

WESTERN ILLINOIS UNIVERSITY
BOARD OF TRUSTEES
Minutes of the Meeting
December 18, 2009

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

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 8:30 A.M. Trustee Houston seconded the motion.

Roll Call

Trustee Ehlert Fuller	Yes
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 8:40 A.M.

The following Trustees were present to answer roll call:

Trustee Carolyn J. Ehlert Fuller
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
Provost and Academic Vice President Jack Thomas
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 OCTOBER 16, 2009 BOARD MEETING MINUTES

The minutes of the October 16, 2009 Board of Trustees meeting were approved via unanimous roll call vote.

CHAIRPERSON’S REMARKS

Chair Nelson welcomed everyone to the December board meeting. From the Nelson family to yours, Merry Christmas, Happy Hanukkah, Happy Holidays and Happy New Year!

I begin this meeting with the good and the bad. The good is the Wednesday announcement by the Governor and I will defer any comments to Al. This is my favorite board meeting because I get to meet and greet our honors graduates, our graduates and recipients of the alumni achievement awards.

I would like to personally thank Norma Markert for 28 years of dedication and service to Western and personally thank Janice Owens for 27 years of dedication and service. We wish you well on your retirement!

On November 11, 2009, we dedicated the Wright residence as the new Veterans Resource Center. We would like to thank the past and present members of the armed services for their dedicated service to our country.

Congratulations to our President who was appointed by Governor Quinn to the new Serve IL Commission.

I want to thank all the faculty and staff for their continued work for grants and contracts to help support the University - keep up the good work!

I want to thank Al, vice presidents, faculty and staff for dealing with the current economic environment we pride ourselves in.

I would like to congratulate Teresa Little, Civil Service Employee Council – Employee of the Year. She works in the Office of the Vice President for Advancement and Public Services.

I want to congratulate Matthew Barr, a premiere WIU student-athlete, who was the University’s recipient of the 2009-2010 Lincoln Academy of Illinois Student Laureate Award.

I want to congratulate Dr. Matthew Bonnan who was a partner in the discovery team of the new dinosaur, Aardonyx, dating back 195 million years. However, I want to also note that he also found Epperly’s class ring.

Now for the bad, we are owed millions and we recently received a wire from the State for \$32.00. According to my calculations, the cost is more to issue the wire but not to worry because we all know that the situation will be resolved after the February 2010 primary.

The other bad is we received a letter from the State of Illinois about next year's budget that I will paraphrase. If you think this year's bad, wait until next year. Thanks for telling us how bad it will get. We thought it already was as bad as it gets.

PRESIDENT'S REMARKS

President Goldfarb commented it was really not a rumor about the ring – it really was found. As Steve mentioned, let's start with positive announcements.

First off, the Governor was in the Quad Cities on Wednesday. At the press conference, the Governor announced that the timeline for the start of the first building on our Quad Cities campus. He indicated that the State will go to bids for the next 15 days for that project. He expects over the next month or so that the best bid will be chosen. He set a date of March 1st for construction of first building. Under that timeline, obviously we are all very excited. The turnout for the press conference was remarkable in terms of community members. The press coverage was amazing as well and it is clear that this project has struck a major cord in the Quad Cities community in terms of economic development and education.

I want to thank Bill, Carolyn and Steve for being at that press conference. It was the Governor's birthday so we did joke that it was the first time that we got a birthday present from the Governor on his birthday as opposed to us giving a present to the Governor. It should be a very exciting project for all of us.

I did at the time continue to lobby with the Governor's aids regarding our Performing Arts Center here in Macomb. We don't want to let up on that as well. We are going to continue to lobby and hopefully see if we can get a similar kind of announcement at some point for that project, since we know how important it is to this community. It is a project the community has been asking for since the 1970s.

As Steve mentioned, this weekend is graduation and as I always say in my graduation speeches - it is the best weekend on campus. It really does recognize students who have succeeded in completing their degree programs. I am pleased this year in particular, since we are also celebrating the highest graduation rate in the history of the institution at 59.3% which is very close to some of the highest benchmarks among our peer institutions in U.S. News and World Report and other publications.

To get to the bad, Steve has mentioned and you will hear again this morning our cash flow situation. We are owed well over \$30 million by the State of Illinois. We are not the only institution obviously in the State facing a similar kind of crisis. This really is unprecedented. People ask what we are living on and we are basically living on tuition and four other reserves that we have on campus to meet our payrolls and basic necessities in terms of expenses on campus. This cannot go on indefinitely. Many of you saw the reports at the last board meeting at Southern Illinois and the President talked about it might make it to March possibly. We are facing the same exact circumstances. Everyone has to understand what that means is we are not spending dollars on anything else on campus. We have shut down all facilities projects on both sides of the house. We have to clearly use auxiliary fund services as well to meet payroll. Should there be major emergencies, we are not exactly certain how we would be able to meet those costs. Very clearly, there is significant amount of bills the State has not paid that we have already submitted as well. We are extremely concerned – I was pleased to see Senator Sullivan did an interview with WIUM said it was not a question if we get paid but a question of when. We are concerned about the when and constantly watching our cash flow within the institution.

I heard it described by one of my colleague presidents, if you sort of imagine a two-income household and we are a two-income household, half of our budget coming from the state and half from tuition, both members of the household continue to work and one side is not getting paid and you are expected to meet the same bills. It is a very good image used by one of my colleague presidents.

In any event, we will continue to work as carefully as possible. We are also holding off on hiring for the spring. My office, to use as an example, Norma will be retiring in a well-deserved resolution and we will not be filling that position at this point. We identified a candidate and told the candidate that April might be the earliest if the cash flow turns itself around and we will be doing the same across campus if the cash flow situation is not changed.

In terms of next year's budget as Steve indicated, we are also in amidst of trying to assess what that means. There's a great deal of concern in terms of next year's budget. The reality is that there is federal stimulus money in this year's budget and there will not be federal stimulus money in next year's budget, so that means we will already begin with a reduced budget. Our overall concern is with the State and Higher Ed's budget was supposed to be protected and we don't know what will occur next year. Agencies have already been told to begin looking at reductions, but we have not been told anything at this point. We are already beginning to take a review our budget and look at what we would have to do if we were asked to any sort of levels of reduction overall. The vice presidents and I will begin looking at that in January very closely.

We are in very difficult budgetary times. As Steve indicated, we thought this year is a tough one but last year was a tough one, but it looks like it is going to continue into the coming year as well. We will continue to try and assess. Our key commitment, as we have said over and over again and Jackie has heard me, is protecting instructional personnel and make sure our students receive instructional and support resources they need in order to complete their education. That is what we will continue to do – it will be a cash flow situation. I don't remember a time in my history in the State of Illinois where we are this far behind in terms of payments. You will hear a little bit more from Julie and Ron Ward a little bit later.

Trustee Houston stated you talk in terms of two different issues and one is cash flow and one is budget. Cash flow is the problem with the State. Budget is going to be a different problem but cash flow is the real problem. Trustee Houston asked if we had tried to thinking of worst case scenario come March – are we coming up with something out of box that we might be able to do something if we were forced to do that - in terms of borrowing. Dr. Goldfarb replied to be very frank I am not very supportive of borrowing. The President of Southern had suggested that at one point. If push comes to shove, then we may as a State system have to look at that. My worry is that we would do the same thing the State is doing. We will be borrowing against our future – not certain what our payments will be from the State and use as collateral our future tuition income. It will also hurt our overall capacity later on down the road and just mean that we are estimating our budget one more time. My argument is we push on the State. I think you will hear in a moment that we are expecting a payment next week of about \$6.3 million. We received one payment prior of about \$400,000. The \$6 million barely meets one of our payrolls but at least I think again provides a little bit of cushion. The real question is when are those dollars going to come. I'm concerned about borrowing. We will do what we have to do to keep this institution running. At this point, we are putting the running of the institution on the backs of our students, because we are basically borrowing against our students and that troubles me.

Trustee Houston replied I understand everything you just said and I agree with it. By the same token, I think I would be having some conversations with local banks under worse case scenarios as to what they might be able to do. Now is the time to be doing it as opposed to worrying about it on March 25th. Dr. Goldfarb added my other concern is that I don't want to let off those who are responsible.

Trustee Ehlert Fuller added when the Governor was making his announcements in the Quad Cities gave the President a wonderful compliment that I would like to share. In introducing him, he said that he is truly an outstanding educational leader in the State. I think we are very fortunate to have Dr. Goldfarb here to lead us through this financial crisis and also to acknowledge moving the capital projects along as

has been the case as largely attributable to his leadership. Trustee Houston stated in all honesty I do think we are very lucky that Al has been here over the last eight years certainly as we take a look at the economic times that we have been in. I think we have done as well as we possibly can and I think that is a direct result of the leadership he has provided. When I was talking to him on the phone earlier this week, my comment was “God I would have loved to see what he could have done if we would have been in just normal economic times because we have done very well over the last eight years if we just had some funds to work with”. President Goldfarb appreciated Trustee Ehlert Fuller and Trustee Houston’s comments. Carolyn, I was going to joke it was the way Darcie and I wrote it for the Governor. President Goldfarb responded I would have preferred the money also. I do appreciate everything that is going on campus – the work the vice presidents have done – they have had to hear no probably more often or give back than I think they would have ever expected and have worked extremely well as a team. The campus itself these are very difficult economic times and there’s always going to be crankiness and upset but this campus has worked pretty diligently through these tough times and has been in my opinion very supportive of trying to work are way through. These have been an amazing eight years – they don’t seem to be turning around very much right now.

LEGISLATIVE UPDATE

Assistant to the President for Governmental Relations Dave Steelman was absent due to minor medical procedures. President Goldfarb provided a brief legislative update regarding cash flow, next year’s budget that I’m worried about as well and the house bill that he is watching that would remove the 50% tuition waiver for employees benefit. Very clearly, we do not want to see that happen as an institution. We are monitoring that bill in particular in trying to check and see what the issues are there. We are still dealing with the changes in procurement as well. Dave apologizes for not being able to be here.

GENERAL COMMENTS BY VICE PRESIDENTS

Academic Services

Provost Thomas thanked Chair Nelson. We are geared up for the Honors Convocation that is scheduled for 5:30 P.M. today followed by two commencement ceremonies on Saturday at 9:30 A.M. and 1:00 P.M. This fall, we will have 903 undergraduates receiving their degrees while only 544 of these individuals will be participating in the commencement ceremony. We have 264 graduate students who will receive their degrees and 134 of them will participate in the commencement ceremony on Saturday.

This fall, we will highlight our Western’s new gonfalons, which are better known as banners. We have faculties who will be serving as gonfaloniers, better known as their carriers. The University has six new banners representing the University, School of Graduate Studies, and the four academic colleges. This will be a first for Western to have the banners/gonfalons here in the ceremony. You are going to have to learn how to spell gonfalons.

Our president has talked about cash flow problems as well as difficult budget times. However, we do have several searches going on. We have the Vice President for Advancement and Public Services search in full swing and I am in chair of that search. We do have applications that have come in. We also have the Dean of the College of Arts and Sciences search. Dean Paul Kreider is chairing that search and we do have lots of applications in for that as well. We have seven department chair searches and they are Accountancy, Communication, English and Journalism, Kinesiology, Law Enforcement and Justice Administration, Physics and Special Education. We do have 31 tenure track faculty positions that are vacant.

During the Board’s Retreat this past summer, I informed you that one of our main goals for the year was to create a robust summer school. I established a taskforce whose purpose was to recommend concrete

initiatives that could be put in place this year to not only increase enrollment but also to increase the funds coming into the University during summer session. The taskforce is completing its final report and I look forward to giving you a full report at the March meeting but here are a few highlights. The members of the taskforce consisted of directors and coordinators of various administrative offices here on campus which basically deals with summer school. One mission of this taskforce was to develop a summer session website and this is now available and can be accessed directly from the University's website.

In addition, we are beginning a major marketing campaign to include billboards in Macomb and the Quad Cities, as well as newspaper advertisements, posters on both campuses and various other kinds of media material encouraging students to spend their summer here at Western. A preliminary report from the taskforce was shared with the Faculty Senate and town hall meetings recently held here in Macomb, as well as in the Quad Cities. It is my hope that our action will result in a more robust summer session and will bring about an increase in enrollment here at Western Illinois University. As I continue to tell you, this is just one graph that we have already submitted and it will be a continuation - evolving type of project for summer school here at Western but our hope is to make sure that we have a robust summer session here at Western. This committee and area has been head up by Associate Provost Ken Hawkinson in my office.

Student Services

VP Garry Johnson thanked Chair Nelson. Happy Holidays to everyone! VP Johnson commented on the Wright House and dedication for Veterans Affairs Center. We are very excited about that - I want to particularly thank Kathy Meyers who is taking on that responsibility and doing a fabulous job, along with Karolynn Heuer who has hosted all of that during the process, as well as Al Harris who oversees that area. Physical Plant staff has done a great job putting together a premiere facility for our veterans and they are very pleased. We continue to work very closely with the VA in Iowa City who is very actively involved with us and they are anxious to find other ways to partner with us as well. I particularly thank those folks because they have worked very hard to make that a reality.

JB and his staff have done a great job in Housing and Dining and have won several awards since the last meeting. They continue to be outstanding professionals. Matt Bierman, who is our Director of Residential Facilities, just finished up a term as president of GLACUHO and did a wonderful job in terms of helping them refocus. Our staff continues to professionally lead their professions so we are excited about that.

Matt Barr, who was our former quarterback on our football team but had to take a little time off because of a broken thumb, was named Lincoln Laureate. Our athletes continue to do extremely well both in their sports but also academically as well and provide leadership for campus.

We are in the process of searching for a Director of Financial Aid. Bill Bushaw retired and we are moving forward with that search because that is one obviously that is critical to us given the extent of our financial aid efforts on behalf of our students. We are continuing to work through that process.

As Steve alluded to, we are in the final stages of hiring our enrollment manager consultant. We have gone through the bid process which tends to be fairly complex. We are trying to get the bids evaluated so we can get that company online for next semester in helping with our admission activities and programs. Eric Campbell has been very actively involved in getting that all set up.

Chair Nelson stated personally I cannot speak for the rest of the Board but I had a wonderful time last night at Thompson - I'm thinking about coming back as a freshman but I may not have the qualifications. VP Johnson replied Al Nemecek, Ada and the folks in Sodexo do a fabulous job for us in terms of food service. Basically what you saw last night is what students get.

Quad Cities, Planning and Technology

VP Joe Rives stated this was a great week for the Quad Cities community and thank you to the trustees for attending the announcement of the \$62 million. I started getting calls at 8:00 A.M. the next day asking about bidding. Bill Brewer and I have been working with the State to better understand the process they want us to work through to meet the March deadline the Governor identified. It looks like the State is going to allow for bids before bonding which is unique in how they do it. We are working diligently with Capital Development Board and PSA to hit a March ground breaking and depending how quickly construction forces can get mobilized it could start either March or April if everything goes according to plan. Obviously, there is a lot of could happens but we are trying to keep it on track as identified.

I also want to thank Trustee Ehlert Fuller for sitting in with us this week for selecting the firm for building two. We had all day interviews with five firms and have selected a firm and are contract negotiating as we speak. Trustee Ehlert Fuller sat in, as well as city aldermen of Moline, and many members of the campus community. It is very exciting times in the Quad Cities – again thank you for all your continuing support.

Thank you for reading accreditation chapters this fall and they will continue through March. NCAA will be very interested that trustees have in fact read and participated in the process. Many of you have been sending feedback as reports come. When all of the chapters are done in March, I will send you the completed document after it works its way through campus governance groups so you have a chance to see it all in one swoop. We will bring it to you at the June meeting and ask for your endorsement provided that our governance groups have endorsed the process. It will be important that you have the ability to say you read the documents and you were engaged in the process.

In the area of technology, there are a lot of cool things going on that were highlighted in your December Strategic Plan Update. You saw a draft for the new Macomb web-based website and we had four open campus forums. The last one on a Friday afternoon ended with 40 people in a standing ovation for the work that uTech has done on the site so that was pretty cool. That new website will be supported by a content management system which makes it easier for people to make webpages as the advantage there. At those open campus forums, we are also introducing a new campus intranet or Western only site. The campus will work on development and deployment of that in the spring meeting. We also completed eight open technology meetings with each of the colleges and Quad Cities campus and faculty and staff at large and both were highly attended. We had over 200 people talking about the directions they want to see technology going. In the area of Quad Cities, Planning and Technology, it is fast, frantic and fun. The target for the Macomb campus website is March 2010 which will give people time to learn the new content management system and be sensitive to the academic calendar.

Trustee Epperly asked about dark fiber. VP Rives replied we are waiting for guidelines to be released – we are ready to go. We have had a lot of meetings with colleagues across the state both in private sector and public and we need the guidelines so we can make it happen.

Advancement and Public Services

VP Jackie Thompson stated Janice Owens, Director of Scholarship, will retire January 1, 2010. She established a book award under her name with the WIU Foundation transferring \$1000 to this fund in her honor.

Julie Murphy, Director of Foundation Communications/Donor Stewards, chaired the Director of Scholarship Search Committee. I just really want to compliment her and her committee. They started the

search in November and they will have candidates on campus in January, so they have done an exemplary job moving the search along.

Alumni Programs had several successful events with most recently at the Howl at the Moon in Chicago with over 70 participants. I think a few people here were in attendance. They are also moving forward with their system which includes alumni career services, alumni mentoring and alumni admissions plan.

University Marketing assisted the development of the new banners located at the entrances to campus. They have researched a mobile marketing campaign and created a messaging strategy and continue to work with Admissions on strategies and materials for creating students.

University Relations provided professional support for such stories as Matt Bonnan's dinosaur discovery, Veteran's Day activities including the dedication of the Wright House, Governor Quinn's announcement regarding the Quad Cities campus and commencement weekend. As always, they coordinated interviews with President Goldfarb on the ongoing budget situation as well as weather related announcements.

Administrative Services

VP Jackie Thompson commented I am really disappointed I thought Ed was going to bring something for show and tell today but it's in his truck - Physical Plant continues to be challenged with leaky roofs, broken water lines, failing steam and condensate lines. If you look at the Heating Plant where all these metal bands are around is really a band-aid. I don't know what else to say about it. Dr. Goldfarb commented we are shocked Ed is here today.

VP Thompson noted if the deferred maintenance on campus were not enough of a challenge, we have put numerous projects on hold so we can be sure to meet our payrolls. I really want to compliment Business Services, Purchasing and the Budget office for their daily efforts in monitoring WIU's cash flow and expenditures. They have really done a great job of monitoring literally where we are daily.

WIU teamed up with Hertz for a pilot program which will be implemented with a free car to ride on campus next semester. There was a news release so I will not go into detail.

I am really pleased that Physical Plant now has a Sustainability Coordinator. While this is a new position on campus, it is not a new position but it is being reallocated through retirements. We now have a young woman named Amanda Green who is our Sustainability Coordinator. She is very enthusiastic and a real asset.

The wellness program continues to be a success with employees participating in sun damage, cholesterol, blood pressure, and bone density and hearing screenings. Many thanks to Judy Yeast in Campus Recreation, Cathy McMillan and her kinesiology students and our nursing students for making this opportunity possible for our staff.

Finally, ethics training is complete for another year.

Trustee Epperly commented this should be a matter of public record that since you mentioned the alumni activity at the Howl at the Moon that Bill Epperly left the bar before Dr. Goldfarb. Dr. Goldfarb noted but I have the pictures of Bill Epperly.

ADVISORY GROUP REPORTS

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

The constituency groups would like to appreciate the Board's decision of granting coaches sick leave benefits. In the current wake of former Football Coach Don Patterson's battle with tonsillar cancer, it is crucial that the Board show empathy to our dedicated coaches and staff whenever they cannot perform under such conditions. In that we wish Coach Patterson many blessings as he strives to overcome cancer and we wish well for all coaches in the athletics department.

Any hard working tenure at Western Illinois University shall not go unnoticed. Therefore, it is our honor to show Ms. Norma L. Markert much gratitude for her time served here at Western. Ms. Markert has been here since 1981 and has been a major contributor in Western maintaining its' presence as one of the state's finest institutions of higher learning. Once again, we wish many blessings to Ms. Markert in her life after Western.

Selecting the next President of Western Illinois University will be a very diligent and strenuous process. Creating the Presidential search firm will satisfy the requirements of the President's position and most importantly the needs of the students. We are in much anticipation of the search committee's formation and the selection of the next President of Western Illinois University.

Our facilities must be in good condition in order for anyone to have the best academic and social experience here at Western. Therefore, we fully support and appreciate the Board's pursuit of the State University Certificates of Participation Act. It is completely necessary for the outlined improvements for the steam lines, heating plant and sprinkler system. With these improvements the Board can continue to and other facilities that need renovation and construction.

Faculty Senate Chair – Dennis DeVolder

Chair Dennis DeVolder stated the Provost office and the Faculty Senate co-sponsored an open meeting on technology. Out of that meeting came a couple of points – one of those is the faculty want to ensure their involvement in the technology decision making process and the other is perhaps we can do a better job of communicating back and forth between faculty and technology administration.

Vice President Rives mentioned open meetings – that's one of the several things I have listed in my report actions that have come from that meeting. The Senate also unanimously approved some recommendations for President Goldfarb. One of those was that the Provost office be given sign off authority on technology decisions that affect Academic Affairs. The second is a recommendation that serves for an Assistant Vice President for Instructional Technology is undertaken. We understand that cash flow problems and budgetary difficulties but it's notable I think that a faculty body unanimously recommended the creation of a new administrative position.

In terms of the summer school taskforce that Provost Thomas talked about, the Senate did receive that report and discussed at length. In wake of that discussion, the Faculty Senate created an Ad Hoc Committee on Summer School for 2010 and part of their charge is to make a recommendation as to creating a standing faculty committee for ongoing participation in summer school decisions beyond 2010.

Finally, the Senate gave some guidance to the council on curricular programs and instruction relative to departments proposing pre-law options in their degree programs. Essentially, the outcome was the Senate directed CCPI to accept pre-law proposals from any departmental program and to list the pre-law options in majors and pre-law minors under the pre-law heading in the university catalog.

Student Government Association President – Darren Heard

President Darren Heard stated next semester SGA will be forming a student fees committee. As you all know, student fees is always a hot topic around campus, especially in the spring time when people like to be revolutionaries and fight against every dollar they come through. We are just going to try and smooth everything out with the student fees committee. Also recently in the news the plus/minus grading system again was subject to much controversy. SGA is doing its best to educate every student on campus about the new plus/minus grading system. Soon there will be a survey going out to every student. Chair Nelson asked when SGA expects the grade issue to be resolved. President Heard responded hopefully tomorrow but the problem is a lot of students don't want it – some students want it – some feel like we should have an A+ and some feel should not have A+. I'm going to give my timeline to be mid-February, Valentine's Day, a lot of love.

Trustee Houston asked about the plus/minus - is the faculty senate the same time? President Goldfarb replied plus/minus has already been approved by the Senate and President. The students are not happy with the possibility of plus/minus being implemented so they are acting at the review of the issue. The reality is like all processes by the registrar it was approved four or five years ago. The question now is SGA going to go back and ask Senate for review and President for review. It is probably part of the process but it was approved by Senate four or five years ago so we have went through a cycle of students when we approved it. I think SGA is looking at reviewing it. The appropriate approach since it was a Faculty Senate recommendation the President and I approved would be to request some review by Faculty Senate if there are concerns. That would be my recommendation to it – I don't know what negotiation has been between the two groups. Chair DeVolder added we would be happy to see that request.

Civil Service Employees Council – Ed Lavin, President

President Ed Lavin commented this was a lot better than last year – I didn't get my phone call from VP Thompson at 6:00 A.M. I have two things I would like to talk about and one of them I left out of my report accidentally. The first thing is the hard economic times and that the CSEC understands the position of which the University is trying to operate on a daily basis. We applaud the efforts of President Goldfarb and all the vice presidents in their efforts to maintain as many positions as possible. We also know that this may not be possible in the future. The Civil Service understands that layoffs and hiring freezes may be implemented in the near future. We may not like the idea but we understand that every effort has been made to avoid this situation. Again, we thank President Goldfarb and all the vice presidents for all their efforts. We really do commend everything that they have done to maintain the jobs that they have with this economical time. The second thing the CSEC supports the selling of certificates of participation for completion of the capital improvement projects at the Heating Plant and the steam line replacements. Many Civil Service employees work in the Heating Plant and do the maintenance on these steam lines and they know the condition they are in and both are the life flow to the University. We recommend supporting this endeavor.

Council of Administrative Personnel President – Schuyler Meixner

President Meixner thanked Chair Nelson and to echo Ed Lavin I would say I'm happy to be here on this ice free day in contrast to last year. On behalf of COAP, we wish all of you happy holidays. I do not have anything other than what was in our report, but COAP will be entering into an assertive discussion over the next few months in regard to the budget situation at the University.

FINANCE COMMITTEE REPORT

Trustee Ehlert Fuller noted that the first five items are informational purpose and the final item is a resolution requiring a roll call vote.

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

VP Jackie Thompson commented as you can see this list is pretty small and it is small because we have had to put a lot of purchase orders on hold. I would be glad to answer any questions about any of these. I do want to point out the last one which are hybrid vehicles and what is unique about this is it's a program that Charles Darnell made proposal to admissions and we are going to be putting our admissions counselors in hybrid vehicles. It is going to be a positive program for Western and the Admission counselors on the road.

Trustee Ehlert Fuller asked for brief comments on the box culvert and dual-degree program. VP Thompson replied on the box culvert at the Quad Cities campus is the draining ditch/pass through of storm water runoff and will allow construction immediate access to the building, which is federally funded and came out of a grant as opposed to us asking the institution for money. I believe on the Professional Services – Transatlantic Dual-Degree Program is in the Provost area of College of Business which is a federal grant and an exchange program for faculty. The first item is as you come in the steps you can see we have them barricaded off and we just have to repair that. There's an elevator project as part of it. President Goldfarb added Garry will tell you it is not disability accessible – you have to use a service elevator. We have to redo the front area anyhow so it is a very nice project that we can now find the money to do it. VP Thompson added it's a life safety issue. VP Johnson noted ultimately that project drives our ability to do anything with the Grand Ballroom in terms of renovation as well, because we need to take care of that space first and make it easily accessible. Trustee Ehlert Fuller asked if the Grand Ballroom was a profit center. VP Johnson replied the whole union is when all is said and done.

Report on Investment Activities

VP Thompson noted Ron Ward is going to come up along with Julie and we are really going to start the discussion on this with cash flow. They have the most current information.

Director Ward stated we learned last night that we are going to get \$6.3 million on Monday. It's about \$4 million short of the payroll. I can start off with something positive.

Budget Director DeWees noted I'm going to give you some big numbers and I'm going to do some rounding. Keep in mind that are general revenue funds and are income funds the budget is \$120 million, so we spend about \$10 million a month on average every month. Currently, the State owes us \$30 million in payroll and \$2 million in accounts payable, so we are down \$32 million from the State. Like Ron mentioned we received about \$400,000 yesterday. On Monday, we are going to get about \$6.4 million so hopefully on Monday we will only be down \$25 million. Now we will have our December payrolls of about \$10 million between the accounts payable and also the payroll. We have about \$30 million of income fund so basically at the end of December we are going to be borrowing against auxiliary services, self-supporting entity of \$5 million to get through December and those are student fees, student organizations, and self-supporting entity. We will be borrowing against AFS funds, self-supporting entities.

Trustee Houston asked when you get the tuition in will you go ahead and do payback and re-borrow in March, making the assumption it is necessary to re-borrow in March. Director DeWees noted it is kind of just different bank accounts. Chair Nelson commented so it's like a sweep for five and then when you get the money in – you will sweep it back into the account. Director DeWees commented it's very unfortunate because we are not receiving any interest not that it would be a lot of money any way but still.

Trustee Houston stated if we make the assumption that if we are borrowing that money and whoever has that money is receiving some interest and we will pay them whatever. Director DeWees replied AFS does not receive any interest. We are going to also need MAP money of about \$5 million in the spring too so we don't know when the map money is going to come in. We play with this all the time – how

much are we going to get in – what if we don't get in any. Every day we do not know what is going to happen. Bad things could happen – we could have steam line problems or have to start burning gas instead of coal. It's just so many things that we don't even know that could possibly go wrong.

VP Thompson commented we have had to make some decisions to go ahead with some projects because of the nature of the project where you don't have a choice. For example, the air conditioner in Archives went out and we had to have the humidity controlled in the Archives so we had to make the decision to proceed with that project.

President Goldfarb added it is hard for all of us to understand. There is no way you can plan for this kind of budget issue when you are talking about 50% potential reduction of budget. There is no way you can plan for that. The reality is there is no plan you can present – what you can do is you need to continue to constantly watch cash flow. It's like watching your own checkbook when you have a cash flow problem. Sometimes you cannot plan for those so you have to figure out how you control your funds. It is not planning for a 10% reduction that you know in advance. The reality is there is no way in which you can see that this is exactly what is going to happen. What you are trying to do like Julie says is monitoring day to day and trying to make the best short term decisions you can make without return on the dollars. It's a very hard thing for all of us to understand.

Director Ward stated I would like to comment on that a little bit, Al, too. The planning is the critical thing. We don't have the ability to plan with a situation like this. The \$6.3 million we got last night two or three days ago the fellow that was telling us stated it is money coming from the corporate income tax payments for recent estimates and some federal funds coming in. They are just handing them out with this money that they are doling out to the University. I don't know how much they gave to the other universities in this process. I would argue that we have the three-legged stool here. We not only have the education funds which are income funds but we have the AFS funds and the state funds. The AFS funds are about \$50 million and our state funds are about \$60 million and other funds about \$60 million. Some of the universities are struggling like the President of Southern is indicating that they are out of money right now at end of December. Technically, he is correct with that because it is how you view. Right now, we have \$30 million balance and December 31 and we have a payroll facing us here of about \$10 million and that \$30 million depending on how you define unrestricted funds, we are holding back our income funds but we have spent AFS funds to do that. Technically, we are out of money right now. This time last year our budget of \$60 million just like it is this year – we had vouchered about \$38 million and this year the same. Last year we had received about \$16 million at this point in time. Including our \$6.3 million that we got last night, we got \$10 million but the thing is on December 23rd last year and December 27th the State gave us a couple windfalls here of \$6.9 million and \$7.9 million so that brought really what they owed us down to a manageable number.

VP Thompson added what we will be doing today and Ron was gone yesterday is that we keep in constant contact with the Comptroller's office. Because we are approaching that time with Universities not being open, Ron will probably be back on the phone this afternoon or Monday to see if possibly there will be more money keeping in, and we will keep you apprised of that. Director Ward noted we have cash but how do we come up with that cash – that's the question the University needs to deal with. They owe U of I \$354 million for payroll and I don't know what their accounts payable number is. They owe SIU \$105 million payroll; they owe ISU \$46.6 million payroll; and they owe EIU \$33 million in payroll. Northern didn't share their numbers this time but it's well over \$50 million.

Trustee Houston noted SIU got \$17 million this week but they also owe SIU – School of Medicine well over \$100 million. Director Ward commented SIU is indicating they are technically out of money after December 31 – we think they are not including their AFS funds. I do know they always post separate and treat them as restricted funds so they are probably not including that in there. U of I are also indicating

some problems with that in their accounting areas they are technically telling them they don't have funds that they think they have, depending on how you define unrestricted funds - AFS funds, grant funds – there are other resources of funds that can be technically restricted. I would argue that we are borrowing right now and hopefully we will get sufficient tuition and fees coming in January and February. The MAP money is about \$5 million that needs to come in March or April on schedule. We struggled with that last fall getting that but we did receive it. We are tampering with the MAP monies also.

Chair Nelson asked how far are we behind in paying our vendors? Director Ward replied they owe us payroll with the \$30 less the \$6 million about \$24 million and owe us another \$2 million of what I call accounts payable reimbursements to us, but they owe our vendors \$1.5 million and goes back to July/August. VP Thompson added another thing they owe that isn't in this whole thing is the entire medical for all of our State employees – it's easily 7-9 months or more. Trustee Houston added I can tell you right off hand because I'm chairman of the board of one of the hospitals in Springfield and they have not paid us a payment for employee health since before July. They have not this fiscal year made a payment to either major hospital. Director Ward noted I can share some numbers there too with that. As of December 14, the State is behind \$4.3 billion in their accounts payable payments and reimbursements to universities. They also owe \$2.5 billion in short term borrowing that is due June 30. I don't think the amounts owed to medical institutions, hospitals and nursing homes – I have heard a couple of times they made comments down at Springfield that is not even entering into on the radar screen as far as these amounts that are owed.

Trustee Houston commented one of the major clinics in Springfield has stopped taking State employees. If you are a State employee, you have to pay up front and then look for your reimbursement from the State. Chair Nelson stated I had a bank president ask me if I would ask the Governor to pay his accounts payable because they have borrowers that do contract work for the State and they have not been able to make their loan payments to the bank and as a result they are probably not going to make it in the business world because they are going to run out of money. They are not getting paid by the State and they are not getting any money.

Director Ward commented nothing on investments more negative. Trustee Houston noted when you say that because you don't have cash balances – you are also not drawing interest. A few years ago when interest rates were higher, we had over \$800,000 of income for the quarter. Last year it was \$315,000 and this year it is \$29,500 – I mean that's real money. Director Ward added and the benchmark interest rate that we are dealing with right now is the lowest that I have seen in the last ten years – it's like .16%. We were earning about .4%. We are at \$30,000 this quarter on interest – it fails to the \$880,000 that we earned back in 2007 and that hurts too not having \$4 million in revenues for a year of interest at almost nil at this point.

Report on Contributions

Director Brad Bainter noted I almost feel like Santa Claus – I get to bring you good news about money. First, I would like to recognize the efforts of our division. As you know, we don't have a vice president in place this year and I think it would be a little easy to sit back and say the status quo is the way we want to go. University Relations, Scholarships, Foundation, Development and Alumni Programs have all come forward with new strategies and new ideas and better ways to promote our University to everybody. I am very much appreciative of their efforts.

Much has been said about Janice's retirement. I just want to give you a quick snapshot of what goes through that office in one semester. We are all pitching in to help Clarene, her assistant, in January to get through a month of students coming in looking for help. In this past semester nearly \$160,000 in book awards and other student assisted funds were awarded. Over \$476,000 in foundation scholarships were awarded. \$288,250 in student residential awards was given out. \$105,000 in short term loans were given

out and nearly \$545,000 in outside scholarships were awarded. That comes out to about \$3 million a year so as you can see that replacement is critical to our operation. I'm sure we are going to have more students than ever in asking for support in January.

I'm pleased to report our *Higher Values in Higher Education* campaign is now past the halfway mark towards its goal of \$60 million. We are still planning to announce the public phase of the campaign at a banquet on campus on October 29, 2010. The campaign ends December 31, 2013.

We received nearly \$5 million in gifts and pledges this fiscal year, including \$1 million to our annual fund which puts us on page for an outstanding year. Again, I must thank the development officers on campus and in the Quad Cities. Beginning July 1st, we made some changes in what we expected of them and they have all stepped forward and as you can see their efforts are paying off for us right now. In those gifts, we have just recently received three six figure commitments cash, one in the Quad Cities and two for on campus here at Macomb.

We have received close to \$100,000 in gifts from IRA accounts so far – legislation was extended again this year that allows individuals to transfer required distributions directly from their IRA to 501(c)(3) and not report as income. Owners must be at least 70½ years of age to do this. Chairman Nelson, I would be happy to send you some information on that. Chair Nelson requested he would wait a year. Director Bainter commented well I heard something about dinner at 5:00 last night so I thought that was an indication maybe.

One of those gifts was \$10,000 from a Macomb resident to support five scholarships in our engineering program, five \$2,000 scholarships in the engineering program in the Quad Cities, which I know will be very beneficial to that program as they continue to recruit students.

I think even more amazing in this current economy we have over 700 first time donors this year. To give you an example of how it is affecting us, contributions to the Presidential scholarship fund are up 26% over the same period last year and the number of individuals making gifts to that fund has doubled and we are only half way through at this point. The alumni continue to step forward and support this University. I asked our Annual Fund Director, Tim Hallinan, what he attributes that to. Director Hallinan responded it has something to do with President Goldfarb's retirement announcement, so gifts are coming in at a good time right now. President Goldfarb added they are glad to see me go.

Trustee Epperly asked about current pledge balance – is that in line with normal percentages? Director Bainter responded yes – as we go through the campaign, more and more pledges are being made so the outstanding pledge balance will probably go up. Donors are eligible to make campaign pledges up until the last day of our campaign, so someone could step forward on December 31, 2013 and make a \$100,000 pledge and we count the \$100,000 in our campaign totals but they have five years to pay it off at that point.

FY2010 Departmental Budget Allocations

Budget Director Julie DeWees stated I don't have a lot of comments about this but if you would like to look at page 71 you can see our priorities we established at the beginning of the year and programs that we tried to fund at the beginning of fiscal year.

I would like to make one more comment about the cash flow. This is kind of what Al tells me – we worry about what we can control. When we worry and worry, the thing we need to worry about is what we can control and that's our spending, so what we are doing is very proactive with the spending and hiring. Those are the things we can control, so we are very proactive with that and the other things we can't control. We still worry about it – I do.

Chair Nelson stated I would appreciate though anything you can provide us with of future payments, whether it is \$32 or \$4 million and what the bottom line is. VP Thompson stated we will add any of the board members that want to be on the emails that Ron sends.

President Goldfarb noted since they forward it to me, I will make sure that my office forwards anything immediately to the Board. Trustee Houston commented the real problem is you cannot control what the State is going to do - any plan you put together you know the major source of income isn't there.

President Goldfarb thanked Julie. She is doing a remarkable job as Jackie pointed out and the individuals in her shop, and obviously Ron in terms of keeping this University functioning, really in unprecedented time in my opinion in terms of how budget is operating.

Resolution No. 09.12/1: Request for a New Depository

VP Thompson stated I mentioned this at our last board meeting I believe in the fall. We are just asking to add Wells Fargo bank as another depository. It has been a long process but we finally got the contract agreed to so with your approval we will add them as a depository.

Trustee Houston moved to pass Resolution 09.12/1 Request for a New Depository. Trustee Griffin seconded the motion.

Roll Call

Trustee Ehlert Fuller	Yes
Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Abstain – I currently represent Wells Fargo Bank.
Trustee Taylor	Yes

Motion carried.

Resolution:

WHEREAS requests for the approval of new depositories may be submitted to the Board of Trustees at any Board meeting; and,

WHEREAS approval of a new depository named Wells Fargo Bank, National Association is being requested by the University; and,

WHEREAS approval for the following University positions to withdraw funds is being requested: Vice President for Administrative Services, and Director of Business Services; and,

WHEREAS guidelines established by the President were followed:

THEREFORE be it resolved that the Board of Trustees approves the new depository Wells Fargo Bank as presented.

ACADEMIC & STUDENT SERVICES COMMITTEE REPORT

Trustee Griffin noted two reports for Academic & Student Services Committee.

FY 2009 Performance Report

VP Joe Rives commented the Performance Report is a team support between me, Rhonda Kline, and Andy Borst, so thank you very much for helping compile the data in this report. With new approved *Higher Values in Higher Education 2008-2018*, you asked for a series of aggregate measures on how is the University progressing. You also asked for a website to show how these performance indicators are moving. This is a first report in its series. I guess a couple questions I had is are these the right variables for you and is this the right comparison set that you need to keep informed of the management of the institution? The report itself is the report that goes to the Illinois Board of Higher Education. I am assuming you read it and happy to answer any questions.

Trustee Houston noted when you are doing peer groups I would also like to see an addition to the peer groups Northern, ISU and SIU, because those are the schools I think we compete against directly and just to see how they are doing. When you are doing it, just drop in those three schools. VP Joe Rives responded we will add those Illinois public universities you wanted. In fact, Tere North is working on putting this report on the web and making it interactive. Once we finish that website design, we will send it out to you because that is another component of the report you had asked for.

Trustee Epperly asked about the acceptance rate percentage being down substantially – is this because of standards or numbers of applicants. VP Johnson replied that is one of the things we talked about when we had our admissions consultant here with us last semester. Most institutions last semester accepted 20% more students than they had the previous year. We, in fact, accepted 4% less so that is one of the issues we have addressed as a result of consultants working with us initially to make sure we address that issue and keep on track at all times. Obviously, we should be admitting more students not fewer but again without impacting our admission standards. Admission standards have not changed in that five year period.

Chair Nelson asked about the status of students currently involved in reviewing the Macomb website and how we interact for prospective students to find what they are looking for as a potential incoming student. VP Rives replied when we underwent the website review, all through the twelve months of development, there had been student focused groups with currently enrolled students and prospective students. We actually went out to a couple high schools and a couple community colleges, so we tried to get a wide range of opinions. Chair Nelson noted more and more students are finding a place online any more so that's good.

Enrollment, Retention and Graduation Rate Information

Admissions Director Eric Campbell and Institutional Research and Planning Director Rhonda Kline briefed the Board. Director Kline noted the enrollment retention and graduation report is an update from the report you received over the last three years. There is one addition, the graduation and retention table, and it is from our fact book and also on our web. One thing you might note is we don't include 2009 enrollment data. As you see new freshmen, new transfers and overall because at the time this is submitted to you it has not been released from Illinois Board of Higher Education. I do have access to some of that data from my colleagues but until it is released from IBHE we tend to not put it in this report. Over the last few days, we have received some of that information so Eric will probably talk about that a little bit.

Director Kline pointed out on graduation information that Dr. Goldfarb mentioned earlier - the 59.3% graduation rate is the highest we have ever reported. I wanted to give you some comparisons on the six year graduation rate nationally and within Illinois on four year institutions so this would include privates also. The most recent data I have from IPHED was 56.1% nationally for all four years. In Illinois, all four years were 58.7%. There are different studies you can look at to see where we fall in terms of

graduation rate that we are typically higher if you look at just selective institutions and not higher selective, usually the upper 40s.

Trustee Ehlert Fuller commented on the undergraduate admissions process, but I understand we have consultants we are working with and reviewing what we have done in the past and what we might do in future and also recognizing the very tough competitive climate we are in for students, so many good universities competing for the same pool of students. In the information we have been given in the past and have before us today, there isn't much data with respect to what we are really doing to attract those students. In the past, there were a number of years where we were meeting our numbers and getting the number of admission enrollments that we targeted and we were doing very well. In these years when it is harder to make our numbers, I am wondering if we have a more strategic plan. Are we making more visits; are we being smarter about it; are we trying to stay ahead of the competition? I would like to see where you tell us you made individual visits to high schools and had programs. I personally would like to see a little bit more data in respect to that with examples and numbers. It is possible when you finish with the consultant and go forth with a new program that would be recommended any way.

Director Campbell noted we are doing a much better job in terms of looking at the data that comes from those activities. In fact, when we began to advertise the new cost guarantee and the tuition break for students who live out of state, I have been reviewing information from the states of Missouri, Iowa and Wisconsin to see if those students are responding to the activities that we have been going to in those particular areas. We have done more things since I have been here than we have ever done before both chronically over the internet in terms of different kinds of programming events we have done more. Just to give you an example of the kind of activity that is coming out of the State of Iowa. This time for the entire year of 2009, we received information from 2,449 prospects from the State of Iowa. As of yesterday, just in December, for Iowa we have received 3,772 prospects now that converts into applications as well. In terms of freshmen there were 1,849 prospects from Iowa last year – this year there are 3,222 freshmen prospects. For the whole year of 2009, we had 53 applications from Iowa. As of yesterday, I had 54 applications from Iowa. For transfer students in the State of Iowa, I had 29 applications for the whole year in 2009 and as of yesterday I had 24 applications for transfer students, so we are seeing activity. We are seeing a lot of things happening.

In the State of Missouri, we had 949 prospects and right now I have 1,737. In terms of freshmen applications in the State of Missouri last year, it was 885 prospects and right now I have 1,699. Last year in the State of Missouri for 2009, we had 57 applications and as of yesterday I have 63, so we are seeing a trend and activity happen because we are doing more things we have done before.

We have all kinds of data – we have lots of information and we are learning how to massage that data and how to drill down to find out what the activities we are doing that is working. Last year, we did seven receptions at the President's residence and three in the Chicago metropolitan area and one in Springfield. Before the receptions began, 60% of those students had not paid their housing deposit which is an indicator that those students plan to attend Western in the fall. After the completion of all seven, 215 students came to that program and 185 enrolled and that's 82% of those students that came to those programs. We are doing it again this year.

We have lots of information – we are doing a lot more electronically. We pay for access for web based search tools that students use – one of them is called CAPPEX. CAPPEX allows us to penetrate areas that we are not able to physically get to because we are not able to cover the entire State of Missouri with one person effectively. We are able to do a messaging and a branding campaign and send information out on our tuition rates and cost guarantee and this is how we are generating the inquiry pool that we are getting out.

VP Johnson noted Carolyn one of the things we found out when we had our consultants here. Our initial sweep was when they asked us for data we could find the data. The data is available – most of it but it's a matter of how do we now take that data and drill down to be able to utilize it a little more closely and little more accurately to be able to focus on some of our efforts relative to particular schools, districts and areas of the state whether it is Missouri or Iowa in terms of dealing with those sort of issues. The other thing we found out as well from our consultant is what we want an 85 to 90 mile radius of students who have to find a reason not to come to Western, because they are the individuals who have been the bread and butter of the institution over decades of time. We wanted to make sure and Eric has done a great job of making sure that we get something in all of those potential students' hands and make sure they are aware of Western Illinois University and what we have to offer. I think that is part of the thrust we want to make and when we hire our new consultant and get them on board that they will reaffirm that very thing for us as well in terms of that is where a good portion of our students come from. The one issue we have with some of those students is that Illinois has lots of very small school districts, so we are seeing consolidated related issues all the time in the news. The problem we have with some of our small school districts is that those students do not have available to them all the AP courses and other things they need to score well on standardized tests. Their ACT scores tend to be a little bit lower so we have to work a little harder with those students. They are lucky if they have basic math classes let alone AP classes and pre-calculus and all the other things that allow them to score better on those tests. Again, we are trying to work out how to work with those students because basically they are hard working students who will be successful and have been successful here for decades. That's a part of what we are looking at as well in terms of how we make some of those things happen and keep those students in the funnel.

President Goldfarb added watching this over a long period of time in two different institutions – admission cycles are unusual. Sometimes they are not totally predictable on how much you play with data. I was just reading an article yesterday about Miami of Ohio, an institution that many people view as a public that has really done an amazing job and they were down 300 freshmen this fall. They are trying to figure out what the issues are and how to rebrand themselves and it's an interestingly enough institution that has a very strong brand and they are talking about rebranding. They were talking about the economic impact. They too are located in an area where it's a little bit more difficult to travel to and are starting to wonder if any of those issues are impacting them as well. I sent that article to Eric because it is an interesting article where they are bringing an outside consultant to try to work with them in terms of trying to figure out what the issues are. Many institutions in the past have used them as a target institution in terms of distinguishing themselves of a public. Ohio State and Ohio University have increased outreach to freshmen in specific ways – you see similar kinds of things here. University of Illinois opens up more freshmen spots and Illinois State opens up more. You have two new institutions in the state that have become relatively new in terms of four year, which is U of I Springfield and Edwardsville, which is still relatively new. Again, you have a more competitive market as well. We are looking at all of those issues – that is one of the reasons we extended out to Missouri and Iowa to try to see if some of those students become more natural enrollees as Garry is pointing out as well.

Trustee Ehlert Fuller noted Miami of Ohio is doing the same thing we are doing in getting a consultant. I appreciate the leadership but we see here going ahead with a self examination.

VP Johnson stated we are also dealing with some of the issues what I sort of refer to as the post 9/11 effect. After 9/11 we had lots of students and families who were looking for institutions that they consider being safe and away from urban areas. Now with the economy the way it is and price of fuel, they are saying that is important but we tend to forget about those things over time and so consequently those students are staying and we hear it is a distance issue. That is what Ohio University is dealing with as well so we have to try to find ways to address some of those issues. We are certainly trying to do with extension stuff and kind of also just with how we to counteract that piece in terms of getting students here and having them feel comfortable.

Trustee Ehlert fuller commented I also appreciate the executive summary you added to the report – that was very helpful.

Trustee Taylor asked when prospective students are on campus for Discover Western – do they visit classrooms? Director Campbell noted they actually have an opportunity to go to the academic departments when they break up and release the students to go to the academic programs. They go to the departments and they explain to them specifically what goes on in those departments. Of all of the state institutions, we are the only school that has a structured program like that. VP Johnson added on Discover Western lots of days they do not go to classrooms per se to see what the classroom involves in terms of teaching because they are done on Saturdays when we are not offering classes in many cases.

Trustee Taylor asked about the new website and student input and if there has been thought of a virtual tour. VP Rives replied yes and actually Student Services has had one for a long time standing. What we heard from our current students is they are very familiar with the location. They suggest maybe even linking it a couple other places so no matter what door you are at you can come to it. Trustee Taylor noted I just feel like that would give prospective students a better feel of the University to have to go through a tour also. Director Campbell added we currently have a video online – it's not a virtual tour but a real tour of the institution. There is a person going around campus and showing you different areas of the University so you click on our website or click on any place on the University website – there's a video tour.

Trustee Epperly asked if any of it will be in Spanish at some point. Director Campbell responded that is something we need to consider in doing some things in other languages as well as our electronic population begins to grow.

Trustee Epperly asked about the growing Honors Program. Director Campbell replied this is the program for the Honors College. They continue to have an increase in enrollment as the student go into that program. One of the things we do is I work very closely with Dr. Knox in the Honors College in terms of how they communicate with their students and providing them information and given them information on the newly accepted students so they can follow up with them. In fact, it is something we do with all of the academic chairs across the University community in trying to make sure they have information that will help the students make informed decision about attending Western. What I have tried to do throughout the year and previous years is to include more people in the recruitment process across the university community, including Student Government Association, fraternities and sororities, and other students who might be interested in volunteering to work with us. I think it is important and I had a meeting with the Council of Academic Chairs and to make sure that people have a clear understanding that it is not just the Admissions office but it is a University wide mission to get everyone involved in the recruitment process and well received. We want to make sure that we provide information in terms of reports of accepted students on a weekly basis so they have their names and contact information and the academic majors those students are interested in, so they can make a personal contact with those students and make those students feel like they are being courted by the institution with a personal contact and a warm fuzzy somewhere along the line in our admission process. We want to make those students know hey I got a call from a department chair or from a professor in the area I am interested in – they must really want me. Those things mean a lot to a young person who does not have an idea of where he or she may be going in their academic career.

Provost Thomas added also Trustee Epperly the Honors College has been charged with increasing the number of students they have and also they are creating a recruitment plan of their own so they can go out and recruit more honor students and bring them here to University.

VP Johnson noted we also have lots of individuals in Student Services that are also very anxious to be involved in this process in terms of finding additional ways in trying to help Eric in the Admissions office in terms of visits and events to help with. There are many active conversations going on about how we can increase our exposure and make sure in fact the kinds of things we do on campus when students and parents are here, are consistent with our values and also demonstrate the legacy this institution has prided over the course of time for students. We are also looking forward to getting our consultant firm on board so that they can help us over the course of the next couple years and really focus and help track where we are going and where we need to be and looking at the kind of student we should be recruiting and how all of these things fit into a broader plan in terms of advancing the University.

Trustee Epperly asked the definition of a cancellation. Director Campbell replied that is a student that applied for admission and decided at some point in the admission process that they no longer want to attend the institution so they canceled their application. They have to physically cancel their application – send us a letter or call us.

Trustee Epperly commented it stuck out to me that Eastern Illinois University was the only school in the state that had a decline in applications but they had the second largest increase in freshmen students. Have we looked at that as to what their practices are? Director Campbell noted when you talk about cancellations – we had 465 more cancellations last year than we did in the previous year. That is a lot of students that decided not to come to Western and go to other institutions for other reasons. I have done a survey to find out why those students did not attend and I have that data. I have given that information to Trustee Ehlert so she can look at it and have a conversation about it as well. I know exactly what the other institutions do and I work very close with them.

Trustee Epperly asked about the website – will it be optimized from the standpoint of key words when it comes to university schools? I use D’Angelo as an example – my understanding was one of the things that brought him here was the tuition guarantee. VP Rives replied we will continue to work very closely with the Admissions office and we have done web trends and talking about using the data more in how we can help Admissions.

Chair Nelson noted in the Quad Cities in some program I saw a map relative to the geographic area that we attracted students from the Quad Cities campus in Iowa and Illinois. Now that we have added Wisconsin, Missouri and all of Iowa, should we at some point in time see that map by county to show us where we are getting students from whether they are transfer students or incoming freshmen, so we can get a feel for how we are doing in those other states?

Trustee Taylor commented with “Take Western Home” in January where you guys would like to get a lead on how effective that is. Director Campbell noted since you brought that up – you have to explain what that is. Trustee Taylor replied you take Western home for the holidays. I haven’t done it personally yet so I would not be able to explain exactly what it is. Director Campbell stated it’s a program I created to try to get student volunteers to go back to their high schools and tell their personal story about their experience here at the University. Without making an official university sanctioned visit to a high school it doesn’t create any problems for us because we all work under constraints of a number of times we are able to visit any college or high school. If we have an opportunity to let a student go back to their high school who has a contact with a high school counselor or principal or students at that school and can come back and have a conversation even with one person. That may be a person that we have never had a chance to meet so this may be a way for us to get an impact in the school. I have asked students to do that both over Thanksgiving break and over Christmas break when they have some idle time to go back to their high schools right before school is out and tell folks I’m going to Western. I’m having a great time and provide them with our brochures, information about the university and t-shirt. They were handpicked students and very good representatives of the institution and very proud of being here and very excited.

VP Johnson also noted as a point of interest there are a limited number of opportunities for us to get into schools. We cannot just go whenever we want to – we have national and state rules that tell us how many times we can make visits. They are constraints we wish we did not have but we do.

Trustee Houston commented in terms of the program you just described – do we do any terms of involving our students where we have had someone submit an application to be in contact with a student whether it is peer to peer that if somebody has questions they can just talk to them by phone, email, or texting to try to maintain a closer personal contact where you have a student to student situation. Personally, I think that is probably the most effective.

Director Campbell responded we are doing some things right now – we always have the graduate student in the office working with us who does a great job. We have assigned her to a facebook project and we are using the social networking as a recruitment tool. She is assigned to work with facebook on a daily basis. She answers every question that comes into the office from anybody that posts on our facebook site. She does chat sessions with them. We do chat sessions in the office and try to involve our graduate assistant and any student that would like to be on the website with us when we do those. We try to do the student to student contact through chat sessions and information sessions on campus when we bring folks to campus she is available to talk to students as well.

In terms of telephone conversations, we really haven't put together students for the phone bank yet. At some point in time, we will be doing that – there's a cost associated with that as well but what we were more concerned about was making sure that an admission counselor was working closely with that student so they can provide them with the kind of information they need to get to the next step. Not that we don't want student to student contact – when we do our Discover Western programs, there is student to student contact. We have a student panel and we ask the students to be there to answer questions to any student that comes to visit us that day, so yes we do involve students in our recruitment activities as well, as volunteers who do lots of things with us. We have student tour guides.

Trustee Houston asked in terms of special admits – is that 300? I noticed we had 253 in terms of the report. It would seem to me that would be a group of students that you sort of max out. I just wondered why we think we weren't maxing out in that group. If they are a special admit here, it seems to me they would be a special admit at any other school. That should be a group I think you would be filling up every year. President Goldfarb commented we have looked at some of the data and in some institutions they have not been special admits. We have actually had that conversation and we are actually looking at that very closely right now. Provost Thomas added Eric has presented some data to us and we are looking at that now even comparing where those students have gone who actually applied here and gone to other institutions as regular admits where we turned them down. We are also waiting on the consultant in terms of report as well.

Trustee Griffin asked when you have someone apply at the school district or high school – do we have records of the students on campus who come from are now currently enrolled from the same high school. Director Campbell replied yes we do. Trustee Griffin then asked if there was any way we could use those students as a means to contact the person who is applying from the same school. VP Johnson responded we currently have the capability to do that but I don't know if we have been doing it to the extent we should have. Trustee Griffin added it just crossed my mind that someone who graduated several years ago – you could have your own ambassador from so and so township high school.

Director Campbell stated clearly you have to have a student who is a good representative of the institution. Trustee Griffin stated but what I am saying is from the same school for that focus. VP Johnson noted one of the things that Housing and Dining has done for a number of years – Inter-Hall

Council invites 30-50 students that have been accepted down for the weekend and go to classes. They spend Friday and Saturday with students that live in residence halls and uses that as a recruitment seal for them as well and that program is an outstanding program and has been going on for a long time.

GENERAL DISCUSSION AND ACTION ITEMS

FY 2010 Master Plan Update

VP Joe Rives stated this has been a team sport and Bill Brewer and Matt Bierman are both in the audience and really helped develop this report that gives you a look across campus of different master plan actions that you approved and we are pressed upon.

First thing we wanted to talk to you about was capital funding new facilities construction. It has been a really exciting year. You might recall in the passage of the capital bill that Western got the second highest value allocated. That doesn't mean funds have been released yet but we fared really well, especially when you look at peer institutions that Trustee Houston talked about earlier this morning. The capital bill obviously as Dr. Goldfarb said will support the Performing Arts Center as well as the announcement for the first two buildings on the Quad Cities Riverfront Campus.

I would be remiss sitting next to Jackie if I didn't say the capital bill also supports \$3.5 million in preventative improvements that are so desperately needed, as you might recall Charles Darnell's presentation from your last board meeting.

Looking at new facilities over the past twelve months, this is actually a very fun report to put together because it is amazing how much we have as an institution accomplished. As you recall, we moved the School of Engineering into the Caxton Block building. Students have commented very favorably upon the facility. It is currently being used to support engineering and MBA programs when engineering classes are not in use, so we are maximizing the facility and the gift and John Deere has been very pleased with maximizing the facility and the gift.

Back to last year with the Multicultural Center and promise to have a groundbreaking and that is where we left and as you recall at Homecoming, the first LEED facility on campus was open and truly beautiful – congratulations!

We have talked a lot about the Wright residence this morning and that dedication occurred at Veteran's Day.

Last year, we left you with Memorial Hall saying we needed to build an elevator and elevator pit on the exterior of the building. The pit is done and the interior work is being done as well. The internal work is progressing with high back and wiring on all five floors of the facility. Doors and walls are starting to take shape and moving along well.

Upgrades to campus learning spaces are another thing in the Master Plan you approved. We have provided campus permanent improvement project with the electronic classroom upgrade program. What that translates to is Physical Plant and University Technology, in conjunction with the chairs, who sign off on the work, design the room. We do both the physical appearance of the room as well as the technology in the room. Also in the past three years, we have ordered furniture that has been a partnering too. It has been a complete overhaul of the room. The department chairs approve the technology and the location in the classroom. The new ELMOs, if you are not familiar with, is the thing that looks like a desk lamp is about half the size of the previous generation. It is much more efficient and functional. There is a touch panel screen and a dual boot MAC that operates both PC platform and Macintosh platform. We are working with a couple of the departments who have asked for dual boot computers that

do either PC and Linux to get into more departmental specific applications, so we will be working with the departments at their direction. Another component of this combined effort is you will see there is a phone in the room for security purposes. Horrabin Hall 59 has new furniture as well as a different look at Waggoner Hall. The learning spaces have been enhanced both at the Macomb campus and on the Quad Cities campus. If you look at the ratios, they are about equal so the project is moving together in tandem across our campuses.

Housing and Dining plan you approved with a new look at Corbin/Olson and what is planned. Matt Bierman is here if he wants to talk more specifically. A similar plan is planned for Lincoln/Washington in the coming year. Tanner work has been completed. In addition to the Thompson Dining Center that we enjoyed last night, you can see there has been other critical components of upgrading of Thompson Hall. Wetzel Hall has been taken off line as approved in your plan.

Target Western Forward, Dr. Van Alstine is here and I know there is an athletic update later. I took this off the website to show the projects that are currently in design which are the athletics training room and the vision for the football field – a couple projects in intercollegiate athletics completed.

We have covered external cracks into Malpass Library – there are permanent improvement needs in our learning spaces which are critical we address. Jackie talked about the bandaid on the Heating Plant stack and we didn't practice so it's ironic you talked about it. Ed, to you, the condensate leaks we talk about – this is the mess and it's pretty amazing to think that is what Ed does when he comes to work is clean up the mess. It's a look at the pipe and how awful of condition it was in – not due to Western neglect but the age of the system as we talked in the past. We put in a much higher quality piping. The hot water system in Tanner – again no neglect on Western's fault – they replaced it and makes you want to drink almost hot water now.

The column from the Sherman Cupola and there's challenges not only in our learning spaces I have tried to identify to you – basic infrastructure of water and heating, as well as our current historic facilities. The column is missing from the cupola so there are significant challenges, sustainability efforts during the past twelve months.

The pre-condition of the culvert has been covered up at the Quad Cities campus which shows you immediate access to building one. With the renovation of building one, that in itself, is a major sustainability effort. The building will be LEED certified – silver level.

Planters and pavings have occurred across campus, using the Multicultural Center as an example and actually occur on both campuses.

Trustee Epperly, this is something you have asked for and is the ratio of trees planted to trees removed. You got it! It's a 4:1 ratio. You can see the trees removed were ill.

Sustainability is also taking care of what we have such as the Grote east side patio with landscaping and new benching. If you go over there in the warm months, it is really quite a popular area and lovely facade. The Physical Plant, as Vice President Thompson talked to you about, is working in the area of lighting and sustainability in new bulbs, as well as pilot testing the ways in motion light sensors - very interested in Quad Cities renovation and construction on how the results go so we can apply it to our new facilities as well. Energy lighting retrofits that we have talked about grants we received through the years.

Physical Plant is piloting a new electronic vehicle. There are a lot of sustainability accomplishments and I would encourage you to the University A-Z index, S, for Sustainability. These are all the different

reports that Charles Darnell and the committee have prepared in the last two years at Western Illinois University.

In technology, we purchased faculty computers. We started the program in 1999 but the oldest computer on campus was from 1981. You can see the program having the intended effect with chairs deciding which faculty gets the newer computers. We are losing the elder ones and have a more current distribution. Over time again what we are hoping is to establish a four-year rotation, and we are halfway there right now with faculty computers.

A third of the classrooms in Macomb and a third in the Quad Cities have been updated. We are very proud of our computing laboratories that uTech and Quad Cities technology and support services maintain. As you can see, all of those computers are on a four-year rotation.

Trustee Epperly asked if we had any idea of the percentage of students with laptops. VP Rives replied we have surveyed and it's in the high 90s on both campuses. There's actually a mobile computing taskforce that Dean Kreider is co-chairing and they are going to be working with uTech and the colleges and departments as we think about our computing labs. They are not the stationery labs that we knew of. There was an article in the Chronicle a couple weeks ago that Dr. Goldfarb sent to me talking about costs savings and designing computer labs without the computers. We will be working closely with Academic Affairs, Student Services and others in the spring semester on that issue.

Annual Report on Athletics

VP Johnson stated obviously this is an annual report – we do it every year, so I will let Tim walk us through this. We have provided a significant amount of information up front and we will answer any questions you might have relative to the report. Director Van Alstine thanked Dr. Johnson. This is really not an annual report in the sense it falls in the middle of the academic year so the report I provided to you basically goes from one year to date fall of the late of spring 2009. We will have more information academically on Tuesday when grades are finally released.

A couple of highlights – first on the academic side – spring of 2009 first time ever in the history of Intercollegiate Athletics at Western Illinois University that are overall student-athlete GPA surpassed the 3.0 mark. We are obviously pleased at that. During 2008-2009 academic years, 11 of our sport programs earned the 3.0 GPA or better. Individually, we have already discussed a great accolade for Matt Barr, considering he was our starting quarterback until he broke his thumb. This is the first time ever that a student-athlete was recognized as the Lincoln Laureate award winner, so obviously we are very pleased with that. Eric Anerino is another young man who has done terrific things for us athletically in terms of community service. He was nominated by Western and will represent the Summit League. He is one of 31 student-athletes from across the country of all the Division I conferences that will Western at the National Student Athlete Advisory Council. Jenna Keane, another student-athlete who was recognized and selected to represent Western Illinois University on the national basis.

A couple of teams that deserve recognition are our volleyball program receiving the American Volleyball Coaches Association team academic award and for the second consecutive year are softball program received national recognition as having the ninth best overall GPA in the country.

Community service – certainly our student-athletes continue to provide services to the community in terms of fundraising as well as volunteer hours.

Personnel, you can see there is a long list. Obviously, we address our loss with Stan Hyman as our head baseball coach. We are happy to announce we have named Mike Villano as our new head baseball coach.

We are expecting Mike to follow the lead of what Stan has done and continue to move our baseball program forward.

Athletically, I think we are all very pleased with the fact in the spring that Jason Williams was the #1 draft choice of the Dallas Cowboys. He was the 69th pick overall. He wears #58 so when we are watching the Cowboys on national TV look for #58. He was also recognized as the Grand Marshall for 2009 Homecoming parade.

Herb Donaldson, another terrific student-athlete, signed as a free agent. Unfortunately, he was released before camp. He actually came back and then unfortunately was released again. On the golf side, those of you who are interested in golf, Kyle Peterman earned his way into the US Open.

As you can see, three of our coaches received Coach of the Year honors. We received seven student-athlete recognitions for either Player of the Year or Newcomer of the Year.

From an academic standpoint, our graduation success rate was great. Eleven of our sport programs received an 80% or better and swimming/diving and our volley program received 100% in terms of their graduation rate. I am very pleased to announce that Cole Waddell and Mandi Wright will serve as Commencement Marshalls this evening and be recognized during the exercises.

Men's Soccer continues to do well and they won the conference championship and they represented Western in the NCAA Division I tournament.

Patrick Stoudarmire was invited to participate in an all star game which is the State of Texas Division I student-athletes versus the rest of the country.

Over the course of the fall, there were 14 student-athletes named All-Conference Teams; four student-athletes to All-Newcomer Teams; and six student-athletes were recognized to All-Tournament teams.

We named Mark Hendrickson as Head Football Coach. Mike Stevenson took a job over at Purdue and very happy for him for his professional advancement. We named Matt Morris as Interim Head Track and Field Coach.

Trustee Epperly asked if we get a report for external revenue generation you refer to here. Obviously, with all the challenges, are we increasing revenue externally? Director Van Alstine replied the sources of revenue that we receive on an external basis primarily come from three different areas which are the private, philosophic money and our ticket sales, but we also receive a significant amount of money from the NCAA - part of the men's basketball tournament with our contract with CBS television. We receive money directly from the NCAA for our sports sponsorship and because we are a Division I institution. Also, we are expecting more and more fundraising from our guarantee games. For this example this past year, fortunately or unfortunately, our football team played Northern Illinois that guaranteed contract was only \$150,000. Looking ahead to the next five years, we will be playing Purdue, Missouri, Iowa State, University of Minnesota and Northwestern. All of those games will be at \$350,000 to \$375,000.

On the men's basketball side and women's basketball side, we are also asking them to play guarantee games to generate some revenue. In terms of the Western Athletic Club, soon to be the Leatherneck Club, we continue to expand our membership and the more members we receive – the more money we receive as well. Trustee Epperly asked if the funds were going up for the Leatherneck Club. Director Van Alstine replied it is like everything else – these are difficult economic times and a lot of folks are having difficulty parting with their disposable income. The effort is not lacking – I can tell you that.

President Goldfarb responded we can get you that data. Director Van Alstine added I can give you comparisons over the years. I would be happy to do that.

Resolution No. 09.12/2: Release of October 16, 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:

October 16, 2009

Trustee Houston moved that the Board approve Resolution No. 09.12/2: Release of October 16, 2009 Executive Session Meeting Minutes. Trustee Epperly seconded the motion.

Roll Call

Trustee Ehlert Fuller	Yes
Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Yes
Trustee Taylor	Yes

Motion carried.

Resolution No. 09.12/3: Revision to Board Regulations, II.B.12.j., Benefits for Coaches – First Reading

Chair Nelson stated this matter will be voted on again in March. Kerry Lemaster noted as usual we will solicit comments from the campus community.

Trustee Epperly moved to pass Resolution 09.12/3 Revision to Board Regulations, II.B.12.j., Benefits for Coaches – First Reading. Trustee Griffin seconded the motion.

Roll Call

Trustee Ehlert Fuller	Yes
Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Yes
Trustee Taylor	Yes

Motion carried.

Resolution:

WHEREAS the current Western Illinois University Board of Trustees' *Bylaws and Regulations* provide limited alternative non-cumulative vacation and sick leave benefits to coaches; and,

WHEREAS Western Illinois University strives to be family-friendly and equal in terms of benefits and has recently approved Parental Leave and Domestic Partner benefits for employees at Western Illinois University: and,

WHEREAS Western Illinois University desires to offer similar cumulative vacation and sick leave benefits to coaches by the revision of Section II.B.12.j. of the Western Illinois University Board of Trustees *Bylaws and Regulations*; and,

WHEREAS these proposed revisions to Benefits for Coaches have been reviewed and approved by University Legal Council prior to being presented to the Board of Trustees for review:

THEREFORE be it resolved that the Western Illinois University Board of Trustees approves First Reading of the revision to the *Regulations* Section II.B.12.j. – Benefits for Coaches.

Resolution No. 09.12/4: Staff Appreciation – Norma L. Markert

Chair Nelson read the below Resolution for Norma L. Markert. Norma commented it has been a pleasure. President Goldfarb noted Norma never likes to be center of attention, but I will also say that she will be intensely missed from the President’s Office. The joke around the office is who is going to keep the rest of us calm now, Norma, without you there. She has always been this kind of steady person in the office making sure all the rest of us steady and has provided remarkable service. We all are going to miss you, Norma! Thank you so much for everything you have done.

Trustee Ehlert Fuller moved to pass Resolution 09.12/4 Staff Appreciation – Norma L. Markert. Trustee Houston seconded the motion.

Roll Call

Trustee Ehlert Fuller	Yes
Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Yes
Trustee Taylor	Yes

Motion carried.

Resolution:

WHEREAS Norma L. Markert was hired at Western Illinois University on April 22, 1981; first working in International Programs, then in the Centennial Honors College (1983-1984) and then for the National Council for Geographic Education (1984-1986); and,

WHEREAS Norma Markert was hired by then-President Leslie F. Malpass to work as a secretary in the President’s Office in October 1986; and,

WHEREAS Norma Markert has provided outstanding service for Western Illinois University in the President’s Office for the past 23 years, serving as secretary to four presidents and to the Board of Trustees since its establishment in 1996; and,

WHEREAS Norma Markert was named Civil Service Employee of the Month in March 2007; and,

WHEREAS Norma Markert has completed more than 28 years of continuous service at Western and during that time also earned a Board of Trustees Bachelor of Arts degree from Western in 1993; and,

WHEREAS Norma Markert will retire from Western Illinois University on January 1, 2010:

THEREFORE be it resolved that the Western Illinois University Board of Trustees expresses its heartfelt appreciation and congratulations to Norma L. Markert for the invaluable service she has provided to Western Illinois University, the Board of Trustees, and the State of Illinois.

Resolution No. 09.12/5: Presidential Search Consultant Firm

Trustee Epperly stated first of all I would like to say I appreciate your opening comments about the good and the bad and not including the ugly, because I am sure I would have been involved in that Clint Eastwood scenario if you would have said that.

I should point out that in regards to the comments to the dinosaur and fossils and so forth that even though we had a contest awhile back, it was my grandchildren and my wife trying to figure out how old I was – when they finally got to what they thought was an unbelievable limit, my granddaughter commented 64 you should be dead by now, so that dinosaur thing is not that whatever. I pointed out to my grandkids thank you to Dr. Thomas you are never too old to learn as I just received my doctorate this past year.

Chairman Nelson asked me to be the one of the co-chairman along with the Faculty Senate Dennis DeVolder for our search committee. Also, Chairman Nelson asked Carolyn Ehlert Fuller to be the other trustee in regards to committee. We solicited bids and went through the state recommended/approved search committees. Basically, Dennis, me and Carolyn discussed the different ones and narrowed it down to five. We asked three of those firms to submit bids and make a presentation which we did and met in the Quad Cities recently and interviewed each one of the three firms. Very simply, our group is making the recommendation that we go with Korn/Ferry. I was highly impressed with the firm and was also highly impressed the individual who would be doing the great majority of the work for us. Carolyn and Dennis, I don't know if you have any other comments in regard to that recommendation as to your own personal thoughts. Dennis DeVolder commented not too much to add to that. I was equally impressed with the individual from Korn/Ferry. Their terms were certainly equivalent to the others and where they weren't, were willing to modify that. Trustee Ehlert Fuller added I would believe that the decision was unanimous.

Trustee Epperly noted in their credentials with other presidential searches I think far and far by the distance the other firms involved. With that, we are putting each one of you have received their fee proposal. We put that together and what we are recommending the flat fee proposal. I want to thank Theresa who has done a very good job of working with them and soliciting their bid. Several things that were in there that was interesting was their normal administrative fee was 12% and Theresa negotiated with them to bring it down to 9%. Also, their normal fee is 1/3 of the compensation agreed upon when the new presidential person is selected and whatever fees that are agreed upon at that point or a fee based upon a range of salary what we think that range will be in. Basically what the starting point of whatever the presidential pay at this point compared to whatever we think we may have to have. It is 1/3 of that fee so either one of those I feel would be a decent amount of dollars higher than what they have offered as a flat fee of \$90,000. The fee involved, we are recommending going with the Korn/Ferry and the second part of that recommendation is with the flat fee proposal.

Trustee Houston commented one of the firms that I know submitted last time was the consultant that we had used. Is this that person or a different person? Trustee Epperly noted different firm - different

person. Trustee Houston asked in terms of the fee we are talking about on a flat fee of \$90,000 – does that include all their expenses? Trustee Epperly replied no. Trustee Epperly asked so we are paying direct cost expenses. Trustee Epperly stated if I understand your question right - we are paying travel expenses for them and any candidates, so that would be on top of that based on our costs. Trustee Ehlert Fuller noted there is another element of expenses and that is the 9% that was negotiated, so 9% of \$90,000 is \$8,100 plus direct expenses. Trustee Houston replied okay that is where I was confused – I couldn't figure out what the 9%. Trustee Epperly added they view the 9% as administrative expenses for basically staff support, phone bills, postage, etc. Trustee Houston added I assume that was sort of a standard with each of the firms. Trustee Epperly replied yes standard and when we asked – Theresa negotiated it – we asked for the lowest and 9% was the lowest fee of any of the proposals. With that, I guess I make a motion that we go with Korn/Ferry and that we do the flat fee contract which all of you have a copy of there.

Trustee Houston commented when we did our last search we were very fortunate to hire Al, but I think there were two ingredients that really made that search successful. One was the fact that we did a good job of picking consultant to work with us. The second was the President of the Faculty Senate and that person plays an extremely important role in terms of moving this process forward. I mean those really are two very important ingredients and the amount of time that you are going to spend in terms of this - you will end up spending more time than anyone else. Really when we did this last time, Tom was the person that really kept this moving forward and doing a lot of communication with the campus. I cannot emphasize the importance of your position and your involvement in this process as we move forward.

Trustee Ehlert Fuller noted we are fortunate to have Dennis who obviously is going to be excellent to work with. Trustee Epperly added the heat is on you now Dennis. Dennis DeVolder commented I have a great support network.

Trustee Epperly stated FYIs at this point and just to give you a little bit of an idea as to timeline, what we are thinking with the three of us meeting yesterday: one thing I do want to point out we have asked Kerry to be an administrative assistant ex-officio as a recording secretary and what we are asking her to do pretty much is anything that happens with records being consolidated, kept on and so forth because actually we did go back to try to find some of the records from last time and it was little more difficult than we thought it should be. We actually went to archives and was looking for things and fortunately the Faculty Senate had kept a good file also, so we fell back on some of those things. Kerry's the keeper of the books. Also I wanted to point out that Andrea has also been asked to sit in as an ex-officio member to make sure we are compliant in all areas. Really I am not asking her to stand up for this – I believe you are one of the 163 students that are getting their masters tomorrow. Audience applauded.

In your packet is the recommended presidential search committee which is basically the same committee as the last time with one addition to that which we discussed at the last board meeting. It is in your packet for your review. We do not need a motion to approve that search committee. We will be getting a letter out to basically all the proper parties on that approximately January 7, 2010 at 2:00 P.M. with a telephone conference with the search firm. We are tentatively setting that date up to do a discussion with that individual. We will be sending a letter of solicitation out to all the different groups as of January 18, give or take a few days there right after everybody starts to get back. Very simply, we are going to be asking them to do their due process in choosing their individual members if there is representation involved in that standpoint, asking for a members name and an alternatives name to be submitted to us approximately by March 1st. We will then be coming back to the Board on March 26th with those names. Really I guess you could say kick it into gear the first part of April with the search committee and search firm. This is a very rough timeline for anybody that is of interest there on it. We will be establishing some things down the line in regards to website.

Trustee Epperly moved to pass Resolution 09.12/5 Presidential Search Consultant Firm. Trustee Taylor seconded the motion.

Roll Call

Trustee Ehlert Fuller	Yes
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 a search firm; and,

WHEREAS the selection of a firm was administered in accordance with the Illinois Procurement Code and other pertinent statutes and rules, and search committee co-chairs conducted interviews and recommended the suggested firm:

THEREFORE be it resolved that the Board of Trustees of Western Illinois University approves the appointment of the firm presented to perform the executive search for the position of President of Western Illinois University:

KORN/FERRY

Resolution No. 09.12/6: Certificate of Participation - Authority

VP Johnson stated this is sort of set up and we are in the process of looking at COPS issuance to take care of a number of our infrastructure issues, our heating plant and also our steam lines. There is \$1.5 million for your payment to finish off the last of our sprinkling so we are in the process of beginning that effort. John Vincent is here, our financial consultant so you have the information here and we would be happy to answer any questions you might have relative to that and we will proceed from there.

Trustee Houston commented I would just have a comment and I will support this, but at the time we passed the student fee the idea was the student fee was going to be used for things that directly benefit the students. What we are doing here is using the student fee to pay for this work which includes four academic buildings which the State should be paying for. VP Johnson and VP Thompson replied we agree. Trustee Houston added I understand. I am not accusing anybody because I understand there is no other money to do this, but I will be honest with you if I knew we were going to keep doing this – I am not sure I would have voted to pass this thing the original fee but we did it because that was not the purpose of it. What we are allowing just as AI had made the comment about taking the State off the hook. We are taking the State off the hook for infrastructure that the State is responsible for. This is an absolute crime in my opinion that we are forced to do this. Again, I am voicing my opinion that the students – this State is just shirking its students in terms of paying for basic infrastructure that they should be paying for and should have been paying for. I understand why we are doing it but boy it really upsets me.

President Goldfarb added as I said to Mike on the phone I feel exactly the same way. The reality is though probably if you compared our fee to what is going on around the rest of the state in terms of student fees we are actually not trying to increase the fee – we are just trying to squeeze out the fees we already have. The reality is almost every institution in the state has gone higher in terms of facility fees including my former institution. They have all generated much more significant and it is problematic. I am in total agreement. It's the same argument as this morning the State continues to download on students much of the costs. Trustee Houston added and for legislators that sit there and say well why is

tuition going up – well tuition is going up because the State is not paying their fair share of the cost of public education. Now you are dealing with basic infrastructure that the State is just totally ignoring and I just personally think that is an absolute crime by State government.

VP Johnson added I certainly would think that each one of us agree with that as adamantly as you do Mike. I would suggest that one of our obviously major concerns is the fact that we have residence halls where students live that if we don't do these sorts of things they are going to end up without heating and cooling at some point in time. Cooling I can live more without but heating is a problem in the winter time. VP Thompson noted we have been lucky the steam lines broke in the summer and not in the winter. We have not had any capital renewal from the State for five or six years. That's almost \$7 million we have not received capital renewal, just re-tubing the gas boiler that was on our capital renewal request six or seven years ago. We have a 1929 switch gear at the Heating Plant – we have got to do something. Now the positive here is that the quality of our staff being able to maintain this. We have water pipes going over the top of the switch gear because it was built in the 20s and that is what we are dealing with and it is truly unfortunate that we are \$7 million in arrearage from the State and now we are being forced to do this. Associate VP Al Harris added we are just fortunate we have these funds frankly to fall back on to help our students.

Trustee Ehlert Fuller asked if folks were present to advise perceptions on bonds. VP Johnson stated John Vincent is our financial adviser and has worked with our bonding records over a course of long time now. Mr. Vincent commented Mike and I are running a dilemma – many of your sister institutions have faced this same issue of having projects that just absolutely need to go bond from their perspective and just cannot wait for the state to start. For example, Governor State University is an institution with a smaller scope than Western, \$23 million of needed infrastructure improvements to bring their campus which was built in the 60s into a situation where they are just playing safe. The money from the State was not sufficient to keep up with it so they passed a student fee and have used that as the source for repayment of the certificates. Similarly at Eastern Illinois, \$56 million for a new steam plant from their perspective fairly the State's responsibility to provide this kind of infrastructure. But, they had to make a decision and the decision was to find another means for the payment so they moved ahead. Western is not alone in this dilemma and it is an issue that folks will be facing for years to come. More specifically in regard to your financing if I were here 12 or 13 months ago, we probably would not be having this discussion because the financial markets were at least from our perspective, effectively frozen. Folks who were issuing tax exempt bonds in the fall of 2008 were issuing them at mostly relative high rates relative to where the market was. Market conditions have improved significantly throughout 2009 and in the terms that interest rates for conventional tax exempt bonds that come down to near historically low levels and in addition through the federal stimulus legislation a new option is available for public universities for financing new projects. That is to actually issue taxable bonds, it's called the Build America Gold Bond Program, and over the course of the repayment of those bonds, the federal government will pay 35% of the interest. In effect, the issued bonds and our effective cost at Western will be 65% of the interest rate of which they are sold. When you do the math, the 65% of a taxable rate is less than what we can issue conventional taxes on bonds. Currently, we are in a positive environment interest cost wise going into this new year.

Trustee Epperly asked if there will be any cost savings from any of the projects from the efficiency standpoint. Scott Coker noted about half the projects at Heating Plant will improve efficiency along with reliability. On the direct based steam lines, we are replacing all the bad insulation on those lines which are putting a lot of heat into the ground so we will replace with new tunnels. Just in the last couple of weeks, we have had a concert line that keeps breaking that is basically rusted out and we try to repair it. Yesterday before we fixed it, we were losing about 75,000 gallons a day which is the water that comes back from the buildings, so we were not getting that water back. We have to heat up cold water from the city and soften it, so we will have a lot of efficiency there that we will improve on.

Trustee Epperly commented from a financial standpoint – are we going to be able to redirect those funds to help pay off the bonds? Scott Coker replied it is utility money. VP Thompson added with the rate of natural gas it will probably be more of cost avoidance than any true savings. I think there will be some real cost avoidance for us. Utility bills have gone up so much over the last few years so it is going to be pretty tough to save. VP Johnson noted anything we save since we split utility bills the way we do – part of it comes back to auxiliary and part to general side – so there will be some savings that will offset. Chair Nelson asked when the project completion date is if we pass. Scott Coker replied I can talk through the project a little bit. We started the QBS selection process to get an engineering firm, so we are hoping in February or March we will have the bonds available and firm selected. We will start design immediately; and by fall, we will hope to start construction. Some of the Heating Plant projects will go a little faster because there is not much design on those. The steam lines are pretty heavy as far as where you run the lines and designing the tunnel. I would hope in about a year and a half we will have all this complete. We are going to push pretty hard because it is very critical. VP Thompson stated we have tried to just constantly replace so we maximize time. Plant and Student Services have already started working on preliminary QBS where we select the engineers just so we can move this ahead as quickly as possible. We are hoping that there are some hungry firms out there that can move it along a little quicker or we can get some better rates. VP Johnson added because it is time sensitive. Scott Coker noted we had a pre-meeting last Wednesday with the QBS engineering firms and they are very hungry for the design.

Trustee Nelson asked if we are replacing lines we have already replaced. Scott Coker replied yes and we are actually running it a different route than what the original lines were because about 8-10 years ago, we completed a tunnel through the center of campus and we are going to extend that to these buildings. A lot of the direct buried lines are on the edge so we are taking a different route so it allows us to do that construction while the lines are still in operation. This is Phase I for the steam line replacement so this does not get us all the way to the building. We are extending from across University Drive and we will get us to Brophy and depending on what our design is towards North quad or Thompson and Higgins.

Scott Coker reiterated a year and a half from now we will have good progress. Trustee Epperly asked if it is 100% funded by the student fee. Al Harris replied life safety enhancement fee and there are funds available. We currently have a balance of \$1.3 to \$1.4 million so whatever this payment would be and new dollars coming in every year – there is capacity to take care of this payment for this issuance. There still will be some left but our plan has always been to keep raising that certain amount because we still have these issues unless the State steps forward we have to keep going. We have to prepare ourselves and we cannot wait around and then have these kind of catastrophic issues come up. We will go forward and ask for an increase in enhancement fee probably for 11 just so we can keep ourselves moving, plus it will allow students to come forward with new initiatives too that they would like to see. VP Johnson added that way we will have additional capacity if necessary.

John Vincent noted the total annual service is about \$830,000 but you would need to factor out the \$1.5 million that is going in for basically reimbursing for the sprinklers that have already been put in so put about 85% of that service you would associate with infrastructure.

Trustee Houston asked about the interest rate anticipated. John Vincent replied we are following that approach that is newly available to us the Build America Bond approach. I am hoping that on an all end basis for the financing that we will be under 4.5% and that is after the 35% interest subsidy from the federal government. That level is pretty much driven by what treasury rates do between now and the time we finance. At under 4.5%, that would be the best borrowing rate that Western has achieved on 20-year type finance. Trustee Houston added the feds just met – when is the next time they meet? John Vincent replied I don't know – it is usually 45-90 days. The fact that interest rates in general are low particularly in the near end of the year is the two-year treasury is under 1% and that has capped interest rates low

throughout the yield from year 2001 through year 2029 and that enables us to achieve these relatively low interest rates. It is the one silver lining in this economic situation is low interest rate.

Trustee Epperly asked if we are constantly looking at our existing bonds to see if it is worthwhile to refinance. John Vincent responded good question – the next opportunity at least in the environment is 2012 and that is when the 2002 bonds are callable. Formally, you could look at advance refunding borrowing a few years in advance of that, unfortunately in this reinvestment environment if you borrow at 4% we would turn around and reinvest those funds until 2012 at 1% and that would not work out very well. 2012 would be a date, especially if you are doing any other system financing, you would look at refinancing at that time.

VP Thompson commented I really want to thank you for this. I know it is very difficult but I have the Physical Plant that is just very appreciative right now. VP Johnson added and I have a lot of students who later on could be appreciative of the warm heat.

Trustee Houston moved to pass Resolution 09.12/6 Certificate of Participation - Authority. Trustee Griffin seconded the motion.

Roll Call

Trustee Ehlert Fuller	Yes
Trustee Epperly	Yes
Trustee Griffin	Yes
Trustee Houston	Yes
Trustee Nelson	Yes
Trustee Taylor	Yes

Motion carried.

Resolution:

WHEREAS the Board of Trustees of Western Illinois University (the “*Board*”) has determined it to be necessary and desirable to approve the following capital improvement projects: (a) renovation and improvement of the heating plant, (b) replacement of steam lines and (c) construction and acquisition of sprinkler systems for student housing (collectively and as more completely herein, the “*Improvements*”); and

WHEREAS the Board has authority pursuant to the State University Certificates of Participation Act, 110 ILCS 73 (the “*COPs Act*”) to sell certificates of participation and enter into related financing agreements in connection with the financing of capital improvements; and

WHEREAS the Board hereby determines that it is desirable to grant approval for the construction, acquisition, renovation and improvement of the Improvements and to finance the Improvements and related costs through the issuance of certificates of participation under the COPs Act;

THEREFORE Be It Resolved by the Board of Trustees of Western Illinois University in regular meeting assembled, that:

1. The Board hereby grants approval for the following Improvements: (a) the renovation and improvement of the heating plant to ensure continued operational reliability and improve efficiency, including replacing the coal masonry stack, updating the coal handling

system, relocating electrical equipment, recasing and retubing a gas boiler, installing a variable frequency drive and economizer on a gas boiler, installing a boiler blowdown heat recovery system and other smaller related miscellaneous projects for an estimated cost of \$5,000,000; and (b) Phase I of replacing steam lines serving approximately 1.5 million square feet of space, including four academic buildings and six residence halls, and the construction of approximately 1,500 linear feet of walk and shallow tunnels to replace the original direct buried steam lines, for an estimated cost of \$5,000,000; and

2. The Board hereby authorizes the execution and delivery of an Installment Purchase Contract and the issuance of Certificates of Participation (Capital Improvement Projects) in one or more series (the “*Certificates*”) in connection therewith, in order to provide funds to finance, or reimburse the Board for costs associated with, the Improvements, fund capitalized interest, if any, in an amount determined by the Treasurer of the Board, and pay the costs of issuing the Certificates. The Certificates shall be in an aggregate original principal amount not to exceed \$12,000,000 with a final maturity no later than 30 years from the date of issuance of the Certificates. The cost of the Improvements is estimated to be \$5,000,000 for the heating plant improvement, \$5,000,000 for the steam line, and \$1,500,000 for the sprinkler system, plus costs of issuance estimated at \$110,000.

3. U.S. Bank National Association, Chicago, Illinois, is hereby authorized to serve as Trustee.

4. Pursuant to the Board’s existing contract, the firm of Chapman and Cutler LLP is hereby retained as Special Counsel and Disclosure Counsel to the Board.

5. Pursuant to the Board’s existing contract, the firm of John S. Vincent & Company LLC is hereby retained as Financial Advisor for the preparation of the Preliminary Official Statement and final Official Statement and other matters related to the sale.

6. The Board approves a competitive public sale of the Certificates, subject to the following conditions: (a) such Certificates to be issued shall not exceed an aggregate principal amount of \$12,000,000 (net of original issued discount, if any); (b) such Certificates will have a final maturity of no later than 30 years from the date of issuance; (c) the price at which such Certificates will be sold will not be less than 97% of the par amount thereof; and (d) the true interest cost of the Certificates will not exceed 6.00% if such Certificates are issued as tax-exempt and not to exceed 9.00% if such Certificates are issued as taxable.

7. The Board approves the preparation and distribution of a Preliminary Official Statement, Official Statement, Official Notice of Sale and Official Bid Form in connection with the sale of the Certificates. The Board approves the form of such documents, copies of which are on file with the Secretary of the Board for recording. The appropriate officer of the Board is hereby authorized and directed to execute the Official Statement and the Official Bid Form in the name of and on behalf of the Board in substantially the forms presented to this meeting, or with such changes as may be approved by the officer of the Board executing the same (including but not limited to changes relating to the issuance of more than one series of Certificates, the interest on one of which is taxable and the other tax-exempt), his/her execution thereof to constitute

conclusive evidence of the Board's approval of all changes from the forms thereof presented to this meeting.

8. The Board approves the form of the Installment Purchase Contract, Indenture of Trust, Acquisition Agreement and Continuing Disclosure Agreement. Copies of such documents are on file with the Secretary of the Board for recording. The appropriate officers of the Board are hereby authorized and directed to execute such documents in the name of and on behalf of the Board in substantially the forms presented to this meeting, or with such changes as may be approved by the officer or officers of the Board executing the same (including but not limited to changes relating to the issuance of more than one series of Certificates, the interest on one of which is taxable and the other tax-exempt), his/her or their execution thereof to constitute conclusive evidence of the Board's approval of all changes from the forms thereof presented to this meeting.

9. The Board approves the purchase of certificate insurance for the Certificates, if required by the successful bidder for the Certificates, and agrees to comply with the terms and provisions of such certificate insurance, if such terms are approved by the Treasurer of the Board to be in the best interests of the Board.

10. The final terms of the Certificates shall be approved by the Board Treasurer within the parameters set forth in this resolution.

11. The Board acknowledges that the Certificates will not be issued prior to complying with all necessary procedures and receiving all necessary approvals for the issuance of the Certificates and the acquisition and construction of the Improvements, including but not limited to, the approval of the Illinois Board of Higher Education, and the requirements set forth in the COPs Act.

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

OLD BUSINESS

Chair Nelson noted we already addressed under old business the presidential search committee.

NEW BUSINESS

Chair Nelson requested from Dr. Thomas – if you would look at the designation of the degree program for the Board of Trustees degree and maybe come back with some thoughts or suggestions about whether we should keep it the same designation or approaching it differently. My thought is it may be time to change how that degree is designated from a Board of Trustees degree to some other type – a bachelor of arts and whatever – rather than just a BOT degree. Provost Thomas responded sure we will do that –

there have been some individuals who have brought this up I think last year briefly regarding this, so we will look at it and get back to the Board with some preliminaries.

Happy Holidays!

NEXT MEETING

The next regularly scheduled meeting of the Board of Trustees will be **March 26, 2010**, at the Macomb 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 **11:39 A.M.**

Steven L. Nelson, Chair

Kerry L. Lemaster, Administrative Assistant to the Board

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