

### III. ACTION ITEMS

#### A. **Approval of Minutes**

March 24, 2006 Board Meeting (Conference Call)

April 24, 2006 Board Meeting

## **B. Executive Session Minutes – Open Meetings Act**

Section 2.06(c) of the Open Meetings Act requires that the Board of Trustees review the minutes of all executive sessions at least semi-annually to determine whether the need for confidentiality still exists as to all or part of those minutes. Minutes of executive sessions, or portions thereof, which no longer require confidential treatment must be made available for public inspection.

In order to comply with this provision, Board Counsel is reviewing executive session minutes and will provide the Board recommendations as to whether or not all or part of those minutes should remain confidential.

### C. **FY07 Budget Overview**

Information on the University's FY 2007 all funds budget is included on the following pages. A presentation will be made to the Board regarding the University's Financial Plan for FY 2007.

**It is recommended that the Board of Trustees approve the University's FY2007 Financial Plan.**

C. FY07 Budget Overview (Cont.)

EASTERN ILLINOIS UNIVERSITY  
FY2007 FINANCIAL PLAN

TABLE 1. SOURCE OF FUNDS FOR BUDGETED REVENUES

FUND SOURCE	FY06		PROJECTED BUDGET FOR FY07	CHANGE FROM FY06 ORIGINAL BUDGET		CHANGE BETWEEN FY07 and FY06 ESTIMATED REVENUES	
	ORIGINALLY BUDGETED	ESTIMATED REVENUES		DOLLARS	PERCENT	DOLLARS	PERCENT
<b>OPERATING FUNDS</b>							
<b>I. APPROPRIATED INCOME FUNDS</b>	<b>\$288,789</b>	<b>\$313,319</b>	<b>\$34,325</b>	<b>\$25,536</b>	<b>8.2%</b>	<b>\$3,006</b>	<b>3.3%</b>
A. General Revenue Fund	47,610	47,610	48,283	673	1.4%	673	1.4%
B. Income Fund	41,179	43,709	48,042	4,863	11.8%	2,333	5.3%
<b>II. NON-APPROPRIATED FUNDS</b>	<b>\$70,530</b>	<b>\$75,284</b>	<b>\$77,388</b>	<b>\$5,358</b>	<b>7.7%</b>	<b>\$2,114</b>	<b>2.8%</b>
<b>A. Restricted</b>	<b>\$14,771</b>	<b>\$16,574</b>	<b>\$17,266</b>	<b>\$2,495</b>	<b>16.9%</b>	<b>\$692</b>	<b>4.2%</b>
1. Federal Financial Aid	6,820	7,156	7,047	127	1.8%	(108)	-1.5%
2. Federal Grants & Contracts	1,627	1,876	1,866	239	14.7%	(10)	-0.5%
3. State Grants & Contracts	2,143	2,142	2,140	(1)	-0.5%	(10)	-0.5%
4. Private Gifts, Grants, & Contracts	4,081	5,400	6,221	2,140	52.4%	821	15.2%
<b>B. Unrestricted</b>	<b>\$55,759</b>	<b>\$58,710</b>	<b>\$60,132</b>	<b>\$4,373</b>	<b>7.8%</b>	<b>\$1,422</b>	<b>2.4%</b>
1. Housing Operations	28,480	29,249	30,860	2,380	8.4%	1,611	5.5%
2. Student Unions	7,299	7,499	7,673	374	5.1%	174	2.3%
3. Other Self-Supporting Activities	5,011	4,994	5,309	298	5.9%	315	6.3%
4. Student Activities	14,201	16,087	15,471	1,270	8.9%	(616)	-3.8%
5. Indirect Costs	418	531	459	41	9.8%	(72)	-13.6%
6. Gifts, Grants, and Contracts	350	350	360	10	2.9%	10	2.9%
<b>III. TOTAL OPERATING FUNDS</b>	<b>\$159,319</b>	<b>\$168,603</b>	<b>\$171,723</b>	<b>\$12,404</b>	<b>7.8%</b>	<b>\$5,120</b>	<b>3.1%</b>
<b>CAPITAL FUNDS</b>							
A. Appropriated/Direct	7,131	418	7,131	0	0.0%	6,713	1606.0%
<b>IV. TOTAL CAPITAL FUNDS</b>	<b>\$7,131</b>	<b>\$418</b>	<b>\$7,131</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$6,713</b>	<b>1606.0%</b>

\*\* Note: The \$7,131 in FY06 and FY07 represents multi-year funding

C. FY07 Budget Overview (Cont.)

TABLE 2. SUMMARY OF BUDGETED EXPENDITURES -- ALL FUNDS

BUDGET FUNCTION	FY06		PROJECTED BUDGET FOR FY07	CHANGE FROM FY06 ORIGINAL BUDGET		CHANGE BETWEEN FY07 AND FY06 ESTIMATED EXPENDITURES	
	ORIGINALLY BUDGETED	ESTIMATED EXPENDITURES		DOLLARS	PERCENT	DOLLARS	PERCENT
<b>OPERATING FUNDS</b>							
<b>EDUCATIONAL AND GENERAL OPERATIONS</b>							
	\$119,305	\$121,504	\$129,513	\$10,228	8.5%	\$8,009	6.5%
Instructional Activities	49,460	50,679	52,937	3,477	7.0%	2,258	4.5%
Organized Research	1,197	1,408	1,459	262	21.9%	51	3.6%
Public Service	6,785	8,426	8,905	2,120	31.2%	479	5.7%
Academic Support	10,565	10,303	11,511	946	9.0%	608	5.8%
Student Services	19,917	19,104	22,266	2,349	11.8%	3,162	16.6%
Scholarship & Fellowship	7,535	7,425	7,743	208	2.8%	318	4.3%
Institutional Support	12,459	12,682	13,554	1,095	8.8%	872	6.9%
Operation & Maintenance of Physical Plant	11,467	10,977	11,238	(229)	-2.0%	261	2.4%
<b>TOTAL OPERATING FUNDS</b>	<b>\$36,739</b>	<b>\$38,305</b>	<b>\$39,478</b>	<b>\$2,739</b>	<b>7.5%</b>	<b>\$1,173</b>	<b>3.1%</b>
<b>INDEPENDENT OPERATIONS</b>							
Auxiliary Enterprises	36,739	38,305	39,478	2,739	7.5%	1,173	3.1%
<b>TOTAL</b>	<b>\$3,645</b>	<b>\$3,990</b>	<b>\$4,025</b>	<b>\$380</b>	<b>10.4%</b>	<b>\$35</b>	<b>0.9%</b>
<b>OTHER</b>							
FICA/Medicare	958	1,007	1,026	68	7.1%	19	1.9%
Group Insurance	1,714	1,652	1,643	(71)	-4.1%	(8)	-0.5%
Compensated Absences	973	1,331	1,356	383	39.4%	25	1.9%
<b>TOTAL OPERATING FUNDS</b>	<b>\$159,769</b>	<b>\$163,899</b>	<b>\$173,116</b>	<b>\$13,347</b>	<b>8.4%</b>	<b>\$9,217</b>	<b>5.5%</b>
<b>CAPITAL FUNDS</b>							
Operation and Maintenance of Physical Plant	7,131	418	7,131	0	0.0%	6,713	1606.0%
<b>TOTAL CAPITAL FUNDS</b>	<b>\$7,131</b>	<b>\$418</b>	<b>\$7,131</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$6,713</b>	<b>1606.0%</b>

\*\* Note: The \$7,131 in FY06 and FY07 represents multi-year funding

#### **D. FY 2008 Budget Recommendation**

Information on the University's FY 2008 Appropriated and Income Funds budget request is included on the following pages. A presentation will be made to the Board regarding the budget request for FY 2008.

**It is recommended that the Board of Trustees approve the University's FY2008 Appropriated and Income Funds budget request.**

#### **D. FY08 Budget Recommendation (Cont.)**

### **Eastern Illinois University FY 2008 Appropriated and Income Funds Budget Request**

Each year, Illinois public universities request increases to their appropriated and income funds budgets. The following process is typically followed:

- Operating and capital budget requests are sent to the Illinois Board of Higher Education (IBHE) by October 15<sup>th</sup>.
- The IBHE staff members meet in late October with each public university to discuss issues and priorities.
- The IBHE issues its recommendations to universities in early December. These recommendations are made available to the Governor's office.
- Eastern's appropriation bill is drafted at the IBHE-recommended level in late January.
- The Governor presents his budget recommendations in the annual State of the Budget address normally given in February.
- Universities prepare and submit Illinois State Legislature (ISL) forms to the General Assembly offices in March.
- Universities provide testimony regarding their budget requests before the House and Senate Appropriations Committees in April.
- The General Assembly finalizes appropriations by the end of May.
- The Governor signs the appropriation bill some time around July 1<sup>st</sup>.
- Funds are available to universities by early July.

Eastern, like the rest of the State, has suffered through recent economic difficulties. Between Fiscal Years 2002 and 2006, General Revenue Funds (GRF) provided to Eastern by the State of Illinois declined by approximately \$7.2 million. As a percentage of its Appropriated and Income Funds budget, State support for Eastern has dropped from 66.9% to 53.6%.

During this period of declining State support, the University's Income Funds (primarily tuition revenue) increased approximately \$14 million. This dramatic increase, which resulted from rising enrollments and, unfortunately, higher than normal tuition rate increases, helped to offset reductions/stagnation of State support and cover increases in operational and programmatic costs.

On a positive note, Eastern is expecting to receive \$673,300 in new/additional GRF from the State in FY 2007 – its first funding increase in five years. Consequently, there is hope that the State's economic crisis is coming to an end and funding for higher education will once again be a priority for the State.

While there are indications that the State is emerging from its economic doldrums, State-wide issues such as pension funding and Medicare must still be addressed. So, it is within the context of these economic realities that Eastern's Fiscal Year 2008 budget request is presented to the Board for consideration.

#### **D. FY08 Budget Recommendation (Cont.)**

In the following summary, the various components of Eastern's operating and capital budget requests are identified and summarized. Exhibits I and II, on pages 16 and 17, provide summary information. Funds appropriated through the operating budget request process are added to Eastern's base budget on a permanent, on-going basis (available year after year), while capital funds are appropriated on a project-by-project basis and, once expended, do not remain in the University's capital budget.

## **Operating Budget Request**

Funds are requested to increase Eastern's day-to-day operating budget in two main categories, incremental base budget increases and Program Priority Requests. Incremental base increases are intended to meet general cost increases for items such as salaries, Medicare, library acquisitions, general costs and utilities. Program Priority Requests fund a specific program or need such as an academic initiative or technology request. Requests for incremental base budget increases are attached to the same categories of items each year. In contrast, Program Priority Requests are associated with specific programs which may change from year to year.

### **I. Incremental Budget Items**

#### **Salary Increases**

In the past few years, Eastern has tried to provide employees with a salary increase (approximately 2-3%) to keep pace with inflation. Keeping pace with inflation has meant only small amounts are available for merit and market increases. Whenever possible, Eastern has reallocated funds to address the issue of employee groups whose salaries are below State and National averages. Unfortunately, even with these internal reallocations, Eastern has only been able to provide salaries that continue to fall below State and National averages.

#### *Faculty Salaries*

According to IBHE data, Eastern's faculty salaries rank second lowest in the State, and there has been no significant improvement in this ranking in recent years. Eastern's percentage increase for faculty salaries in FY 2004 was 2.5%; in FY 2005, the increase was 3.0%; and in FY 2006, the increase was 3.5%. A new faculty contract is currently being negotiated with the University Professionals of Illinois (UPI); so future salary increases cannot be projected with any degree of certainty at this time.

#### *Civil Service Salaries*

According to IBHE data, Eastern's FY 2005 weighted average Civil Service salaries were fourth lowest at \$33,917 compared with a State average for all public universities of \$37,853, a gap of approximately 12%. A majority of Eastern's Civil Service employee groups (Advanced Professional and Managerial, Beginning Professional and Managerial, Semi-Skilled Domestic, Medical, Clerical, Data Processing, Technical and Para-Professional), have salaries that are below the State average and fall down the list of other state universities.

### **D. FY08 Budget Recommendation (Cont.)**



### *Administrative Salaries*

Several, but not all of Eastern's administrative and other professional employees have salaries below National levels for similar public universities, according to the College and University Personnel Association (CUPA) Administrative Compensation Salary Survey.

For FY 2006, Eastern proposed an increase of 4% to the base salary amount (2% to catch-up from FY 2005 under-funding plus a 2% salary increase for FY 2006). However, we did not receive any new State funding for FY 2006 and were obligated by contract to pay faculty a 3.5% increase. For FY 2007, we asked for a 5.0% increase to the base salary and 2.0% in special funding for retention of critical faculty and staff. However, we received approximately a 1.0% increase in GRF funding from the State for salary increases. For FY 2008, we are asking for a 5.0% increase to the salary base and an additional 2.0% increase for retention of critical faculty and staff to avoid further compounding the problem of low employee salaries.

Additional information on the 2% request for recruiting and retaining critical faculty and staff is contained in the Program Priority Request section and can be found on page 7.

### **Medicare**

For FY 2008, Eastern is proposing a 7.0% increase for Social Security/Medicare charges. (The percentage increase for Medicare costs was derived by combining Eastern's proposed FY 2008 salary increase of 5% (2% catch-up for FY 2007 and another 3% for FY 2008) with the additional 2% for recruiting and retaining critical faculty and staff.) Eastern is required to contribute 1.45% of applicable wages to the FICA Medicare program for all employees hired after March 1986. While Eastern continues to employ individuals hired before March 1986, this number continues to decline. For this reason, the Medicare request is linked to the salary increase request.

### **Library Books**

For FY 2008, Eastern proposes an increase of 15% in its library acquisitions (books, journals, electronic materials) budget. Until the last three years, Eastern has requested an annual increase of 10% to cover price inflation, especially in scholarly journals and electronic resources.

In recent years, serials prices have increased at the rate of 9-11% annually. To compensate, Eastern's library has made an effort to offer access to a wide variety of electronic databases and document delivery services. While there is a gradual movement away from print sources, there is still a great need to provide a basic level of funding for printed library materials.

Due to the State's continuing financial crisis, no new operating funds were available in FY 2007 for the Library's acquisitions budget. Therefore, for FY 2008, we are requesting a standard 10% increase plus 5% to catch up from having received no FY 2007 Library acquisitions budget support. A 15% increase would address FY 2008 price increases and assist with the FY 2007 support short-fall.

**D. FY08 Budget Recommendation (Cont.)**

**General Cost Increases**

The State has sometimes recognized the impact of inflationary price increases for goods and services. But, for the past decade and a half, such appropriations have been non-existent. In fact, between Fiscal Years 2002 and 2006, Eastern’s GRF declined approximately \$7.2 million (13.3%). Since the general price increase in Fiscal Year 1990, inflation has averaged 2.8% per year, putting more pressure on Eastern’s ability to support its instructional programs adequately. Therefore, Eastern is proposing a general cost increase of 2% (approximately \$324,600) for operating costs during FY 2008.

**Utilities**

The following table provides a summary of various utility rate and fuel price changes utilizing the most recent available data.

<b>Rate and Price Level Changes in Utility Prices*</b>				
<u>Utility</u>	<u>Avg. Price Feb. 2005</u>	<u>Avg. Price Feb. 2006</u>	<u>Estimated FY07 Price</u>	<u>FY07 Change In Price</u>
Natural Gas	.674/therm	.90/therm	.90/therm	0% increase
Electricity	.075/KWH	.075/KWH	.09/KWH	20% increase
Fuel Oil	1.755/gal	2.25/gal	2.75/gal	22% increase
Coal	46.90/ton	50.22/ton	80.00/ton	59.3% increase
Water	7.10/1,000 gal	7.80/1,000 gal	8.47/1,000 gal	8.6% increase

\* Internal data from multiple-year commodity contracts and utility providers

While utility costs have increased in the past couple of years, it is hard to predict what prices will do when the FY 2008 budget begins. Eastern has been successful in its energy conservation efforts; however, with the rise in utility rates, a 20% (approximately \$504,300) increase for utilities is proposed for FY 2008. For the past several years, Eastern has avoided higher utility costs by burning coal rather than other fossil fuels. While the cost of this commodity has drastically changed, this option still provides the lowest cost per BTU and insulates Eastern from price swings in natural gas and fuel oil markets. It is important to recognize that in addition to the increase in the basic cost of coal, transportation charges to deliver coal to Charleston have also increased dramatically, further adding to the cost of this fuel source.

Eastern will continue to monitor utility costs and utilize the most efficient fuel sources available. Cost savings in utility funds, if any, would be used to offset budget shortfalls and fund additional energy management projects.

## D. FY08 Budget Recommendation (Cont.)

### II. Program Priority Requests

Eastern's program priority budget requests are identified through the University's formal planning process which begins nearly two years before funds are appropriated. For FY 2008, the planning cycle began in September 2005. All program planning requests arise from President Hencken's stated planning goals. The President's goals were developed after reviewing the Illinois Board of Higher Education goals (currently detailed in the *Illinois Commitment*); the priorities of the Governor and the Illinois General Assembly; and the specific needs and priorities of Eastern Illinois University.

Subsequently, the vice presidents established focus statements based on the President's goals and Eastern's deans and directors established planning objectives consistent with the President's goals and the vice presidents' focus statements. Individual departments developed specific initiatives to carry out the objectives of the deans and directors. These initiatives were sent back for approval, first to the deans and directors and then to the vice presidents. Initiatives, approved by the vice presidents, that required new funding, were reviewed by members of the Council on University Planning and Budgeting (CUPB) before going back to the President who makes recommendations to the Board of Trustees regarding which of these items should go forth in the FY 2008 budget request as program priority requests. The program priorities listed below have been approved by President Hencken. Many of the initiatives below are repeated from the prior year as they were not funded then.

#### B.S. in Nursing Program - \$285,000

In April 2006, the IBHE approved Eastern's request to offer the B.S. in Nursing, effective Fall 2007. The B.S. in Nursing is a baccalaureate completion program designed for registered nurses with current Illinois nursing licensure who have completed a diploma in nursing or an associate's degree program. The B.S. in Nursing will help ameliorate the overall shortage of nurses in the state and address the growing need for *professional* nurses capable of serving populations that are aging and/or require more complicated care, more intensive care, and more care delivered at home. Currently, no public university in Eastern's region offers a baccalaureate-level program in nursing. In fact, throughout the state of Illinois, only four of the sixteen nursing programs reside in public institutions. The rest are offered by less affordable private colleges.

On average, approximately \$285,000 will be required to fund the program during each of its first three years of operation. New resources are necessary to hire a program director and clerical support; to purchase instructional equipment and materials such as examination tables, otoscopes, laryngoscopes, computer software, videotapes, and library books; and to cover the cost of contractual services associated with placing students at clinical sites and maintaining malpractice insurance.

Thirty students are expected to enroll in the B.S. in Nursing program during its first year of operation. By the end of year four, the University expects to enroll eighty students and to graduate thirty.

#### **D. FY08 Budget Recommendation (Cont.)**

##### Academic Base Support - \$700,000

Funds requested in this initiative would be directed at two areas that directly impact Eastern's ability to support teaching and learning of the highest quality: hiring staff in areas of greatest need and increasing academic department operating budgets. In particular, personal services dollars would allow the University to begin to address identified imbalances in the ratio of tenured/tenure-track to annually contracted faculty. Additionally, funds requested for departmental operating budget increases would ensure that academic units could provide both students and faculty with instructional materials and support necessary to engage teaching and learning.

This request would help strengthen an academic base challenged for several years by contractually mandated faculty salary increases and annualization costs, by State-wide rescissions and callbacks, and an overall allocation that, until FY 07, had been flat for several years.

##### Diverse Learning Environment - \$166,000

This request supports interrelated initiatives that improve upon the diversity of faculty and professional staff and educational programming on diversity. It expands targeted recruitment of underrepresented faculty and professional staff and, in so doing, supports the University's ability to attract and retain minority students. These initiatives bolster goals to increase access and diversity within the student body, faculty, and administrative staff.

##### Substance Abuse Counselor - \$35,000

It is a well-established fact that a significant percentage of college students experience negative academic, social, and personal consequences related to substance abuse. Statistics from the National Institutes of Health (2002) indicate that, each year, alcohol use plays a role in the death of 1,400 college students (500,000 more are injured) and that 25% of college students report adverse academic consequences from their drinking (e.g., missing class, falling behind, doing poorly on exams or papers, etc.). Further, a recent survey of the faculty and staff at Eastern Illinois University indicated that these professionals viewed alcohol abuse and substance abuse, respectively, as the first and fifth most pressing issues experienced by our students. While the University has devoted considerable time and effort to the establishment of substance abuse prevention programs, existing financial and time constraints have limited substance abuse treatment to an initial assessment and immediate referral to very limited community resources. The funding of the Substance Abuse Counselor position would permit Eastern to provide counseling and intervention efforts to a significant percentage of our student body badly in need of such services and to mitigate the academic, social, and personal impact of substance abuse on these individuals and on the larger University community.

**D. FY08 Budget Recommendation (Cont.)**

Recruiting and Retaining Critical Faculty and Staff - \$1,300,000

In addition to the request for a basic salary increase, it is proposed that an additional 2% of the personal services base be requested for recruiting and retaining critical faculty and staff. These funds would be used to recruit and retain faculty and staff in high demand areas; to provide retirement incentives and leave payouts for faculty and staff in low demand areas; to provide start-up incentive funds for faculty in high demand areas; and to provide additional funding to recruit minority faculty and staff.

In FY 2000, the IBHE established its five year *Recruiting and Retaining Critical Faculty and Staff* initiative. The goal of this initiative was to provide a 3% basic salary increase with an additional 1% for recruiting and retaining critical faculty and staff. Universities were asked to match 1% so that a total 5% salary increase funds were made available. The initiative has been referred to as the “3+1+1” initiative. The following table identifies the dollar amounts available for recruiting and retaining critical faculty and staff over the past several years.

	<b>Appropriation</b>	<b>University Required Match</b>
FY 00	\$ 1,033,400	\$ 0
FY 01	540,000	540,000
FY 02	1,140,000	570,000
FY 03	0	0
FY 04	0	0
FY 05	0	0
FY 06	0	0
FY 07	0	0
	<u>\$ 2,713,400</u>	<u>\$1,110,000</u>

After studying the results of the 3+1+1 initiative, and realizing that progress in the area of improving salaries in high demand areas was limited, the IBHE decided to change the initiative to a 3+2+1 allocation in FY 2002. While the IBHE had hoped to continue with the 3+2+1 initiative in FY 2003, 2004, 2005 and 2006, the State’s financial problems have made this impossible. For FY 2008, Eastern hopes IBHE can return to its original plan to provide funding for this initiative and therefore requests 2% for recruiting and retaining critical faculty and staff.

Technology Enhancements - \$325,000

This initiative would support the University Enterprise Resource Planning (ERP) software suite replacement (SCT Banner), establish an enhanced technology “help” area for students and support other necessary technology enhancements. Funds would be used for servers; system upgrades; computers; imaging hardware and software to be shared by academic, administrative and student affairs areas and other necessary technological equipment.

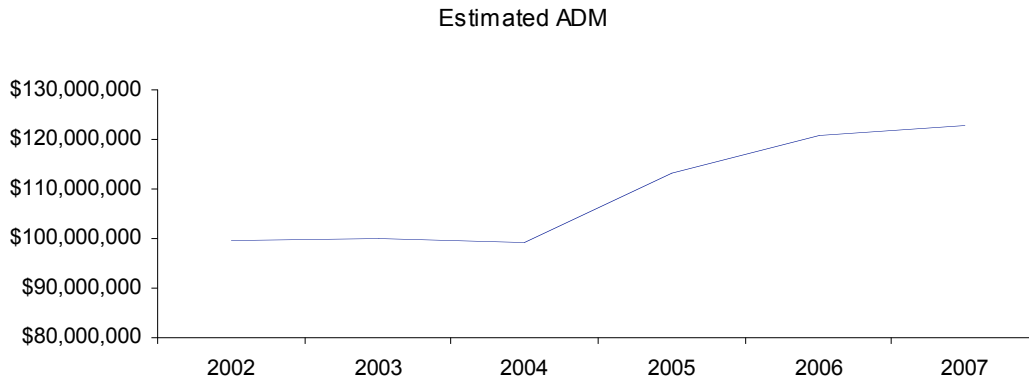
## D. FY08 Budget Recommendation (Cont.)

### Deferred Maintenance - \$325,000

By today's Higher Education industry standards, provided by The Association of Higher Education Facilities Officers (APPA), 1.5% of the campus' (buildings) current replacement value (CRV) should be spent to halt the additional accumulation of deferred maintenance. The FY 2006 amount resulting from the application of this formula at Eastern is \$4.5 million dollars. In the past, Eastern has requested and received funding for a deferred maintenance budget of \$1.7 million dollars (.8% of CRV). This is a short fall of \$2.8 million, or approximately 62%, less than recommended expenditures which assume reasonable levels of deferred maintenance spending.

Graph 1 shows how the deferred maintenance backlog in Eastern's academic facilities has changed in absolute dollars since 2002. The refurbishment of Blair Hall in the Spring of 2004 helped decrease the campus deferred maintenance backlog. However, the amount of deferred maintenance will continue to rise without a significant infusion of annual funds. All appropriated buildings and infrastructure were considered in the calculations for the estimated accumulated deferred maintenance (ADM) costs. A contribution to the rise in ADM are capital renewal projects managed by the Capital Development Board (CDB), which have been approved for funding and designed, but continue to remain on hold pending release of funds.

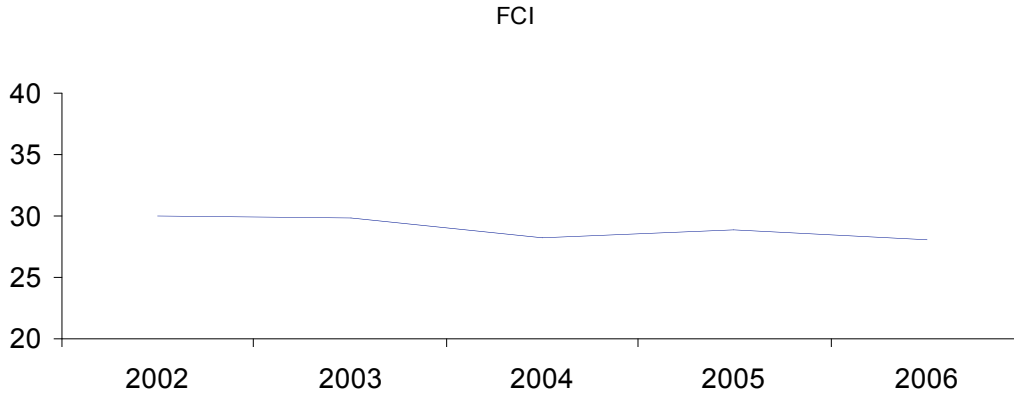
### GRAPH 1



Typically, the industry measures the relative amount of deferred maintenance using a Facility Condition Index (FCI). A FCI is determined by the ratio of deferred maintenance to the replacement value of buildings. An ideal value is  $FCI \leq 5$ . FCI values in excess of 15 are considered serious and indicative of a campus in poor condition. Graph 2 shows the FCI values of buildings over time at Eastern (excluding utilities infrastructure systems).

**D. FY08 Budget Recommendation (Cont.)**

GRAPH 2



Both Graphs 1 and 2 include the value of funds managed through the Capital Development Board (CDB) and university-controlled funds. We believe this is consistent with the IBHE definitions for managing deferred maintenance. The 2004 drop indicated in Graph 2 is the result of Blair Hall, Fine Arts, and other projects helping to reduce deferred maintenance on campus. The increase in 2005 is due in large part to a significant reduction in available building square footage. This reduction resulted from Blair Hall, Fine Arts, Clinical Services and Booth House all being vacated for demolition, expansion, remodeling or re-construction. The campus FCI will be affected by the new, much larger Doudna Fine Arts building in 2007. Consistent deferred maintenance funding is essential if the campus is to strive to reduce ADM appropriately. Plans to request additional campus funds, through the CDB, are in place. These are typically large infrastructure or major rehabilitation projects. However, when smaller rehabilitation projects must be undertaken, the university believes operating funds are a more effective source for campus-identified major maintenance. For this reason, Eastern is requesting an additional \$325,000 in FY 2008 base funding to assist in addressing our backlog of deferred maintenance.

**Capital Budget Request**

Capital budget funds are requested in two main categories, regular capital and capital renewal. Regular capital projects are larger in scope and are often phased over several years. Regular capital funds can be requested for planning, site improvements, land acquisition, utilities, construction, remodeling, and moveable equipment. For FY 2008, Eastern proposes the regular capital projects listed below.

**I. Regular Capital**

Fine Arts Center – Equipment -- Project Number 2008-1 **\$ 1,500,000**

Equipment for Fine Arts is requested to coincide with the construction of the building. Anticipated equipment needs include office furniture, classroom seating, academic program equipment, instrument storage systems, computers, networking/electronics, and other equipment necessary to appropriately outfit the building.

#### **D. FY08 Budget Recommendation (Cont.)**

##### **Rehabilitate Life Science Complex HVAC and Plumbing -- Project Number 2008-2   **\$1,804,600****

Life Science (1963) and the Annex building (1964) HVAC systems are original equipment, and are failing to provide adequate levels of comfort in seasonal service. Air handling units which fail to deliver acceptable indoor air quality compromises the normal delivery of education to our students. In addition, poor temperature control and air delivery is energy inefficient. Also, the building heating and chilled water distribution systems have experienced numerous leaks due to internal and external corrosion and thinning of pipe wall thickness. The deterioration has made the piping systems virtually impossible to repair due to insufficient pipe material remaining to thread. During the past several leak events, faculty offices had to be evacuated and important academic work interrupted. In the event of longer-term system outages, research occurring in the Life Sciences complex could be compromised. The building infrastructure requires an entire mechanical upgrade.

This project will replace the ventilation units, air handling units and cooling and heating coils throughout the structure. Temperature control instrumentation will be updated to deliver precise control at optimum energy efficiency. The hot and cold domestic water distribution piping will be replaced to eliminate further system leaks.

##### **Rehabilitate Coleman Hall HVAC and Plumbing -- Project Number 2008-3   **\$1,455,400****

The Coleman East (1965) and West (1968) building HVAC systems are original equipment, and are failing to provide adequate levels of comfort in seasonal service. Air handling units which fail to deliver acceptable indoor air quality compromises the normal delivery of education to our students. In addition, poor temperature control and air delivery is energy inefficient. Also, the building hot and cold domestic water distribution system has experienced numerous leaks due to internal corrosion and thinning of pipe wall thickness.

This project will replace the air handling units and cooling and heating coils throughout the structure. Temperature control instrumentation will be updated to deliver precise control at optimum energy efficiency. The hot and cold water distribution piping will be replaced to eliminate further system leaks.

##### **New Science Building -- Project Number 2008-4   **\$ 8,313,000****

The University's Campus Master Plan, approved by the Board of Trustees at their April 1999 meeting, identified the need for a new science building to house Biological Sciences, Chemistry, Communication Disorder Sciences, Psychology and the Dean of Science. The recommendation was based on analysis of the present science facilities on campus and the overall demand these departments place on the physical infrastructure. In addition, it was recognized that these four academic departments demonstrated a serious space deficiency and are often challenged to provide instruction to students that is representative of current academic and industry practices.

The proposed new facility will contain building equipment and systems to provide adequate ventilation, fume control, plumbing, hazardous waste control, lighting and sound control necessary for 21<sup>st</sup> century science. The building will be constructed with appropriate floor-to-floor distances for the installation of mechanical/electrical/plumbing systems to service these departments. In



#### D. FY08 Budget Recommendation (Cont.)

addition, the building will centralize animal care facilities, presently housed in two campus buildings, to better maintain and efficiently house important living subjects.

The University's Campus Master Plan proposes to locate the building on a site that is partially owned thus requiring land acquisition. The acquired land will assist the University in realizing another master plan goal of converting 7<sup>th</sup> Street into a pedestrian mall and expanding the core of the campus to the east.

Rehabilitate Steam Production Facilities -- Project Number 2008-5

**\$13,192,200**

The utilities infrastructure at Eastern Illinois University is aged, and major portions of critical service systems are well beyond useful economic life expectancy. The campus has experienced forced outages due to infrastructure failures resulting in loss of availability of core utilities to support academic, housing and administrative units.

Budget requests have been made in past fiscal years to address the spectrum of serious utilities infrastructure deferred maintenance issues faced by the EIU campus. However, a major portion of the requested funds is required to correct issues in the degrading steam plant. In the steam plant, investments in re-tubing the boilers, replacing safety valves, upgrading combustion controls, replacing worn steam process control valves, replacing pumps, upgrading burners, upgrading fuel handling systems, replacement of the economizer, fly ash bag-house upgrades, correction of code issues, necessary support system re-piping and securing the plant's structural shell integrity is required. A concentration of allocated annual maintenance funds will continue to be spent in the flue gas desulfurization (scrubber) area, supporting obsolete "wet scrubber" technology and equipment. Scrubbers are required to remove sulfur dioxide from the gasses created from burning high sulfur Illinois coal in order to comply with current State and Federal air emissions regulations. The wet scrubbing operation involves spraying a chemical mixture into the hot exhaust gasses released when high sulfur coal is burned in the boilers, then processing the resulting mixture in a complex chemical plant to remove sulfur and reclaim the reactants. The scrubbing process involves both highly acidic and highly caustic liquid environments. Handling these aggressive chemical compounds and maintaining the correct neutralization reactions is a complex process which is corrosive to piping, vessels, pumps, instruments and building components. Since the steam plant and scrubber processes are located central to the campus and adjacent to academic, administrative and student functions, it is essential that deferred maintenance issues be addressed not only to sustain reliable service to campus, but also to safely contain the aggressive environment within.

The University requests funding to address serious deferred maintenance needs in the steam generating plant and in the scrubber systems. Failing to address these needs will result in eventual loss of the ability to supply essential campus steam services, and possible injury to students, faculty, staff or the visiting public.

#### **D. FY08 Budget Recommendation (Cont.)**

##### Old Main Ceiling Asbestos Abatement – Project Number 2008-6

**\$2,703,200**

Old Main is the oldest historical structure on campus, and houses administrative offices and classroom spaces. Significant parts of the main corridor ceilings, and also the entire ceiling above the University Business office are the original plastered construction. These surfaces are deteriorating and are structurally unstable. This plaster has been determined to be an asbestos-containing surfacing material, and is in damaged condition. This proposed project will rebuild these surfaces to mitigate the asbestos exposure risk, and to ensure the continued health and safety of the occupants. The method of achieving the asbestos abatement project in the Business Office will be to construct a permanent barrier above the existing floor during the abatement project, which will be left for development into office space.

##### Upgrade Utilities Infrastructure -- Project Number 2008-7

**\$ 19,078,700**

The utilities infrastructure at Eastern Illinois University is aged, and major portions of critical service systems are well beyond useful economic life expectancy. The campus has experienced forced outages due to infrastructure failures resulting in loss of use of major facilities to academic, housing and administrative units. Steam distribution and condensate return piping systems both racked and direct-buried, utility tunnel water distribution mains, sanitary sewage laterals and mains, storm water collection and discharge systems upon which the campus operations depend, require extensive upgrades to restore acceptable service reliability.

In order to approach this challenge, a master design for all utilities will need to be developed. The design will consider all current system conditions, future additional loads expected, location of underground utilities and operations plans which will impact utilities systems. Based upon this comprehensive plan, a project to install the required upgrades in order of their assigned priority will be implemented.

##### Environmental Health and Safety -- Project Number 2008-8

**\$ 3,973,700**

With increased awareness and concern for the environment and the health and the safety of Eastern's students, faculty, and staff; the University's Environmental Health and Safety Committee has considered relevant codes, legislation and government program (e.g., Fire Codes, Ventilation Standard, Prudent Laboratory Practices, disaster-resistant measures) and has recommended the following priorities:

1. Laboratory ventilation: In order to achieve compliance with OSHA, Laboratory Standards, and other ventilation Standards, ventilation in the University's laboratory and studios which use hazardous chemicals and handle biological materials must be improved to eliminate risks and injuries from inhaling these materials. (\$1,703,300 – Physical Science fume upgrade)
2. Safety Wiring and controls: Emergency master shut downs for gas/electric service are needed in laboratories where solvents, gases, fire or other explosion potential exist. Electrical outlets near sinks or other high-risk shock locations should have ground fault interruption devices. (\$567,100 – labs' control wiring and valves)

#### **D. FY08 Budget Recommendation (Cont.)**

3. Emergency Generator Backup: The Human Services Building and other buildings on campus require an emergency generator to provide emergency aid to the campus and prevent lost of property and research. Installing emergency circuits and power capabilities would prevent this from occurring. (\$1,703,300 – Human Services’ generator, lab backup power)

Rehabilitate Klehm Hall HVAC and Plumbing -- Project Number 2008-9

**\$1,800,600**

Klehm Hall (1967) and Klehm Hall Addition (1968) HVAC systems are original equipment, and are failing to provide adequate levels of comfort in seasonal service. Portions of the 1968 addition which were originally designed as non-air conditioned industrial instruction spaces are now occupied by state of the art processor-controlled machine tools and sophisticated electronics labs. Cooling is inadequately provided by distributed window units, which have been back-fit as additional cooling needs have developed. Air handling units are failing to deliver acceptable indoor air quality, which compromises the delivery of education to our students. In addition, poor temperature control and air delivery is energy inefficient. Also, the building heating and chilled water distribution systems have experienced numerous leaks due to internal and external corrosion and thinning of pipe wall thickness. The deterioration has made the piping systems virtually impossible to repair due to insufficient pipe material remaining to thread. The building requires an entire mechanical systems upgrade.

This project will replace the ventilation units, air-handling units, cooling and heating coils and piping distribution systems throughout the structure. Temperature control instrumentation will be updated to deliver precise control at optimum energy efficiency. The hot and cold domestic water distribution piping will be replaced to eliminate further system leaks.

Campus Chilled Water Loop -- Project Number 2008-10

**\$ 1,773,800**

In 1995, Eastern Illinois University initiated design of a chilled water loop to connect the air-conditioning equipment of four buildings together. The goals of the project were to improve energy efficiency by using excess capacity in individual equipment, improve reliability by sharing equipment, permit the cooling of buildings during seasonal shoulder periods, and to defer the replacement of old equipment all at once. The project has been very successful. Since the initial project was completed, extensions to the central loop to serve the west and north-central campus buildings, and a loop serving the south quad buildings have been installed.

Based on the success of the project, the University proposes to extend the central chilled water loop south from Booth Library, under Garfield Avenue via existing steam tunnels, connecting to the south quad loop. In addition, an extension to the north to provide hookups for the four campus buildings around the north quad is proposed. This project will join the existing north, central and west loops with the south quad and north quad users. This project would bring the total number of buildings piped into the loop to twenty-one, and completes the planned campus chilled water loop development.

This project will increase the reliability of cooling systems, and allow for the more efficient use of energy throughout the year.

**D. FY08 Budget Recommendation (Cont.)**

## II. Capital Renewal Projects

Capital renewal projects are non-phased projects and shorter in scope than Regular Capital projects. Funds requested for these projects are generally used to address deferred maintenance. Examples of capital renewal include roofing, chiller replacement, and electrical upgrade projects. For the past several years, the IBHE has recommended that capital renewal funds be distributed to universities based on a formula that accounts for square footage. Eastern's annual share of the State's capital renewal funds has been \$773,300 for the past several years. For FY 2008, Eastern proposes the capital renewal projects listed below.

### Fire Alarm Upgrades for McAfee Gym – Project Number 2008-11 **\$389,900**

Upgrade Fire alarm detection; pull station, and light–horn devices to improve the fire protection of the McAfee Building and increase occupant safety. The original fire alarm system was installed in 1937 to meet construction-building codes. The University is currently using National Fire Protection Association Life Safety Code 101 adopted in 2000. The upgrade to the Fire Alarm will allow the building systems to conform to the State Fire Marshal code standard.

### Replace Reheat Coils, Physical Science and Klehm Hall -- Project Number 2008-12 **\$857,800**

The existing reheat coils in the Physical Science and Klehm Hall academic buildings are original to the buildings. Existing duct mounted heating coils shall be replaced which are inefficient, noisy when heating, exhibiting numerous leaks, and are ineffective during heating season. Replacing these coils will decrease maintenance costs, increase building efficiency, and enhance building occupant comfort with better climate control. There are approximately 250 of these coils in the buildings.

### Replace Campus Compressed Air Distribution Piping -- Project Number 2008-13 **\$181,000**

The campus compressed air is produced at the central steam plant and is piped throughout campus in tunnels and in direct buried pipes. The air is used for control of all space temperature regulating systems, as well as critical functions in various academic labs and preparation areas. A study performed by Department of Commerce and Economic Opportunity indicated that Eastern's distribution lines are undersized, causing loss of temperature control during periods of high air demand. This in addition to the poor condition of portions of the underground system dictates that a replacement piping system is required and sized for the load it is serving.

### Upgrade Electrical Systems: Life Science -- Project Number 2008-14 **\$184,200**

The electrical services in Life Sciences are original to the building, and have had few improvements made. The aging systems contain panels and current protection devices, which are obsolete. Finding suitable repair parts when portions of these systems fail is becoming increasingly difficult. Circuit load capacity to service sub-panels is at maximum in many cases. In order to provide reliable and serviceable electrical building systems and to provide adequate load capacity to meet the needs of the programs, an upgrade to correct these deficiencies is requested.

## D. FY08 Budget Recommendation (Cont.)

Electrical Upgrades: Physical Science -- Project Number 2008-15

**\$394,000**

The electrical services in the Physical Sciences building are original, and have had few improvements made. The aging systems contain panels and current protection devices are obsolete. Finding suitable repair parts when portions of these systems fail is becoming increasingly difficult. Circuit load capacity to service sub-panels is at maximum in many cases. In order to provide reliable and serviceable electrical building systems and to provide adequate load capacity to meet the needs of the programs, system upgrades are required.

Emergency Generator for Physical Science Building Project Number 2008-16

**\$ 485,900**

The Physical Science building contains the University's chemistry, geology, physics and psychology departments. Laboratory fume hood ventilation, lab make-up air, on-going research, fire alarm panels, emergency lighting circuits and control power are all critical services which must be maintained at all times. Presently, the Physical Sciences complex has no back-up power, which leaves these critical services vulnerable to utility outages. These essential loads need to be analyzed and a new diesel-driven emergency generator set selected to fit the application. Loads determined to be essential will need to be re-powered from new or revised distribution panels (emergency panels) which would then be backed-up by the new generator. Location of the new generator will need to be sensitive to campus traffic and pedestrian needs.

Water Tower Interior/Exterior Lead Abatement – Project Number 2008-17

**\$479,900**

The campus water tower is a 500,000 gallon steel structure, which supplies all of the campus domestic water needs. The interior is lined with an epoxy applied liner, and the exterior is an industrial enamel. The interior coating was last repaired in 1998. An interior tower inspection was performed in 2004, which indicates that maintenance is again needed on both the epoxy coating and internal components. The exterior coating is the original paint from the 1968 construction, and is in desperate need of repainting as evidenced by significant general rust bloom and peeling. This project proposes to repaint the exterior of the tower, and to perform required interior component repairs and coating upgrades.

McAfee Elevator – Project Number 2008-18

**\$421,800**

McAfee Gym is listed on the National Register of Historic Places. It has 4 entrances and they all require negotiating steps on the exterior and immediately inside each entrance. This project will construct a small addition to house a grade level entrance and elevator to access the lower and main level. The addition will be constructed such that it will provide accessible entry without distracting from its historic character.

**D. FY08 Budget Recommendation (Cont.)**

Exhibit I  
Eastern Illinois University  
FY 2008 Budget Request  
Operating Budget

Incremental Base Increases	Projected FY 2007 Base	Percentage Increase	Dollar Increase
Salary Increase	\$ 73,056,700	5%	\$ 3,652,800
Medicare	1,026,000	7%	71,800
Library Acquisitions	1,493,100	15%	224,000
General Cost Increases	16,227,800	2%	324,600
Utilities	<u>2,521,600</u>	20%	<u>504,300</u>
<b>Total Incremental Base Increases</b>	<b><u>\$ 94,325,200</u></b>		<b><u>4,777,500</u></b>

Program Priority Requests

*Goal 2 : Teaching and Learning*

Academic Base Support	700,000
Nursing Program	285,000

*Goal 4: Access and Diversity*

Diverse Learning Environment	166,000
Substance Abuse Counselor	35,000

*Goal 5: High Expectations and Quality*

Recruiting and Retaining Critical Faculty/Staff (2%)	1,300,000
--	-----------

*Goal 6: Productivity and Accountability*

Deferred Maintenance	325,000
Technology Enhancements	<u>325,000</u>

<b>Total Program Priority Requests</b>	<b><u>3,136,000</u></b>
--	-------------------------

<b>Total Request</b>	<b><u>\$ 7,913,500</u></b>	<b>8.4%</b>
----------------------	----------------------------	-------------

D. FY08 Budget Recommendation (Cont.)

**Exhibit II  
Eastern Illinois University  
FY 2008 Budget Request  
Capital Budget**

	<b>Category</b>	<b>Amount</b>
<b>Regular Capital</b>		
Fine Arts Center Equipment	Equipment	\$ 1,500,000
Rehabilitate Life Science HVAC and Plumbing	Remodeling	1,804,600
Rehabilitate Coleman HVAC and Plumbing	Remodeling	1,455,400
New Science Building	Planning	8,313,000
Rehabilitate Steam Production Facilities	Utilities	13,192,200
Old Main Ceiling Asbestos Abatement	Safety	2,703,200
Upgrade Utilities Infrastructure	Utilities	19,078,700
Environmental Health & Safety	Safety	3,973,700
Rehabilitate Klehm Hall HVAC and Plumbing	Remodeling	1,800,600
Campus Chilled Water Loop	Utilities	1,773,800
<b>Total Regular Capital</b>		<b><u>55,595,200</u></b>
<b>Capital Renewal</b>		
Fire Alarm Upgrades, McAfee Gym		389,900
Replace Reheat Coils, Physical Science and Klehm Hall		857,800
Replace Campus Compressed Air Distribution Piping		181,000
Upgrade Electrical, Life Science		184,200
Upgrade Electrical, Physical Science		394,000
Physical Science Emergency Generators		485,900
Water Tower Interior/Exterior Lead Abatement		479,900
McAfee Elevator Installation		421,800
<b>Total Capital Renewal</b>		<b><u>3,394,500</u></b>
<b>Total Request</b>		<b><u>\$ 58,989,700</u></b>

**E. Non-indentured Reserves**

In order to retain working capital allowances and adequate funds for repair/replacement of equipment and/or relevant facilities, and in accordance with Section V.G.5 of the Board of Trustees Regulations and Sections IV.A.1 and IV.C.2 of the University Guidelines 1982, Board approval is requested to increase reserves as follows:

<b><u>Entity</u></b>	<b><u>Current Authorized Amount</u></b>	<b><u>Increase Requested</u></b>	<b><u>Revised Amount</u></b>
Student Fee Programs/Services	\$1,400,000	\$0	\$1,400,000
Service Departments	550,000	100,000	650,000
Student/Staff Programs/Services	67,000	4,000	71,000
Educational Services	37,000	0	37,000
Auxiliary Enterprises-Other	940,000	0	940,000
Public Services	33,000	0	33,000
Continuing Education (CC)	35,000	0	35,000
Income Fund Equipment	3,350,000	1,200,000	4,550,000
Reserve for Compensated Absences	1,400,000	0	1,400,000

**It is recommended that the Board approve these non-indentured reserve increases.**



**F. Expenditure Recommendations for Purchases of \$250,000 or More**

**1) Purchase Item:** Group Insurance Reimbursement

**Description/Explanation:** In December 2001, Governor Ryan requested that higher education contribute \$45 million to Central Management Services (CMS) to cover a shortfall in the State group insurance program. Eastern's prorated share of the shortfall, determined by the Illinois Board of Higher Education, is summarized below.

<u>University</u>	<u>Contribution</u>
Chicago State	\$ 1,024,000
<i>Eastern Illinois</i>	<i>1,713,300</i>
Governors State	656,200
Illinois State	3,078,300
Northeastern Illinois	1,072,600
Northern Illinois	3,541,300
Western Illinois	1,944,800
Southern Illinois	7,076,300
University of Illinois	<u>24,893,200</u>
Total	<u>\$ 45,000,000</u>

Eastern's group health insurance contribution for FY07 would be made in four (4) installments as follows:

September 29, 2006	\$ 428,325
December 29, 2006	428,325
March 30, 2007	428,325
June 15, 2007	<u>428,325</u>
	<u>\$1,713,300</u>

**Cost:** \$1,713,300

**Recommended Vendor:** Central Management Services - Sole Source (per Section 526.2025 of the Higher Education Procurement Rules)

**Fund Source:** Appropriated Funds

**It is recommended that the Board of Trustees approve this purchase item.**

**F. Expenditure Recommendations for Purchases of \$250,000 or More (Cont.)**

**2) Purchase Item:** Parking Lot Maintenance & Improvements

**Description/Explanation:** This project would include all labor and materials for repairs, maintenance and improvements to various campus parking lots during the summer of 2006.

Under terms of this agreement, ten (10) lots would receive joint/crack repair, cleaning and caulk; six (6) lots would receive joint/crack repair, cleaning, caulk, seal coat and stripe painting; and, four (4) lots would receive joint/crack repair, cleaning, caulk, reflective crack control, patching with complete overlay, and stripe painting.

**Cost:** To be determined

**Recommended Vendor:** To be determined

**Summary of Bids:** Bids will be opened on June 21, 2006

**Fund Source:** Local Funds

## G. Personnel Contracts

At the January 26, 1998 meeting of the Board of Trustees, the Board authorized the recommendation that the President of the University be authorized to offer multi-year contracts to certain administrative personnel at Eastern Illinois University.

**It is recommended that President Hencken be authorized to offer one year contracts to the following individuals:**

- 1. Dr. Blair M. Lord, Provost and Vice President for Academic Affairs effective August 1, 2007 through July 31, 2008.**
- 2. Mr. Jeff Cooley, Vice President for Business Affairs effective July 1, 2007 through June 30, 2008.**
- 3. Dr. Jill F. Nilsen, Vice President for External Relations effective August 1, 2007 through July 31, 2008.**

## H. Labor Agreements

### 1. Contract Renewal and Wage Agreement - International Brotherhood of Electrical Workers (IBEW) Local #146

**Labor Agreement:** A tentative agreement was reached with IBEW Local #146, representing 17 employees, on April 14, 2006. This tentative agreement would be effective for the period September 1, 2004 through August 31, 2007 and includes a three-year wage package and minor language changes to the predecessor agreement. The Union ratified the agreement on May 30, 2006.

**Cost of Settlement:** Under terms of the agreement, bargaining unit members would receive the wage rate certified by the Department of Labor for journeyman electricians in Coles County. The sub-foreman rate of pay would remain at 106% of the journeyman electrician rate of pay. Effective June 1, 2006, the journeyman electrician wage rate for Coles County increased \$0.99/per hour or 3.5%.

Estimated cost of \$0.99/hour increase effective June 1, 2006      \$32,820

**It is recommended that the Board of Trustees approve this contract renewal and wage agreement.**

## H. Labor Agreements (Cont.)

### 2. Contract Renewal and Wage Agreement - Plumbers and Pipefitters Local #149.

**Labor Agreement:** A tentative agreement was reached on May 1, 2006 with Plumbers and Pipefitters Local #149, representing 21 employees. This tentative agreement would be effective for the period June 1, 2006 through May 31, 2009 and includes a three-year wage package and minor language changes to the predecessor agreement. Plumbers and Pipefitters Local #149 ratified the tentative agreement on May 17, 2006.

**Cost of Settlement:** Under terms of the agreement, bargaining unit members would receive the wage rate certified by the Department of Labor for journeyman plumbers and pipefitters in Coles County. The sub-foreman rate of pay would remain at two dollars (\$2.00) per hour above the journeyman rate of pay. Effective June 1, 2006, the journeyman plumbers and pipefitters wage rate for Coles County increased one dollar and eighteen cents (\$1.18) per hour or 3.7%.

Estimated cost of \$1.18/hour increase effective June 1, 2006      \$46,784

Wages for the second and third years of agreement would be at the rate of pay certified by Illinois Department of Labor for Coles County.

**It is recommended that the Board of Trustees approve this contract renewal and wage agreement.**

## I. **Approval of Securities Firms/Financial Institutions**

In accordance with Board of Trustees *Regulations*, Section V.G., approval is requested for the following securities firms or financial institutions to provide consulting services and/or engage in securities transactions with the University.

Institutional Capital Management  
Houston, Texas

**It is recommended that the Board of Trustees approve this securities firm to provide consulting services and/or engage in securities transactions with the University.**

**J. Approval of Depository for Non-Appropriated Funds**

In accordance with Board of Trustees *Regulations*, Section V.G.1, approval is requested for the following financial institutions as depositories of local funds:

**New Requests:**

None

**Acquisitions/Mergers/Name Changes:**

First Financial Bank (formerly Community Bank & Trust, Charleston)

**It is recommended that the Board of Trustees approve this financial institution as a depository for non-appropriated funds.**

## K. 2007 Meeting Calendar

Unless other notice is given, all meetings will be held on the campus of Eastern Illinois University in Charleston, Illinois.

Friday, January 19, 2007 (Meeting on Campus)

Friday, March 9, 2007 (Meeting on Campus)

Monday, April 23, 2007 (Meeting on Campus)

Monday, June 25, 2007 (Meeting on Campus)

Friday, September 14, 2007 (Meeting on Campus)

Friday, November 30, 2007 (Meeting on Campus)

**It is recommended that the Board of Trustees approve the above meeting calendar for 2007.**



## L. Approval of Revised Mission Statement [First Reading]

### **Current Mission Statement**

Eastern Illinois University offers superior yet accessible undergraduate and graduate education. Students learn the methods and outcomes of free inquiry in the arts, sciences, humanities, and professions, guided by a faculty known for its commitment to teaching, research/creative activity, and service. The University community strives to create an educational and cultural environment in which students refine their abilities to reason and to communicate clearly so as to become responsible citizens in a diverse world.

### **Revised Draft of Mission Statement**

Eastern Illinois University **is a public comprehensive university that** offers superior, accessible undergraduate and graduate education. Students learn the methods and outcomes of free **and rigorous** inquiry in the arts, humanities, sciences and professions, guided by a faculty known for its **excellence in** teaching, research, creative activity and service. The University community **fosters opportunities for student-faculty scholarship and applied learning experiences within a student-centered campus culture.** **Throughout their education,** students refine their abilities to reason and to communicate clearly so as to become responsible citizens **and leaders of** a diverse world.

This page is intentionally blank.

IV. INFORMATION ITEMS

**A. Summary of Purchases \$100,000 - \$249,999**

<u>Vendor</u>	<u>Type of Purchase</u>	<u>Bids</u>	<u>Amount</u>
Western Telecommunication Consulting, Inc.	Agreement for consulting services and assistance in preparing and analyzing a Request for Proposals for campus-based telecommunication and video services	10	\$130,000 <sup>A</sup>
Durkin Equipment Company	Labor and materials to upgrade boiler controls in the Steam Plant	2	\$105,928
HUB Travel Center, Inc.	Air and land travel for a study abroad summer trip to Germany	<sup>B</sup>	\$119,301
Conference Technologies, Inc.	Audio-visual equipment	17	\$132,697
Apple, Inc.	Computer hardware and software	<sup>C</sup>	\$156,089
C & T Design and Equipment Co., Inc.	Dish machine replacement at Taylor Hall	1 <sup>D</sup>	\$241,660

<sup>A</sup> Contract issued on a “Not To Exceed” basis.

<sup>B</sup> Bidding not required, purchased through an existing IPHEC contract.

<sup>C</sup> Bidding not required, purchased through an existing EIU contract.

<sup>D</sup> We received 1 “no bid” and 3 companies did not respond.

## B. Annual Report on Campus Master Plan

On April 19, 1999, the Board of Trustees approved the Campus Master Plan (Plan) for Eastern Illinois University. The overall focus of the Plan is to enhance the quality of campus life in all its aspects, including academics, recreation, residential living and support services. The Plan includes a three-phase recommendation for future campus development. Phase I contained projects most urgently needed to serve campus operations. Phase II includes projects that are important to campus, but not as urgently needed as Phase I projects. Projects in the Ultimate Phase of the Plan are those that represent long-term needs for the improvement of campus.

In 2002, the plan was updated to incorporate amendments that did not extend the Plan beyond the original 15 year (Ultimate Phase) projection. April 2006 concluded the second year of the Master Plan's second phase.

The Plan also established a Design Advisory Team (DAT) to, among other things, implement the Plan, periodically update the Plan and prepare an annual report to Vice President for Business Affairs and the Board of Trustees. Following is the report on the status of Master Plan projects for FY 2006.

### Status of major Phase I projects:

Booth Library	Complete
Union Food Court	Complete
O'Brien Stadium	Complete
Fine Arts Addition/Renovation	Construction has begun
Human Services Center	Complete
New Science Building	Planning dollars requested
Textbook Rental Building	Alternate site approved
New Greek Housing Unit	No Progress
Tarble Arts Addition	Complete
Print Center Addition	Deleted
Commemorative Plaza	Complete
Garfield replacement parking lot	Complete
Union North/Student Service/Steam Plant Parking	No Progress
North Buzzard Lot Expansion	Complete
"S" Lot Expansion	Complete
Intramural Fields	Complete
Baseball Stadium	Complete
7 <sup>th</sup> Street pedestrian concourse	Planning is complete Johnston Avenue is now two-way and the Lincoln Avenue traffic lights have been moved to Ninth Street
Old Main Landscaping	Complete
9 <sup>th</sup> Street Parking Lots	Complete

## B. Annual Report on Campus Master Plan (Cont.)

### Status of major Phase II Projects:

Physical Science Building – renovation	No Progress
Life Science Building – renovation	No Progress
Student Services Building	No Progress
Student Suite Housing	No Progress
Observatory	Complete
Chemical Storage Facility	Complete
University Center/Lifelong Learning Center	No Progress
Heat & Power Plant	Conceptual design complete
Clock Tower-Carillon	Complete

### Amendment Requests processed in FY 2006

No amendment requests were received in FY 2006.

### Other Campus Master Plan activity in FY 2006

Design development continues for the Alumni Plaza surrounding the Carillon Tower donated by the Alumni Association. Phase I construction is expected to begin in early FY 2007.

Property along Ninth Street, contiguous to an existing parking lot, was approved for purchase to support the Master Plans parking needs.

Design development continues to add green space in front of Blair Hall in support of the Master Plans guiding principles.

### **C. Banner Project Status Report**

A presentation will be made at the meeting to provide the Board with an update on the status of the Enterprise Resource Planning (ERP)/Banner project

## **D. President's Report**

## **E. Report from Board Chair**



## **F. Committee Reports**

**Finance/Audit Committee**

**Board Relations Committee**

**Executive/Planning Committee**

**Academic and Student Affairs Committee**

**Board Regulations Committee**

## **G. Reports from Constituencies**

## H. Other Matters

## I. University Highlights

### AROUND CAMPUS

**Blair Hall rededicated.** On April 24, people from throughout campus and the community gathered outside of Blair Hall to rededicate the campus's third-oldest building, two years after it was nearly destroyed by fire. Tours of the building were offered after the service. Speakers were President Lou Hencken, Board of Trustees Chairwoman Julie Nimmons, faculty member Janet Cosbey, Dean Will Hine, student body President Ryan Berger and Charleston Mayor John Inyart. To view some photos of the event, please visit [www.eiu.edu/~pubaff](http://www.eiu.edu/~pubaff).

**Renowned architect Antoine Predock visits campus, Doudna project.** One of the world's most celebrated architects visited campus in April to talk about his design philosophy and explain his plans for the Doudna Fine Arts Center. Predock's designs marry architecture to its geographical surroundings. The Doudna, which is expected to be completed in Fall 2007, will include an 85-foot-high wing that will stand out literally and figuratively. "It will not be unlike a grain elevator, punctuating the great prairie," Predock said. His design combines all of the building's elements into "a dance of the arts" that will become "a glorious destination – an intriguing, mysterious destination – that draws you in," Predock said. He also visited the construction site for an update on its progress.

**Son of Eastern's second president gives \$250,000 in memory of parents.** The oldest son of a former EIU president has donated \$250,000 to fund EIU scholarships in his parents' names. The substantial gift from John Buzzard of Greenville, N.C., will benefit students through the Robert G. Buzzard Presidential Memorial Scholarship and the Irene Couchman Buzzard Scholarship. "Charleston was their life, and Eastern Illinois University was certainly their life," Buzzard said. "I have strong feelings for the university and the community. As I get older, I appreciate more and more what they've done for me." Mrs. Buzzard graduated from a two-year course at Eastern Illinois State Normal School in 1916. The children enrolled in Eastern's model school when their father, Robert Guy Buzzard, became Eastern's president in 1933; he retired in 1956.

**Dining services get national attention.** EIU's dining services were featured in a two-page story in Food & Drink magazine's May/June issue. The story highlighted the variety of options and flexibility offered to students through the residential dining centers, two convenience centers, food court, coffee shop and catering service. The ever-changing face of the program is a key to its success, said Mark Hudson, director of university housing and dining services.

**EIU adds hybrid car to fleet.** In an effort to cut its gasoline use, EIU has added a fuel-saving hybrid car to its fleet. EIU received its 2006 Toyota Prius in January, and fleet manager Ron Mathenia is recording its performance and costs to determine whether it might be beneficial to purchase more. The athletics department has also purchased a Prius for use by a women's basketball assistant coach. The Prius saves fuel by switching to an electric motor when driven below about 15 mph. Its fuel economy has ranged from 24.2 miles per gallon to 51.7 mpg. This is the latest in EIU's extremely successful efforts to increase energy efficiency. "From the late '90s to now, we've cut 35 percent off of our utilities expenditures," said Gary Reed, director of EIU Facilities Planning and Management. "Our energy conservation is the best in the state, and compared to other campuses our size, we're one of the best in the entire country."

## I. University Highlights (Cont.)

**Commencement.** About 1,640 students graduated from EIU this spring, with the majority participating in commencement exercises May 6. Guest speakers were Judge Gary A. Jacobs, an EIU graduate who serves as the presiding judge for Coles County; Patrick Coburn, who joined the Springfield State Journal Register after leaving EIU and went on to become the newspaper's publisher; Charles A. Rohn, retiring dean of the College of Education and Professional Studies; and Mark A. Dronen, president and chief executive officer of GO! Products in Elmhurst, who was the 2005 Distinguished Alumnus for EIU's School of Business. Coburn was also one of four alumni to receive Honorary Doctor of Public Service degrees. Joining Coburn in the honor were actor William Phipps, financial services expert Jeffrey G. Scott and cable telecommunications industry leader Charles Jacobs Younger.

### FACULTY/STAFF HAPPENINGS

**Nursing program names founding director.** Dianne E. Nelson has been hired as the founding director of EIU's nursing program. Nelson taught nursing classes at Lake Land College in Mattoon from 1994 to 2002, before leaving to become an assistant professor in Indiana State University's College of Nursing. She previously taught at Arkansas Tech University and John A. Logan Community College in Carterville. She also worked as a charge and staff nurse at Carbondale Memorial Hospital for five years. She has received several awards for her research and her role in nursing education. Nelson received her bachelor's degree from the University of Iowa, her master's from the University of Central Arkansas, and her doctorate from Rush University in Chicago. She is to begin her duties at EIU July 1, and the program is tentatively set to offer classes beginning in August 2007.

**Hoberman honored with Distinguished Faculty Award.** The Faculty Senate unanimously approved Ruth Hoberman as the 2006 Distinguished Faculty Award recipient for her excellence in the areas of teaching/performance of primary duties, research/creative activity and service. Hoberman said she's "very proud" that both her teaching and research efforts were taken into consideration for the award. Hoberman teaches English courses to majors and non-majors. In addition to numerous essays, she's written two books, "Gendering Classicism: The Ancient World in 20th Century Women's Historical Fiction" and "Modernizing Lives: Experiments in English Biography, 1918-1939"; co-authored "The McGraw-Hill Guide to World Literature"; and co-edited a published collection of essays, "Trespassing Boundaries: Virginia Woolf's Short Fiction."

**Retirees leave EIU.** More than 40 EIU employees recently were honored as faculty/staff members who retired during the 2005-2006 school year. A photo and a list of names can be found online at [www.eiu.edu/~pubaff/headline/2006/0523200690.php](http://www.eiu.edu/~pubaff/headline/2006/0523200690.php).

**Kopel earns teaching kudos, accepts leadership position.** Roann Kopel, a professor of accountancy, has been named the 2006 Illinois CPA Society Outstanding Educator. She has also been appointed to the International Board of Directors of Beta Alpha Psi Honorary Organization for Financial Information Professionals. She will serve a three-year term as Midwest regional director, beginning in August.

## I. University Highlights (Cont.)

**Lisowski collects statewide honor.** Marilyn Lisowski, a professor in the College of Education and Professional Studies, was selected as Illinois Environmental Educator of the Year for 2006 for her exceptional efforts of delivering the environmental education message to the public throughout the state. Lisowski officially received her award at a statewide conference on the environment in May.

### STUDENT SPOTLIGHT

**Television station featured in magazine.** WEIU-TV was featured in the April 2006 issue of "Television Broadcast Magazine" for its sports productions. The story focused on the experience that students gain by working with WEIU-TV and its staff on the broadcasts of EIU sports. The article can be found online at [http://televisionbroadcast.com/articles/article\\_1281.shtml](http://televisionbroadcast.com/articles/article_1281.shtml).

**Class makes curtains, room dividers for homeless shelter.** The Public Action to Deliver Shelter facility in Mattoon now offers a more cheerful atmosphere and more privacy, thanks to new curtains and room dividers provided by an EIU clothing construction class. Students spent at least 10 hours measuring, shopping for material, sewing and hanging the curtains. "The girls did a wonderful job," said Donna Ayers, the shelter's case manager, who is a recent graduate of EIU. "I really, really appreciate it. They just really brighten the place up."

**Students lead teaching workshop.** Seven EIU students and their mentor, Andrew M. White, conducted a workshop for teachers at the National Council of Teachers of Mathematics Annual Conference in St. Louis in April. The workshop connected mathematics with children's literature. The EIU students acted out skits and conducted mathematical activities with the more than 90 teachers attending. The students – Jillian Eastin, Courtney Peters, Stacy Livengood, Billy Gherardini, Tim McGinness, Aaron Crutchfield and Jason Van Pelt – comprised the only collegiate group invited to present at the conference.

### ALUMNI ACTIVITIES

**Journalism grad talks about coverage of Iraq executions, accepts EIU award.** A Chicago Tribune correspondent recently visited his alma mater to discuss his award-winning series on how human trafficking benefiting U.S. military support operations in Iraq resulted in the execution of 12 men from Nepal. Cam Simpson's series has won a George Polk Award, an Overseas Press Club award and a Robert F. Kennedy Journalism Award. He is also a finalist for Atlantic Media's Michael Kelly Award. Simpson, who was awarded the journalism department's Journalist of the Year Award this spring, spoke to classes during his visit.

**Payton gets presidential nomination.** In April, President George W. Bush nominated Sue C. Payton of Virginia to be assistant secretary of the Air Force for Acquisition, Research and Development. Payton, currently the deputy under secretary of defense for Advanced Systems and Concepts at the Department of Defense, previously served as acting director of Defense Research and Engineering. She has also had major roles at ImageLinks Inc., Martin Marietta, Lockheed Martin. She received her bachelor's degree from EIU.

## I. University Highlights (Cont.)

**Internationally known researcher honored posthumously.** A type of turtle studied extensively by the late J. Vijaya, India's first woman herpetologist, has been renamed in her honor. More than two decades ago, Vijaya took photos of the human killing of sea turtles on Digha Beach in West Bengal and in the meat markets of Calcutta; the photos, published by India Today magazine, caused a public stir that resulted in Prime Minister Indira Gandhi taking steps to stop the turtle slaughter. Viji later focused her attention on finding an obscure type of cane turtle that hadn't been seen in 67 years, with only two specimens of the species ever recorded. She found some in 1982, and she documented much about the turtle species, now called *Vijayachelys silvatica*. Vijaya came to EIU in 1984 to pursue her master's degree; in 1987, she returned to India to pursue her work. She was found dead in the forest at age 28.

**Musician Charlotte Martin speaks to EIU music students.** Singer/songwriter/pianist and former RCA recording artist Charlotte Martin brought a renowned video-game music composer to campus to speak about the music business's past, present and future trends. Martin, an EIU graduate, and Tommy Tallarico, the most successful composer of music for video games in the world, talked to students in a presentation organized by Martin's father, Joe Martin, an EIU music professor.

### FOCUS ON ATHLETICS

**Lantz Arena work under way.** Construction of the second-level addition to the east side of Lantz Arena has begun, with work expected to be complete by October 2006. The new space is to house an athletic academic services center for student-athletes, as well as offices for the men's and women's basketball coaching staffs.

**Panther Club fund drive brings in record-high total.** EIU's Panther Club fund drive continued its record pace by receiving pledges of \$713,427 in 2005-06. For the second straight year, the fund drive's Most Valuable Player was Ed Corley, who raised almost \$11,000 and signed four new members. He also was honored as the 23rd recipient of the Glen Hesler Award, presented annually to an individual who makes an outstanding contribution to EIU athletics.

**Strackeljahn earns national academic honors.** EIU track/cross country distance runner Dan Strackeljahn of Highland was selected to the Academic All-District V team by a national vote of the College Sports Information Directors of America. A senior, Strackeljahn also earned the Ohio Valley Conference's Scholar-Athlete Award for 2005-2006. Strackeljahn, a three-time selection to the OVC Commissioner's Honor Roll, has a 3.87 grade point average with a major in career and technical education and a minor in computer information systems.

## J. Public Information