West Virginia to Arizona. Our team is from all of those boundaries which is really a tribute by the NCA to recognize we are a national comprehensive university and we need a national perspective. I've edited the team membership with the President and the vice presidents. We have no conflict of interest – we don't know who is coming. Personally, we don't know them. Professionally, it's a really strong team of 10 individuals. I look forward to either getting your comments now whereas you have time. As you know, it's a huge document that you are reading. We will bring it back to you in June after we have worked through the governance endorsement process. Again, thanks to all of our governance groups and especially to the four behind me because not only are they helping shepherd through the process but they also served on the criterion addressing institutional mission. It's a really strong institutional document when our chairs of our shared governance both the four you see and the two on the Quad Cities campus who are stretched so many ways again give their valuable time. We also have a strong document because we do have students, faculty and staff on each of the teams.

Resolution No. 10.3/4: Release of December 18, 2009 Executive Session Meeting Minutes

Resolution:

WHEREAS pursuant to Section 2.06(c) of the Open Meetings Act, the Board of Trustees of Western Illinois University has reviewed the minutes of the executive session to determine whether the need for confidentiality still exists with respect to all or part of the minutes:

THEREFORE be it resolved that the Board of Trustees of Western Illinois University approves for public disclosure at this time the following executive session minutes:

December 18, 2009

Trustee Houston moved that the Board approve Resolution No. 10.3/4: Release of December 18, 2009 Executive Session Meeting Minutes. Trustee Taylor seconded the motion.

Roll Call

Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Yes
Trustee Taylor	Yes

Motion carried.

Resolution No. 10.3/5: Revision to Board Regulations, II.B.12.j., Benefits for Coaches – Second Reading

Trustee Houston moved to pass Resolution 10.3/5 Revision to Board Regulations, II.B.12.j., Benefits for Coaches – Second. Trustee Taylor seconded the motion.

Roll Call

Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Yes
Trustee Taylor	Yes

Motion carried.

Resolution:

WHEREAS the Western Illinois University Board of Trustees' has previously reviewed a first reading of a suggested amendment to the *Bylaws and Regulations*, Section II.B.12.j Alternative Benefits for Coaches; and,

WHEREAS the Board of Trustees approved the amendment during its meeting of December 18, 2009: and,

WHEREAS the proposed changes were electronically available to the campus community with a deadline date of March 12, 2010, for receiving written comments prior to final board approval:

THEREFORE be it resolved that the Western Illinois University Board of Trustees approves the second and final reading of revisions as presented below.

j. Benefits for Coaches

~~The following provisions shall apply only to coaches, who for purposes of this subsection are defined as temporary administrative employees appointed for terms of not longer than twelve months, and more than half of whose assignment is coaching intercollegiate athletics.~~

The following provisions shall apply only to coaches, who for the purposes of this subsection are defined as temporary administrative employees appointed for terms pursuant to written contract, or in the event of no written contract to terms of not longer than twelve months, and more than half of whose assignment is coaching intercollegiate athletics.

- (1) Notwithstanding any of the other benefits provisions of these Regulations, coaches may be given an appointment which entitles them to the employee benefits described in Section II.A.9. and Section II.B.12. above, (subject to the requirements thereof concerning application and eligibility), but with the following benefits:
 - (a) Coaches appointed hereunder shall be entitled to cumulative vacation leave which shall be earned at the rate of two days per month for each month in the term of appointment. Vacation leave may be accrued up to a maximum of 48 days. [An employee who accrues the maximum will earn no further vacation leave until the employee's use of vacation leave reduces the accrual below the maximum.] Upon termination of employment, and provided that the employee is not re-employed at the same place of employment within 30 calendar days, he/she shall receive lump sum payment for unused vacation leave at the end of his/her term.
 - (b) Coaches appointed hereunder shall be entitled to cumulative sick leave of ~~one~~ **1.5 days** per month of appointment. The employee may accrue cumulative sick leave up to a maximum of 360 work days and may use accumulated sick leave only when the employee is prevented from performing assigned duties because of illness, injury, or temporary disabilities. The employee may use up to twelve (12) days of earned sick leave per calendar year for absences resulting from the illness or injury of a parent, spouse, domestic partner, or child. Upon approval of the President, or the President's designee, an employee may use additional accrued sick leave for such absences. [Employees covered by a collective bargaining agreement with different sick leave benefits will receive those benefits according to their agreement.] Deductions of sick leave shall not be made during any Board approved holiday. No lump sum payment shall be made for cumulative sick leave earned after January 1, 1998. No more than five days of sick leave shall be deducted in any one calendar week.

OLD BUSINESS

Chair Nelson noted we have a report on presidential search. Trustee Epperly stated just to give you some updates – we have had several conference calls and a handout here of our committee list. Dennis and I have been involved with Kerry's support over the last month and a half putting this committee list

together. You are getting a copy of it – our first meeting is going to be held April 1st here in Macomb at 1:00 P.M. The search committee – David will be down for that meeting obviously and then also he is going to be in Macomb and Quad Cities campus April 26-28 holding some at-large meetings, discussions, etc. There will be a website set up soon - really there hasn't been too much to post on it up until this point so that is going to be worked on here in the near term. That is pretty much what is happening.

NEW BUSINESS

Chair Nelson stated there has been a request that we videoconference this meeting between Macomb and the Quad Cities. Just so you know, we did check and SIU does not videoconference, nor does University of Illinois but videoconference some committees because of the various sites that are made up of that board. Otherwise, there was no other university that videoconference. I bring this up for discussion whether there is any interest in doing it. Hypothetically, it would be people could videoconference the meeting from the Quad Cities when we are here and people could videoconference when we are in Moline for Macomb. Trustee Epperly noted it would almost be more interest to the Quad Cities I would think. VP Rives added the request came from a community member not the campus. Trustee Griffin asked what the additional expense would be, if any. VP Rives replied no expense – just the technology. Kerry Lemaster responded the personnel time. President Goldfarb asked VP Rives if he thought there would be attendance in the Quad Cities – that many people would be interested in the Quad Cities. VP Rives replied I have two staff members who regularly attend the Board so there would be that windshield time – would there be interest – it's really hard for me to say. I know I think our two governance representatives would be interested but I don't want to speak for them. Kerry Lemaster added and board members would still need to be onsite wherever the meeting is. Chair Nelson stated I have no problem either way myself. Trustee Houston commented my initial reaction would be that you know we say there is no cost – there's cost to everything you do and I don't think there would really be that much interest in terms of doing it. It may save Joe some in terms of people coming to this meeting. There are probably some advantages of those people coming on campus and communicating with their colleagues and that type of stuff. Unless there's a real demand for it, I don't know why we would. I still think there's costs involved in terms of doing it. Chair Nelson stated I don't think the demand is there.

Trustee Epperly questioned if we had – it caught my eye awhile back on several campuses – have we considered/discussed a non-smoking campus? President Goldfarb replied I don't think we have discussed it – we moved obviously actually before the State did in terms of moving smoking out of facilities and buildings, but I don't think we have ever discussed the whole concept of a non-smoking campus. It is fairly controversial. The Chronicle just ran the article about schools that have done it and not really being able to enforce it. You know you can do it but can you really enforce it - the reality is. VP Johnson added it is hard enough to enforce the 15-50 feet from buildings as it is without making people walking across campus chasing them down. Trustee Epperly noted it is a good revenue source. VP Johnson replied Bill trust me it wouldn't be worth the revenue. The Chronicle article made me do some investigation of other campuses. President Goldfarb stated let me talk to the VPs about it. I can't remember which school it was that they could not figure out what to do. They say it obviously works when students put pressure on other students, because there is no way the police forces on campus can patrol in terms of smoking.

Trustee Houston thanked everyone involved with the University for what they are doing – it is a very difficult time in terms of the financial situation that we are in. With Al's leadership and everybody including the faculty and staff, I think as board members we realize what is happening here and we are sorry we are into this situation but appears that everybody is trying to cooperate. We are here really to provide an education for the students and the students are the most important thing that we are dealing with and I think that is really where need to keep our focus.

President Goldfarb commented and as Mike knows and as we said before – we wouldn't consider borrowing. We very clearly want to pay our employees but the key reason for doing that is to keep the institution functioning for our students. None of us want to be engaged in some strategies that we are trying to undertake but the key is to keep the institution running for our students.

NEXT MEETING

The next regularly scheduled meeting of the Board of Trustees will be **June 4, 2010**, at the Moline campus.

There being no further business to come before the Board, a motion was made and duly processed to adjourn the meeting of the Board at **11:27 A.M.**

Steven L. Nelson, Chair

Kerry L. Lemaster, Administrative Assistant to the Board

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