

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES
SOUTHERN ILLINOIS UNIVERSITY
MAY 11, 2005

A special meeting of the Board of Trustees of Southern Illinois University convened at 3:40 p.m., Wednesday, May 11, 2005, at Stone Center, Southern Illinois University, Carbondale, Illinois. The meeting was called to order. The following members of the Board were present:

Glenn Poshard, Chair
Ed Hightower, Vice-Chair
John Simmons, Secretary
Ed Ford
Rick Maurer
Keith Sanders
Roger Tedrick
A. D. VanMeter, Jr. – via teleconference

The following member of the Board was absent:

Marilyn D. Jackson

Also present were James E. Walker, President; Jerry D. Blakemore, General Counsel; and Misty Whittington, Executive Secretary of the Board.

The Board discussed upcoming system-wide meetings to be held on the campuses.

The Board discussed topics of a future planning session for the Board's organization and goals.

At 4:15 p.m., Dr. Sanders moved that the Board go into closed session to consider pending, probable or imminent court proceedings against or on behalf of the Board and information regarding appointment, employment, compensation, discipline, performance or dismissal of employees or officers. The relevant sections of the Open Meetings Act

Statute that allow for the closed session are 5 ILCS 120/2(c) (1,3,4,11,12). The motion was duly seconded by Dr. Hightower. Student Trustee opinion in regard to the motion was indicated as follows: Aye, Ed Ford; nay, none. The motion carried by the following recorded vote: Aye, Ed Hightower, Rick Maurer, Glenn Poshard, Keith Sanders, John Simmons, Roger Tedrick, A. D. VanMeter, Jr.; nay, none.

The meeting adjourned at 5:55 p.m. No formal action was taken.

John Simmons, Secretary

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES
SOUTHERN ILLINOIS UNIVERSITY
MAY 12, 2005

The regular monthly meeting of the Board of Trustees of Southern Illinois University convened on Thursday, May 12, 2005, at 10 a.m. in Ballroom "B" of the Student Center, Southern Illinois University, Carbondale, Illinois. The meeting was called to order. The following members of the Board were present:

Glenn Poshard, Chair
Ed Hightower, Vice-Chair
John Simmons, Secretary
Ed Ford
Rick Maurer
Keith Sanders
Roger Tedrick
A. D. VanMeter, Jr.

The following member was absent:

Marilyn D. Jackson

Executive Officers present were:

James E. Walker, President, Southern Illinois University
Vaughn Vandegrift, Chancellor, SIUE
Walter Wendler, Chancellor, SIUC

Also present were Misty D. Whittington, Executive Secretary of the Board, and Jerry D. Blakemore, General Counsel.

The Secretary reported a quorum present.

NOTE: Copies of all background documents furnished to the Board in connection with the following matters have been placed on file in the Office of the Board of Trustees.

The Chair recognized the following new constituency heads: Rob Benford, Faculty Senate President at SIU Carbondale; John Benshoff, Graduate Council President at SIU Carbondale; and Cindy Holesko, President of the Student Body at SIU Edwardsville. The Chair extended his congratulations to Tequia Hicks for the internship she had received with Senator Barack Obama and her recent election as a student Trustee.

The Chair reported that, pursuant to notice, at approximately 3:30 p.m., May 11, at Stone Center, members of the Board of Trustees held an executive session. Before the close of the meeting of the executive session, future system-wide meetings and the Board's organization and goals were discussed. No action was taken. A motion was made to close the meeting to the public for the purpose of considering pending, probable or imminent court proceedings against or on behalf of the Board and information regarding appointment, employment, compensation, discipline, performance or dismissal of employees or officers. No action was taken.

The Chair reported that, pursuant to notice, after the executive session, President Walker hosted the members of the SIU Board of Trustees for dinner at the Stone Creek Golf Course. The gathering was social in nature.

The Chair also reported that, pursuant to notice, at 7:30 a.m. at Stone Center members of the Board had breakfast with Dr. Paul Sarvela, Dean of the College of Applied Sciences and Arts, Southern Illinois University Carbondale. No action was taken.

Under Trustee Reports, Dr. Poshard reported that on April 13 he presented a session on Board responsibilities and relations at the Regional Chamber of Commerce Conference at John A. Logan College. He reported that on April 18 he attended the Celebration of Service Award Banquet for Student Affairs at SIU Carbondale. He reported that on April 29 he attended a Civil Service luncheon with State Director Tom Morelock and Jay Brooks at SIU Carbondale. He reported that on the same day he attended the dedication of the new Henry Barkhausen Visitors Center at the National Cache River Wetlands Area where the University is heavily involved in research. Dr. Poshard reported that he attended on May 4 and 5 the first ever meeting of the Illinois Health Facilities Planning Board to be held south of Springfield at the SIU Carbondale campus. On May 6, he attended a groundbreaking for the new multi-tenant building at the Southern Illinois University Research Park at the SIU Carbondale campus. On May 7, he attended the graduation ceremonies at the SIU Edwardsville campus. On May 11, Dr. Poshard presented the Lindell W. Sturgis Memorial Public Service Award to Rebecca O'Neill.

Dr. Sanders reported that on April 15 he addressed the Emeritus Association. After his presentation, he solicited feedback from the members to bring back and report to the Board members at its May Board meeting. He noted that many members of the group were from the "greatest generation" at SIU. One or two of its members came to SIU before Delyte Morris arrived in 1948, and they had witnessed the growth of the University from a small teacher's college to a comprehensive research

institution. Dr. Sanders reported the following feedback he received from the members. Some said they had trouble maintaining their departments because of inadequate staffing due to budget cuts. Another suggested that the University should examine the Other Than Salaries (OTS) budgets for departments because they were too low. One member complained at some length about the elimination of the Dental Technology and Respiratory Therapy Program. A member stated that the Board should take care of the recent concerns expressed about the Judicial Review Board. One said that in his long experience at SIU people have been brought in for administrative positions who have erred because they did not know the background, history, and philosophy of the University. A member stated that his general impression of the Board was that it had become ingrown and that too many people had stayed too long. One member said that there is a lot of strategic planning going on on the campuses but the Board never seems to plan strategically. Another one said that he hoped that the relationship between the Faculty Association and the Board improved. Another said that SIU has brought in high-priced administrators but the University does not seem to be able to increase the number of students who want to come to the University. A member stated that she was wondering what happened to so many Civil Service staff that were downgraded a few years ago. Last, a member said that the campuses used to have meetings at the departmental level between SIU Edwardsville and SIU Carbondale at least annually, and he suggested that the practice should resume.

Dr. Sanders reported that on April 30 he attended the meeting of the National Board of Directors of the SIU Carbondale Alumni Association. He reported that the Chancellor gave an excellent talk and that it was his impression that the SIU Carbondale alumni are loyal and anxious to continue and improve their strong support for their alma mater.

Mr. Simmons requested that the following report of the SIU Edwardsville Alumni Association be included in the minutes. The Association sponsored the Mass Communications Alumni reception in St. Louis on April 8, 2005. An SIUE Alumni reception will be held in Chicago at the Allerton Crown Plaza Hotel on July 2, 2005. SIUE Alumni Day is scheduled at Wrigley Field on July 3, 2005, for the Chicago Cubs vs. the Washington Nationals. The SIUE Alumni Association will participate at the State Fair in Springfield, Illinois, and will be sharing a tent with SIUC on August 12 through 21, 2005. The SIUE Alumni Association will host a Legacy Breakfast as part of the New Student Orientation and Convocation on Saturday, August 20, 2005, at 7:30 a.m. Last, the SIUE Alumni Association is a sponsor of the fourth annual Block Party on August 26. The event is a cooperative effort between SIU Edwardsville and the City of Edwardsville to welcome students back to campus.

Mr. Simmons reported that he attended the Lincoln Academy hosted by the SIU Edwardsville campus on April 30. He also reported that he attended the SIU Edwardsville commencements on May 7. He noted that four Board members and President Walker were in attendance and

that he had received several comments of appreciation from faculty for their attendance.

Mr. Tedrick provided a report on the SIU Carbondale Foundation to the Board. The Foundation held its spring meeting in March in St. Louis in conjunction with the Missouri Valley Tournament. He reported that the meetings are typically held the first week of May in Carbondale and were moved to try a new venue and to attract participation from alumni from the St. Louis area. He reported that the Foundation is receiving many more and increasingly larger gifts. For example for the month of December, the Foundation received three gifts which totaled more than \$5 million.

He reported that in the morning's local paper, the Foundation announced a \$1 million anonymous gift for scholarships for students with an ACT score of 30 or above for students south of Interstate 64. The Foundation also bought an online automated telefund system. As a result, the Foundation expects to receive for the first time \$1 million in gifts and pledges received through the phonathon process in a single fiscal year. Plans for the University's first comprehensive campaign are on schedule and volunteer leadership is being recruited at both the campus and University levels.

Mr. Tedrick reported that the leadership of the Foundation will change at the end of fiscal year. Mike Carr has served as president for the past two years with Larry DeJarnett taking over as president on July 1. He noted that Pam Pfeffer, granddaughter of Lindell W. Sturgis and former

member and chair of the Board of Trustees, is the new president-elect. The board meeting culminated with a dinner at the Chase Park Plaza Hotel overlooking Forest Park in St. Louis for over 125 donors, alumni, and friends. Chancellor Wendler spoke about the University's accomplishments and the long-range plans including *Southern at 150*. Mr. Tedrick reported that the SIU Foundation is making solid progress in its development initiatives under Vice Chancellor McCurry's leadership.

Mr. Maurer reported that he had attended the Lincoln Academy celebration with Student Body President Cindy Holesco. He reported that he had attended the commencement ceremonies on May 7 and announced that he had graduated with a bachelor of science degree in Political Science. Mr. Maurer also reported that he attended the Lindell W. Sturgis Memorial Public Service Award celebration and that he was impressed with the number of people who attended who had been past recipients of the award.

Under Committee Reports, in the absence of Dr. Jackson, Dr. Poshard reported that the Executive Committee had not met since the last Board meeting.

Mr. Tedrick, chair of the Finance Committee, reported that the Committee had met this morning. The Committee approved its April 14, 2005, minutes. The Committee approved for placement on the Board's omnibus motion the following matters: Board Agenda Item J, Increase in Flight Training Charges, SIUC; Board Agenda Item K, Increase in Residence Hall Rates and Apartment Rentals, SIUC; Board Agenda Item

L, Increase in Student Activity Fee, SIUC; Board Agenda Item M, Increase in Student Center Fee, SIUC; and Board Agenda Item N, Increase in Student Recreation Fee, SIUC. The Committee approved Board Agenda Item O, Revised Rates for Tuition, Fees, and Room and Board for FY 2006 for roll call vote by the full Board. Last, the Committee received an Investments Report given by Vice President Duane Stucky.

The Chair explained that there had been discussion in the public domain recently about the administration's decision with the majority of the Board agreeing to no longer issue plans for rate and tuition at one and a half years in advance. He noted that he wanted to make sure the public understood the issue. In past years the Board, because of its desire to give students and their families as much notice as possible to plan their budgets, took the unprecedented step as the only University in the state to do so of issuing tuition and fee rates a full one and half years in advance. For example, in April of 2003, SIU would issue the rates for the school year beginning in August of 2004. At the same time, other universities were issuing their rates for tuition and fees for August of 2003.

The Chair continued that during the last two years mainly because of the continuing financial difficulties in Springfield, the state budget had been passed very late and over the past three years had resulted in nearly a \$40 million cut for the entire SIU system and over \$22 million to the SIU Carbondale campus alone. For the past two years because of the uncertainty of the state budget process and the reductions

to higher education, the Board had to move its decision on its own budget including proposed rates on tuition and fees from April until late summer or early fall. He stated that for the present year, the University was nearly in the middle of May and a budget battle was just beginning to shape up in the state legislature for the coming fiscal year; and the University was being told that the state budget may again be passing late and that a flat budget was expected for higher education.

The Chair noted that in view of the continuing situation, the administration of SIU had approached the Board asking that they not be required, at least for the foreseeable future, to set tuition and fee rates a full one and a half years in advance. He explained that if the University set rates today, for instance, for the school year beginning August 2006 and it made the assumption that the state budget next year would be flat or even sustain further cuts to higher education as it has in recent years, then the University may set rates higher than necessary to make up for the anticipated shortfall from the state. On the other hand, if the economy improves, state revenues pick up, and the University can return to the expected two to three percent increase from the state upon which it could generally always rely in previous years, the tuition rates may well grow at a slower rate.

The Chair stated that as one Board member, he agreed with the administration that budget and revenue uncertainty combined with unanticipated unfunded state mandates which require the University, among other things, to spend millions of dollars at the present time on

sprinkler systems over the next several years in its dorms, increasing energy costs, and etcetera, he agreed that while the University may sacrifice some planning considerations that have been accorded its students in past years, it was a wiser and more prudent financial decision for the University in such uncertain times to take as much guess work out of the budget process for future years as possible which means keeping the decisions as close time-wise to the decisions being made in the state as possible.

The Chair noted that he thought it was going to be some time or possibly several years before the University could be comfortable and accurately predict future state appropriations for higher education.

Mr. Simmons, chair of the Architecture and Design Committee, reported that the Committee met this morning following the Finance Committee meeting. The Committee approved its April 14, 2005, minutes. The Committee approved for placement on the Board's omnibus motion the following: Board Agenda Item Q, Approval for Executive Committee to Award Contracts: Wall Street/Grand Avenue Apartment Complex, University Housing, SIUC; and Board Agenda Item R, Project and Budget Approval: Wayfinding Replacement and Enhancement Project, SIUE.

Mr. Simmons reported that on the May 11, the Architecture and Design Committee met in a special session at the Stone Center on the Carbondale campus to discuss design guidelines that currently do not exist on any of its campuses and the need for those guidelines and the best method of implementation. He informed the Board that at the June

meeting he planned to come back with a matter for Board approval which would request that each campus define its own plan, and it would include a timeline for development of each plan by approximately the end of the year. He noted that each plan was to take into account current land-use plans and that the plans should address six areas to include considerations for landscaping, circulation, signage, architecture, flexibility for expansion, and public art.

Dr. Hightower, chair of the Academic Matters Committee, reported that the Committee met this morning following the Architecture and Design Committee meeting. The Committee approved its April 14, 2005, minutes. The Committee approved for placement on the Board's omnibus motion Board Agenda Item S, Closure of the SIUC in Niigata Program, SIUC. The Committee also heard a presentation led by Dean Paul Sarvela and students on Rural Health Outreach with an emphasis on service learning.

Under Executive Officer Reports, Dr. James E. Walker, President, Southern Illinois University, presented his report to the Board. The President provided a legislative update. On May 4 and 5, he traveled to Springfield to lobby the legislators for SIU budget support for fiscal year 2006. President Walker testified before the Senate Higher Education Committee in support of House Bill 2435 which is the Vince Demuzio Internship Program. He thanked David Gross, executive assistant for governmental, media, and external affairs, for taking the initiative to move the project along, and he felt very positive about its direction.

President Walker reported that he met privately with the ranking members of the House Higher Education Appropriations Committee prior to appearing before them on May 5. He was able to take advantage of the opportunity to lobby with them for some key projects to include \$2.4 million in capital renewal funds that are in the Governor's budget as well as \$2.9 million in the Governor's capital budget for planning money for the expansion and renovation of the Science Building at SIU Edwardsville and \$3.9 million for planning money for the Transportation Center at SIU Carbondale. He noted that he thought those three projects would remain throughout the Governor's budget.

President Walker recognized that it was a tough time in Springfield in terms of the budget and that there were many items being looked at to balance the budget. He noted one item that is of concern to the University is some modification of the current pension plan which could have some consequence on the University's ability to recruit future employees and retention of employees. Senate Bill 750 was being heard at the time of the Board meeting and was being merged with Senate Bill 755 which would call for a two percent increase in state income tax. For the first time higher education is being included as one of the beneficiaries of the funds that would be coming from this proposal. If it should pass, SIU estimates it would have new funds of \$30 to \$40 million per year. The President noted that the University was not overly optimistic about what might happen with the bill since it was meeting a lot of opposition and the

Governor has said that if it passed he would veto it, but the University was watching its progress.

President Walker reported that on April 27 and 28 the University partnered with the University of Illinois, University of Chicago, and Chicago State on legislation and held a press conference for the Illinois Bill of Health. SIU's deans of the Medical, Dental, and Nursing Schools participated in those programs. The University is looking at opportunities where it can get the legislators and other people around the state to realize the full costs and factors that are associated with health care and what is needed to provide ample health care within the state. He noted that the University did not anticipate that there would be any additional dollars for this year, but it was hoped that the groundwork might help the University in the future to obtain additional funds for these programs.

President Walker reported that on May 2 a luncheon was hosted at the Stone Center for the SIU Carbondale constituency group leaders wherein Chancellor Wendler and senior members of President Walker's staff met with them. On May 3 a similar meeting was held at SIU Edwardsville with the constituency group leaders from the Edwardsville campus along with Chancellor Vandegrift and members of President Walker's senior staff. He noted that he thought the meetings with the constituency groups had been very productive and that they had a chance to talk about in open discussion a lot of different issues that are affecting not only their campus but the SIU system as a whole. He

expressed his appreciation to the constituency groups for their time and effort in participating in the meetings.

President Walker reported that on May 7 he attended the commencement exercises at the SIU Edwardsville campus. He noted that he would be participating in the commencement exercises on the Carbondale campus on the upcoming weekend.

Dr. Vaughn Vandegrift, Chancellor, SIUE, made his report to the Board. Chancellor Vandegrift reported that during the last month five SIU Edwardsville School of Business students won first place in the International Collegiate Business Strategy Competition in San Diego. They competed against 27 other teams from around the world including teams such as from the Regents Business School in London and the University of Saskatchewan in Canada. Each team was responsible for making a weekly business decision as well as for creating a strategic plan, an annual report, and one formal oral presentation to a panel composed of senior corporate business executives.

Chancellor Vandegrift reported that on April 16 the School of Nursing honored Illinois Representative Wyvetter Younge as a friend of nursing for her support on legislation calling for HMO reform and healthcare coverage for low income working families. SIU Edwardsville's Engineering School will be competing in the May qualifying trials of the North American Solar Challenge. The Cougar Cruiser will be designed, built, and raced as a solar-powered car in a cross-country race. In mid-July, 40 teams will compete in a 2,500 mile race from Austin, Texas, to

Calgary, Alberta, Canada. It will be the first solar car race to cross an international border and the first time SIU Edwardsville has participated in the event.

Chancellor Vandegrift reported that the School of Business recently held its second annual International Business Week. Fernando Aguirre who is a 1980 SIUE Business School graduate and currently the CEO of Chiquita Brands International visited the campus. He reported that the development area of the School of Pharmacy received a \$100,000 donation from Express Scripts Corporation focusing on community-based initiatives.

Chancellor Vandegrift noted that the 41st Lincoln Academy was held on April 30 on the campus. One of the great honors the campus had for hosting the event was that it could make a nomination. The campus nominated Jackie Joyner-Kersey who received an award in the sports and service area. Related to the commencement exercises held on the campus on May 7, the Chancellor reported that the campus awarded almost 1,600 degrees. Gary Moulton received an honorary doctor of humane letters degree for his scholarly work on the Lewis and Clark expedition, and Lois Wood was awarded the Distinguished Service Award for her legal advocacy on behalf of the poor. He noted that the ceremonies included terrific student speakers and wonderful representation by members of the Board of Trustees.

Dr. Walter Wendler, Chancellor, SIUC, made his report to the Board. He noted that Mr. Tedrick had already mentioned the *Southern at*

150 scholars donation of \$1 million. He mentioned that it was the largest single donation for undergraduate scholarships in the history of the University. The scholarships will be focused and have preference for children of veterans and also first generation college students. The scholarships will consist of awards of \$6,000 for students in freshman, sophomore, junior and senior class.

Chancellor Wendler reported that the campus' commencement ceremonies would be held on the upcoming weekend. He noted that one ceremony would include a degree awarded live from Baghdad, Iraq, to Master Sergeant Tracy Senstock who will receive his bachelor's degree in Information Systems Technology. Live footage of Sergeant Senstock and his commanding officer will appear in the SIU Arena during the College of Applied Sciences and Arts graduation. The Chancellor noted that Sergeant Senstock was enrolled this semester in a Continuing Education distance learning class and completed his degree, and he is on active duty at the present time in Baghdad. In addition, the campus will honor 3,763 other candidates for degrees on May 13 and 14; 16 will be recognized in the exercises for the School of Medicine on May 21 in Springfield. Speakers at the event include Julian Bond, chairman of the National Association for the Advancement of Colored People, at the Law School graduation. The Chancellor noted that the exercises would include many distinguished speakers and some winners of Alumni Achievement Awards would be recognized to include one local notable Bill Norwood, former member of the SIU Board of Trustees, who will receive a Distinguished

Achievement Award. Honorary degrees will be granted to a number of people to include Constance Baker Motley who will receive the honorary degree of humane letters during the Law School exercises. Jagdish Bhagwati, university professor in the Economics Department at Columbia University, will deliver the address and also receive an honorary doctor of arts degree. Distinguished University Organist and retired SIU Carbondale Professor Marianne Webb will receive a Distinguished Service Award, as will Attorney William A. Fenwick, a first generation college student who earned a bachelor's degree in Business Management with honors from SIU Carbondale in 1964.

Chancellor Wendler reported that many had received recognition from the *Southern Illinoisan* for a program that they sponsor annually called "Leaders Among Us" which was a breakfast on May 6 where a number of people associated with the University were recognized. Jim and Kathy Fralish were honored for their work with youth soccer, and Jim Fralish was also a former Sturgis Award winner and a former professor of forestry. Kathy Fralish holds a Ph.D. in Speech Pathology and founded Comprehensive Services in Carbondale. Father Joseph Brown also received a Leaders Among Us Award who is director of Black American Studies on the campus. Sam Goldman was another award winner and former dean of the old SIU Carbondale College of Human Resources who volunteers in numerous ways and serves as chair of the city's Human Relations Committee. Don Welge, founder of Gilster-Mary Lee Corporation in Chester, was honored and he volunteers with Scouts and other civic groups

and serves on the College of Business and Administration Advisory Board. Harry and Rosemary Crisp were honored who are long-time volunteers and friends of southern Illinois and Southern Illinois University Carbondale. Bob Ferrari also received an award. The Chancellor noted that these people were all associated with the University and SIU was very proud of them.

Chancellor Wendler reported that a graduate of SIU Carbondale, Stephen Karsen, made a very interesting discovery of a new species of salamander in South Korea. The Southern Illinois University Carbondale's Flying Salukis finished fourth in the nation in the annual competition hosted at Salina, Kansas. He reported that Embry-Riddle Aeronautical University of Prescott, Arizona, finished in first place, the University of North Dakota finished in second place, and Western Michigan University finished in third place.

Chancellor Wendler reported as it had been mentioned earlier that a groundbreaking was held for the Southern Illinois University Research Park. He also mentioned the Presidential Golf Tournament was to be held on May 20 at Stone Creek Golf Course with the proceeds benefiting students who are awarded Presidential Scholarships. The annual event allows donors to enjoy a day on the course and to visit with the award winners, and Dr. Poshard will serve as auctioneer again this year.

Chancellor Wendler reported that in April SIU Carbondale received 67 awards for grants and contracts totaling just over \$5 million.

This continues to place the campus on a pace that is about \$10 million in front of where the campus was last year. He noted that funded research and gifts will play a continually increasing role in the resources that are necessary to continue to move the University forward and provide educational opportunities to the students.

The Chair explained the procedures for the public comment and question portion of the Board's agenda. The Secretary called on Mr. Jake Baggott.

Mr. Baggott provided his presentation to the Board. He stated that he thought it would be good to publicly reflect on the struggle that the state is undergoing as it relates to the pension system. He noted that he had addressed the Board about a year ago on the subject. He mentioned that this is one of a series of ongoing struggles that the state government has had dealing with this issue, and it is going to continue until it is addressed in some sustainable way.

Mr. Baggott stated that he represents the AP Staff Council and the SIU Carbondale campus as the member of SURSMAC, State Universities Retirement System Members Advisory Committee. He noted that he had been part of that group for six years and has served as chair of the group for the past couple of years. He also noted it had been a very rewarding and educational experience.

Mr. Baggott recognized that it was well documented the crisis the state is facing on the budget and how the pension plays a role into that. The state has struggled for decades on adequately funding the

pension system. In recognition of that in 1995 the state passed a funding law that addressed in a long-term view a plan over 50 years to fund the system at a 90 percent level. The state has been pretty responsible to that during this time but the struggles continue, the resources are fewer, and the competition for those resources are even greater.

Mr. Baggott mentioned that there have been a few pension enhancements along the years that have impacted on that and SURS has benefited from that, but he reported that most of those enhancements have went to state employee retirement systems. SURS members have benefited in a couple of small but important ways but have a small part of the total cost. Two significant enhancements included the passage of a "30 year and out" provision that was offered to SURS employees that complements or matches what the Rule of 85 does for a lot of other state employee systems, and the money purchase option that the State employee retirement system members participate in which has become a very important benefit for existing employees.

Mr. Baggott stated that both of those options are at a great risk with the proposals that are being presented. The significance of this part of the budget is aggravated by a systemic under-funding of the system. The stakeholders are the employees, the University, the SURS Board and the state of Illinois. Employees routinely each pay period make a contribution to this system. For most of them 6.5 percent of their pay goes into this system and is invested. SURS takes those investments plus the state's contribution and invests those funds and they have done

remarkable job of getting a return on that investment. Last year they gained a 17 percent return on those investments, and this year it is a little over seven percent. Over the last ten years that has been at ten percent, and for the last 22 years which is the average length of employment for somebody retiring in SURS they have received an 11.5 percent return on investment. He noted the normal cost of the pension system to be about 11 percent and thought that cost to be very reasonable.

Mr. Baggott stated that the Governor's budget proposal as it is being debated now by the legislature has two groups of people that it could affect. Some of the significant changes affect new employees and that definitely will affect the University's ability to recruit and retain faculty and staff. The University struggles and works hard to provide adequate compensation, and retirement is an important part of the package. There are two proposals that will impact current employees. For money purchase interest rates, one of the proposals would limit the interest earnings that the employee's investment in the system would earn to six percent. Currently that rate is 8.5 percent, and that is annually revised and adopted by the SURS Board and then incremental adjustments are made by looking at what past performance has been over the long view, over the short view, and then what future projections suggest.

He noted that if it is limited to 6 percent, it will have a significant impact on employees because approximately two-thirds of the people retiring out of SURS currently retire under the money purchase formula. Those people may have their pensions reduced as much as

17 percent in some cases resulting in hundreds of dollars per month in reduced benefits. The second proposal that would affect existing employees is limiting the impact of the last four years of earnings on the retirement annuity which is a crucial period of time that establishes the annuity for the rest of the retiree's life. Currently, it is proposed to limit that to 3 percent. Over the course of a 22-year period, actuarially SURS participants earn an average of 5.5 percent during their employment. Over the course of employment it is a very reasonable assumption to make and actually members bear that out. Anything that would limit those earnings to something like a 3 percent rate would negatively impact a person's annuity. It is not uncommon and is actually quite likely for somebody during their last four years of employment to have new responsibilities that would also be impacted by this limitation artificially perhaps. If the person still were to get those increases, the cost for those increases would be borne by the institution; and the University will be struggling with how to address that need.

Mr. Baggott stated that he did not know if the members could publicly take a position on the matter but individually the members would have opportunities to express their views about how that is going to impact the employees of the system. He noted that the SIU system represented one of the largest employers in downstate Illinois and that it has always had a valuable economical impact on the region, and the collateral impact on families and friends was also something worth measuring.

Mr. Baggott noted that it would be his last Board meeting serving as chair of the AP Council and that it had been a pleasure to work everyone.

Dr. Poshard thanked Mr. Baggott for his analysis of the proposals that were before the legislature concerning the pension system and thanked him for his service to the University. Dr. Poshard asked for clarification of the pension changes affecting current employees and new employees.

Mr. Baggott stated that there are five proposals that would affect SURS employees. Three of them clearly affect future employees. The two that he addressed about limiting the interest rate earnings on the money purchase formula definitely impact existing employees, and the issue of limiting the final four years of employee earnings to three percent would also impact existing employees.

The Chair explained the procedure for the Board's omnibus motion and he proposed that, after discussion, there would be taken up the following matters:

REPORTS OF PURCHASE ORDERS AND CONTRACTS,
MARCH 2005, SIUC AND SIUE

In accordance with III Bylaws 1 and 5 Policies of the Board C, summary reports of purchase orders and contracts awarded during the months of March 2005 were mailed to the members of the Board in advance of this meeting, copies were placed on file in the Office of the Board of Trustees, and these reports are hereby submitted for information and entry upon the minutes of the Board with respect to the actions of the Executive Committee.

CHANGES IN FACULTY-ADMINISTRATIVE PAYROLL – SIUC

The following changes in faculty-administrative payroll are submitted to the Board of Trustees for ratification in accordance with the Board Policy on Personnel Approval (2 Policies of the Board B). Additional detailed information is on file in the Office of the Chancellor. Where appropriate, salary is reported on a monthly basis and on either an academic year (AY) or fiscal year (FY) basis.

A. Continuing Appointment (If the person previously had a University appointment, it is so noted. Otherwise, the person is a new University employee.)

<u>Name</u>	<u>Rank/Title</u>	<u>Department</u>	<u>Effective Date</u>	<u>Salary</u>
1. Bixby, Randy L.	Assistant Professor	Library Affairs	04/04/2005	\$3,417.00/mo \$41,004.00/FY
2. Dai, Chifeng	Assistant Professor	Economics	08/16/2005	\$8,445.00/mo \$76,005.00/AY
3. Hamilton, Billie Jo	Director of Financial Aid	Financial Aid Office	05/20/2005	\$7,083.34/mo \$85,000.08/FY
4. Lorber, Jeff D.	Associate Vice Chancellor for Institutional Advancement & Director of Development	VC Institutional Advancement	04/01/2005	\$10,250.00/mo \$123,000.00/FY

B. Leaves of Absence With Pay

<u>Name</u>	<u>Type of Leave</u>	<u>Department</u>	<u>% of Leave</u>	<u>Date</u>
1. Stemper, Frank	Sabbatical	School of Music	50%	01/01/2007- 05/15/2007
(This leave supersedes leave previously reported as 01/01/2006 – 5/15/2006.)				
2. Tiebout, Leigh A.	Sabbatical	ASA- Health Care Professions	50%	08/16/2005 – 08/15/2006

Purpose: Develop and secure patent for invention that produces standardized premeasured Hawley bows. The device may be used by schools, training centers and dental laboratories as a teaching aid for the art of wire bending.

C. Awards of Tenure - None to be reported

D. Promotions - None to be reported

The following changes in faculty-administrative payroll at the School of Medicine/Springfield campus are submitted to the Board of Trustees for ratification in accordance with the Board Policy on Personnel Approval (2 Policies of the Board B). Additional detailed information is on file in the Office of the Dean and Provost. Where appropriate, salary is reported on a monthly basis and on either an academic year (AY) or fiscal year (FY) basis.

- A. Continuing Appointment (If the person previously had a University appointment, it is so noted. Otherwise, the person is a new University employee.)

	<u>Name</u>	<u>Rank/Title</u>	<u>Department</u>	<u>Effective Date</u>	<u>Salary</u>
1.	Puczinski, Mark	Professor and Chair	Pediatrics	7/1/05	\$25,000/mo \$300,000/FY
2.	Decker, David*	Assistant Professor of Clinical Psychiatry	Psychiatry	4/1/05	\$10,817.05/mo \$129,804.60/FY

*Change from term to continuing appointment

- B. Awards of Tenure

	<u>Name</u>	<u>Title on Effective Date of Tenure</u>	<u>Department</u>	<u>Effective Date</u>
1.	Puczinski, Mark	Professor and Chair	Pediatrics	7/1/05

- C. Promotions - None to be reported

- D. Leaves of Absence With Pay- None to be reported

INCREASE IN FLIGHT TRAINING CHARGES, SIUC
[AMENDMENT TO 4 POLICIES OF THE BOARD APPENDIX A-4]

Summary

This matter proposes an increase in the fees for flight training courses offered by the Aviation Flight program for Fall 2005.

Rationale for Adoption

The operation, maintenance, refurbishment, and replacement of existing flight training aircraft and the acquisition of new flight training

aircraft and simulators are supported by student-paid flight fees. In addition, annual flight fee increases are necessary to offset cost increases in such areas as salaries, student wages, insurance, fuel, aircraft and engine maintenance, engine purchases, facility rentals and staff/faculty travel. The purchase of the seven new Cessna 172R aircraft received by the program in the Spring of 2003 is being paid, in part, over time by flight training course fees. The final annual payment for these aircraft will be made on September 1, 2008. Finally, replacement aircraft for the remaining 26 flight training aircraft which average close to 20 years of age is a very high priority for this program.

(See Summary Companion Document)

Considerations Against Adoption

University officials are aware of, and concerned about the continuing increases in the cost of education and related activities, particularly as they affect Aviation Flight students.

Constituency Involvement

The proposed flight fee increases were developed by program faculty and administration after a thorough review of program fiscal requirements and the fees charged by other comparable institutions with flight programs.

Resolution

BE IT RESOLVED, by the Board of Trustees of Southern Illinois University in regular meeting assembled, That 4 Policies of the Board Appendix A-4 be amended to set forth flight training fee charges as follows:

4. Charges for flight training, SIUC, effective Fall Semester, 2005: (FY06)

<u>Course</u>	Fall 2004	<u>Fall 2005</u>
AF 199 Intermediate/Program Transition (new course)		\$1,800
AF 201A – Primary Flight I	4,289	4,289
AF 201B – Primary Flight II	2,860	3,860
AF 203 – Basic	6,484	6,484
AF 204 – Intermediate	7,029	7,029
AF 206 – Instrument and Advanced	4,602	5,602
AF 207A – Advanced	4,603	4,603

AF 207B – Multi-Engine	4,770	4,770
AF 300 – Flight Instructor	4,163	4,163
AF 301 – Flight Instructor/Multi-Engine	2,685	2,685
AF 302 – Flight Instructor/Instrument	2,461	2,461
AF 304 – Practicum in Air Carrier Ops	6,093	6,093

**Summary Companion Document
FY 06 SIUC Aviation Flight Fee Increase Proposal**

Background

From 1991 to the present, annual flight fee increases, including one for 3% for FY 04, have been approved to offset rising costs, systematically retire an operational deficit accumulated prior to 1991 and to provide for the eventual replacement/ refurbishment of some flight training aircraft. From 1991 to 1998, aircraft replacement/ refurbishment was suspended so that maximum resources could be applied to the retirement of the accumulated deficit as directed by the Board of Trustees. With the deficit eliminated, five used flight training aircraft were purchased from 1999-2002 (FY 99 – FY 01), a multi-engine flight training device (simulator) was purchased in FY 02 and seven new Cessna 172R model aircraft were purchased in FY 03. Three of the seven new aircraft were purchased outright using the proceeds from past flight fee increases and four of the seven will be purchased over the next six fiscal years (FY 03 through FY 09). This board-approved purchase of the seven aircraft over future fiscal years was dependent upon having enough surplus flight fee accumulation over the life of the money borrowed to pay for this purchase.

Justification

Unprecedented increases in aviation insurance costs have occurred since FY00. For example, annual SIUC aviation insurance premiums rose from \$167,352 in FY00 to \$252,505 in FY01 to \$284,164 in FY02, an increase of 69%. In FY 03, these costs were \$275,068 and were held at that level only because the university agreed to an overall liability limit of \$10 million rather than \$20 million, our former limit. In FY 04, the insurance costs actually dropped to \$271,000. In FY 05, the insurance costs were only \$274,346. Our aviation insurers have advised us to expect an increase of not more than 5% for FY 06.

Another area of increased cost has been the cost of salaries and student worker wages. In an effort to reduce overall faculty workload, several full time term faculty were added to the Aviation Flight Faculty over the past three years, along with significant numbers of part time faculty.

This has greatly improved student satisfaction within the program but has increased our salary and student worker wages costs.

Finally, it was noted in an internal analysis of our own flight fees that, over time, the across the board flight fee increases that had been requested had created the situation where certain course charges became increasingly out of line with the number of flight hours that were actually been offered. Therefore, we were not charging enough fees to cover our costs in those courses. This was noted to be particularly true in AF 201 B and in AF 206. Therefore, the only increases being requested for FY 06 are in those two courses.

Because of these and other rising costs of operation and maintenance, further aircraft replacement cannot be sustained under current flight fee rates. Table 1 projects income and expenditures for FY06 assuming continuation of the above higher insurance rates, a continued enrollment of 200 students in flight courses, and flight fees at current rates. In addition, while deficit elimination and a subsequent positive balance have allowed for the purchase of new and used aircraft and another flight training device, further flight fee increases are necessary to keep up with operating and maintenance cost increases as well as future aircraft purchase payments. Furthermore, only seven new aircraft have been purchased and there is a relatively urgent need to replace the remaining 26 flight training aircraft used in the Aviation Flight program due to their age (average close to 20 years) and overall flight hours (8,000 to 10,000 of accumulated flight hours each). Any surplus flight fees will be used to address this need.

Table 1
Income and Expenditure Projections
At Current Flight Fee Rates

	<u>FY05</u>	<u>FY 06</u>
Fee Income	\$1,736,943	\$ 1,925,710
Income from Time Over Charges	<u>211,000</u>	<u>211,000</u>
Total Income	\$1,947,943	\$2,136,710
Expenditures (non- equipment) ¹	1,975,163	2,114,955
Equipment Financed ²	<u>93,481</u>	<u>93,481</u>
Total Expenditures	\$2,068,644	\$2,208,436
Income/(Expenditure) ³	\$ (120,701)	\$ (71,726)

¹ Non-Equipment Expenditures assume a 5% increase in insurance costs, a 10% increase in fuel costs, and a 3% increase in maintenance costs for FY06.

² Reflects 4 Cessna 172R aircraft financed over seven years with trade-in. We have four years to go to pay off this amount.

³ Any surplus income will be used to purchase aircraft and simulators for the Aviation Flight program and respond to any unforeseen costs.

Table 2 reflects the results of a 5.8% aviation flight fee increase for FY06. Projected FY05 figures are provided for comparison purposes:

Table 2
Income and Expenditure Projections
Proposed 5.8% Increase for FY06

	<u>FY05</u>	<u>FY 06</u>
Fee Income	\$1,736,943	\$2,227,710
Income from Time Over Charges	<u>211,000</u>	<u>211,000</u>
Total Income	\$1,947,943	\$2,438,710
Expenditures (non-equipment) ¹	\$1,975,163	\$2,114,955
Equipment Financed ²	<u>93,481</u>	<u>93,481</u>
Total Expenditures	\$2,068,644	\$2,208,436
Income/(Expenditure) ³	\$ (120,701)	\$ 36,032

¹ Non-Equipment Expenditures assume a 5% increase in insurance costs, a 10% increase in fuel costs, and a 3% increase in maintenance costs FY05 and reduced staff/faculty costs due to retirements and other adjustments in those areas. A slight decrease in overall costs in this area results from a minimal reduction in personnel in the Aviation Flight Program by FY 05.

² Reflects 4 Cessna 172R aircraft financed over seven years with trade-in.

³ Any surplus income will be used to purchase aircraft and simulators for the Aviation Flight program and response to unforeseen costs.

When comparing Table 1 and Table 2, it can be seen that the 5.8% flight fee increase in FY 06 (for AF flight program courses only) covers a range of projected operating and maintenance cost increases as well as the money needed for the continued payment for the loan to purchase the four Cessna 172R aircraft purchased in FY 03. These fee increases also result in the accumulation of a sum of money that will be used to continue to enhance the fleet of aircraft and simulators operated by the Aviation Flight Program.

Comparison of Fees Assessed by Other Programs

Table 3 (attached) compares current and proposed SIUC flight fees with fees currently assessed by four other state universities that operate comparable flight degree programs at our peer or aspirational institutions. As these comparisons indicate, the proposed SIUC flight fee increase for FY 06 will set flight fees at a level greater than these competing programs are currently charging. We do not have information for what these programs might charge for FY06. Note, however, that the Auburn University and Purdue University flight fees are closely comparable to SIUC flight fees during the current fiscal year.

Projected Impact on Enrollment in the Aviation Flight Program

Based upon the enrollment in the Aviation Flight program for Fall 2004, there might be some negative impact on future enrollment with a 5.8 % increase in student-paid fees in FY 06. A Fall 2004 enrollment of approximately 196 students was much more difficult to achieve than in past years, perhaps due to the economy, but, also, perhaps due to the overall cost of the fees for the AAS degree in Aviation Flight (\$34,367 for Fall 2004). With the 5.8% Aviation Flight fee increase, these fees increase to \$36,637 in FY 06.

Flight Fee Proposal

In consideration of the need for additional revenue, especially to help the program meet existing costs and, possibly, acquire new flight training aircraft, it is proposed that the fees currently assessed for Aviation Flight courses AF 201 B and 206 be increased \$1000 and \$1000 respectively for FY 06. The total overall fee increase for the courses included in the Aviation Flight Degree Program that results from this increase is 5.8% for FY 06. For all Aviation Flight courses, the overall percentage of increase is 3.9% in FY 06. The proposed dollar amounts of these increases on a course-by-course basis are as follows:

Proposed FY06 SIUC Aviation Flight Fees Aviation Flight Degree Courses

(Taken by all students completing the Aviation Flight Degree)

<u>Course</u>	<u>Fall 2004 Fee</u>	<u>Proposed Increase</u>	<u>Proposed Fall 2005 Fee</u>	<u>% Increase</u>
AF 201A	\$4,289	0	\$4,289	0
AF 201B	\$2,860	\$1,000	\$3,860	35 %
AF 203	\$6,484	0	\$6,484	0
AF 204	\$7,029	0	\$7,029	0

AF 206	\$4,602	\$1,000	\$5,602	21.7%
AF 207A	\$4,603	0	\$4,603	0
AF 207B	<u>\$4,770</u>	0	<u>\$4,770</u>	0
SUBTOTALS	\$34,637	\$2,000	\$36,637	5.8 %

Post-Associate Degree Courses

(Elective courses only, taken by upper division students)

AF 300	\$4,163	0	\$4,163	0
AF 301	\$2,685	0	\$2,685	0
AF 302	\$2,461	0	\$2,461	0
AF 304	<u>\$6,093</u>	<u>0</u>	<u>\$6,093</u>	<u>0</u>
SUBTOTALS	\$15,402	0	\$15,402	0
GRAND TOTALS	\$50,039	\$2,000	\$52,039	3.9 %*

Pre-Associate Degree Course

(Taken by entering Freshmen who have already earned their FAA Private Pilot Certificate)

AF 199	(new course)		\$1,800	N/A
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Table 3--Flight Fee Cost Comparison with Peer and Aspirational Peer Institutions

	SIUC Current	UND '06	PURDUE '06	UIUC '06	AUBURN '06	SIUC '06
Private	\$7,149.00	\$7,169.00	\$5,291.00	\$7,243.60	\$7,000.00	\$8,149.00
Commercial/Instrument	\$22,718.00	\$24,479.00	Total package price	\$18,070.00	\$22,000.00	\$23,718.00
Multi-Engine	\$4,770.00	Included	Total package price	\$6,348.16	\$5,000.00	\$4,770.00
Subtotal Flight Fees	\$34,637.00	\$31,648.00	\$32,947.00	\$31,661.76	\$34,000.00	\$36,637.00
Tuition/fee cost 4 years*	\$26,136.10	\$46,088.00	\$74,800.00	\$31,864.00	\$56,960.00	\$28,161.10
TOTAL	\$59,997.00	\$77,736.00	\$107,747.00	\$63,525.76	\$90,960.00	\$61,997.00

*SIUC and UIUC tuition is “in state” and the others are listed for “out of state” students.

INCREASE IN STUDENT ACTIVITY FEE, SIUC
[AMENDMENTS TO 4 POLICIES OF THE BOARD APPENDIX A-6 AND A-11]

Summary

This matter requests an adjustment to the Rainbow's End Child Development Center portion of the Student Activity Fee that was previously approved by the Board on May 13, 2004. The adjustment would change the FY 2006 rate increase from 2.41% to 5.62%. An additional increase of \$1.00 over the previously approved rate is proposed for the Rainbow's End Child Development Center portion of the Student Activity Fee, effective Fall Semester 2005, for a proposed total rate of \$32.90 per semester.

Rationale for Adoption

A portion of the Student Activity Fee supports the Rainbow's End Child Development Center. Rainbow's End is a comprehensive child development program designed to serve the children of SIUC students, faculty, and staff members; and offers reduced user fees for student parents. The facility is licensed by the State of Illinois Department of Children and Family Services and accredited by the National Association for the Education of Young Children.

The \$1.00 increase for FY 2006 is proposed to offset the university service expense charged to auxiliaries for FY 2005 and FY 2006. The university service expense was assigned to the Rainbow's End Child Development Center effective July 1, 2004, and subsequent to previous approval of the FY 2005 and FY 2006 auxiliary budgets. The proposed increase would bring the portion of the fee that supports Rainbow's End to \$7.50.

Considerations Against Adoption

University officers are concerned that increasing student costs may affect access to the University.

Constituency Involvement

The Rainbow's End Board of Directors voted unanimously to approve the proposed increase. Undergraduate Student Government and Graduate and Professional Student Council voted to oppose this fee increase.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That effective with the collection of fees for Fall Semester 2005, 4 Policies of the Board Appendix A-6 be amended as follows:

6. General student fees schedule approved by the Board for Southern Illinois University at Carbondale in effect Fall Semester:

Fees (Per Semester)	<u>2004</u>	2005	<u>2005</u>
Student Activity *	\$31.15	\$31.90	<u>\$32.90</u>

* Prorated over 12 hours/
semester

BE IT FURTHER RESOLVED, That 4 Policies of the Board Appendix A-11 be amended as follows:

11. Student Activity Fee: A Student Activity Fee shall be collected from each student to be used in support of student activities and welfare. This fee shall be reduced 1/12 for each semester hour less than 12.
- a. Funds generated from a \$18.60 portion of this fee shall be used for support of student organizations and programming.
 - b. Funds generated from a \$1.30 portion of this fee shall be used to support a program of campus safety.
 - c. Funds generated from a ~~\$6.50~~ \$7.50 portion of this fee shall be used to construct or lease a child-care facility and in support of a program of day care for student dependents through Rainbow's End child development center.
 - d. Funds generated from a \$5.50 portion of this fee shall be used for enhanced support of fine arts activities.
 - e. That portion of the funds generated from the fee paid by the medical students at the Springfield facility, including those enrolled in programs of physiology and pharmacology, shall be assessed at the rate of the Carbondale student activity fee and shall be allocated to support student organizations and programming at that location.

STUDENT ACTIVITY FEE, SIUC

Comparative Statement of Actual and Estimated
Income and Expense

Fee per Semester	\$29.25	\$29.25	\$31.15	\$31.90	\$32.90	\$34.15	\$34.35	\$34.35
Percent Change	56.00%	0.00%	6.50%	2.41%	5.62%	3.80%	0.59%	0.00%
	FY03 Actual	FY04 Actual	FY05 Budget	FY06 Approved	FY06 Proposed	FY07 Projected	FY08 Projected	FY09 Projected
Revenues								
Student Activity Fee	1,009,593	1,030,802	1,075,173	1,101,060	1,135,576	1,178,721	1,185,624	1,185,624
Interest Income	12,297	12,500	12,000	12,000	12,000	12,000	12,000	12,000
Total Revenue	<u>1,021,890</u>	<u>1,043,302</u>	<u>1,087,173</u>	<u>1,113,060</u>	<u>1,147,576</u>	<u>1,190,721</u>	<u>1,197,624</u>	<u>1,197,624</u>
Expenditures								
Rainbow's End	139,792	138,925	198,467	224,354	258,870	302,015	302,015	302,015
Campus Safety Programs	41,353	41,944	44,870	44,870	44,870	44,870	51,774	51,774
Fine Arts Programs	188,183	193,030	189,838	189,838	189,838	189,838	189,838	189,838
Support of St. Organ & Prog.								
Grad/Prof St. Council	83,062	108,681	123,270	119,494	119,494	121,661	121,341	121,015
Undergrad. St. Govt.	510,239	495,105	463,730	449,527	449,527	457,676	456,472	455,246
Staffing Overhead	42,370	58,774	68,398	69,766	69,766	71,161	72,585	74,036
Current Expenses	3,033	3,266	3,200	3,200	3,200	3,500	3,600	3,700
Total Expenditures	<u>1,008,032</u>	<u>1,039,725</u>	<u>1,091,773</u>	<u>1,101,049</u>	<u>1,135,565</u>	<u>1,190,721</u>	<u>1,197,625</u>	<u>1,197,624</u>
Change in Fund Balance	13,858	3,577	(4,600)	12,011	12,011	(0)	(0)	(0)
Beginning Cash	(8,777)	5,081	8,658	4,058	4,058	16,068	16,068	16,068
Ending Cash	<u>5,081</u>	<u>8,658</u>	<u>4,058</u>	<u>16,068</u>	<u>16,068</u>	<u>16,068</u>	<u>16,068</u>	<u>16,068</u>
% of Ending Cash to Total Expenditures and Transfers	0.5%	0.8%	0.4%	1.5%	1.4%	1.3%	1.3%	1.3%

¹The University Service Expense charged to Rainbow's End was \$13,000 in FY05 and will be \$26,000 in FY06.

INCREASE IN STUDENT CENTER FEE, SIUC
[AMENDMENT TO 4 POLICIES OF THE BOARD APPENDIX A-6]

Summary

This matter requests an adjustment to the Student Center Fee that was previously approved by the Board on May 13, 2004. The adjustment would change the FY 2006 rate increase from 8.70% to 23.19%. An additional increase of \$10.00 over the previously approved rate is proposed for the Student Center Fee, effective Fall Semester 2005, for a proposed rate of \$85.00 per semester

Rationale for Adoption

The Student Center serves as the front door and community center for the University. It is a primary venue for co-curricular student life, University events, national and regional conferences, and public and private functions for the larger community of southern Illinois. The programs, activities, services, appearance and ambience of the Student Center represent the University to a broad group of prospective, new, and continuing students and their families, in addition to faculty and staff members and the general public. Multicultural events focus attention on the stimulating and educational diversity of the campus population and its programs.

The \$10.00 additional increase for FY 2006 is proposed to offset the university service expense charged to auxiliaries for FY 2005 and FY 2006. The university service expense was assigned to the Student Center effective July 1, 2004, and subsequent to previous approval of the FY 2005 and FY 2006 auxiliary budgets. Further, the proposed increase will offset inflationary cost increases, including but not limited to, escalating utility costs, and projected salary increase. Funds will also be used for FY 2006 capital and building projects which include the following:

- Replacement of the main dishwasher. Purchased in 1987-88, this machine is obsolete and requires daily repairs to keep it running.
- Replacement of International Lounge furniture. Furniture is in very poor condition and has reached the end of its useful life.

In addition to the Student Center Fee, a portion of the Revenue Bond Fee supports the Student Center. If one includes the Revenue Bond Fee and the proposed increase in the Student Center fee collectively, the combination would have risen at an average annual rate of 5.44% over the past ten years. When balanced against the services, activities, programming and other core support offered to students on a daily basis,

that relatively small rate of increase illustrates the fundamental commitment the Student Center has to the University as a whole and to students in particular.

Considerations Against Adoption

University officers are concerned that increasing costs to our students may affect access and negatively impact enrollment.

Constituency Involvement

The Student Center Advisory Board (SCB) has voted to approve the increase. The Undergraduate Student Government and Graduate and Professional Student Council voted to oppose this fee increase.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That effective with the collection of fees for Fall Semester 2005, 4 Policies of the Board Appendix A-6 be amended to show the following schedule:

6. General student fees schedule approved by the Board for Southern Illinois University Carbondale in effect Fall Semester:

Fees (Per Semester)	<u>2004</u>	<u>2005</u>	<u>2005</u>
Student Center *	\$69.00	\$75.00	<u>\$85.00</u>

* Prorated over 12
hours/semester

STUDENT CENTER FEE, SIUC
Comparative Statement of Actual and Estimated
Income and Expense

Fee per Semester	\$63.00	\$66.00	\$69.00	\$75.00	\$85.00	\$89.00	\$97.00	\$99.00
Percent Change	3.28%	4.76%	4.55%	8.70%	23.19%	4.71%	8.99%	2.06%
	FY03 Actual	FY04 Actual	FY05 Budget	FY06 Approved	FY06 ⁵ Proposed	FY07 Projected	FY08 Projected	FY09 Projected
Revenues								
Student Center Fee	2,181,010	2,279,326	2,387,400	2,595,000	2,941,000	3,079,400	3,356,200	3,425,400
Revenue Bond Fee	966,276	961,619	966,000	966,000	966,000	966,000	966,000	966,000
Sales (includes sales commissions)	824,865	843,107	715,902	775,000	720,000	725,000	730,000	735,000
Rentals	291,047	276,815	280,796	290,000	281,000	282,000	283,000	284,000
Other Fees and Services	124,723	115,646	124,930	165,000	128,000	130,000	132,000	134,000
Student Welfare Funds (vending)	56,651	57,189	57,000	39,000	57,500	58,000	58,500	59,000
Interest Income	30,949	17,131	11,000	20,000	11,000	11,000	11,000	11,000
Total Revenues	4,475,521	4,550,834	4,543,028	4,850,000	5,104,500	5,251,400	5,536,700	5,614,400
Expenditures								
Salaries ³	2,116,621	2,105,924	2,285,000	2,410,000	2,330,700	2,377,314	2,424,860	2,473,357
Wages ²	232,226	275,965	285,000	250,000	291,000	292,000	293,000	294,000
Merchandise for Resale	140,277	130,560	49,000	162,000	50,000	51,000	52,000	53,000
Utilities	806,953	979,890	1,000,000	1,050,000	1,050,000	1,102,500	1,157,625	1,215,506
Maintenance (Bldg/Grounds/Equip)	270,382	234,812	240,000	290,000	245,000	250,000	255,000	255,000
General Administration	128,974	100,936	110,500	135,000	112,000	113,000	114,000	115,000
University Service Expense ¹	0	0	122,000	0	244,000	244,000	244,000	244,000
Office Expense	53,407	62,567	75,013	70,000	76,000	77,000	78,000	78,000
Sales Taxes	12,294	9,976	2,950	5,500	3,000	3,500	4,000	4,500
Small Equipment	37,807	29,632	40,000	30,000	30,000	32,500	35,000	35,000
Other current expenses	179,037	177,555	192,413	175,000	192,500	192,500	192,500	194,000
Total Expenditures	3,977,979	4,107,817	4,401,876	4,577,500	4,624,200	4,735,314	4,849,985	4,961,364
Mandatory Transfers								
To Debt Service ⁴	343,932	333,138	337,000	337,000	337,000	337,000	570,000	570,000
To Repair Replacement Reserves	22,676	24,644	24,900	24,900	24,900	24,900	48,200	48,200
Total Mandatory Transfers	366,608	357,781	361,900	361,900	361,900	361,900	618,200	618,200
Change in Fund Balance Before Transfers to Reserve for Facility Improvements	130,934	85,235	(220,748)	(89,400)	118,400	154,186	68,515	34,836
Transfers to Reserve for Facility Improvements	131,424	126,187	33,924	31,425	31,424	31,424	31,424	31,424
Change in Fund Balance	(490)	(40,952)	(254,672)	(120,825)	86,976	122,762	37,091	3,412
Beginning Cash	510,577	510,087	469,135	214,463	214,463	301,439	424,201	461,292
Ending Cash	510,087	469,135	214,463	93,638	301,439	424,201	461,292	464,704
% of Ending Cash to Total Expenditures & Transfers⁶	11.4%	10.2%	4.5%	1.9%	6.0%	8.3%	8.4%	8.3%
Reserves								
Beginning Cash Balance	1,554,423	1,424,579	1,491,479	1,360,303	1,360,303	1,135,627	885,951	658,575
Add: Mandatory Transfers	22,676	24,644	24,900	24,900	24,900	24,900	48,200	48,200
Add: Facility Improvement	131,424	126,187	33,924	31,425	31,424	31,424	31,424	31,424
Add: Interest Income	70,160	8,209	10,000	25,000	9,000	9,000	5,000	5,000
Less: Expenditures	(354,104)	(92,140)	(200,000)	(415,000)	(290,000)	(315,000)	(312,000)	(312,000)
Ending Cash Balance	1,424,579	1,491,479	1,360,303	1,026,628	1,135,627	885,951	658,575	431,199

Assumptions

¹50% University Service Expense assessed for FY05; 100% University Service Expense assessed beginning FY06

²University Minimum Wage increased to \$6.05 1/1/04 and increased to \$6.50 effective 1/1/05

³Assumed 2% average increase in salaries annually (includes craftsman)

⁴Long Range Plans are to seek proceeds from a bond sale to fund, at a minimum, a Complete Roof Replacement, Bowling/Billiard Area Renovations and Exterior Window Film Replacement beginning FY08

⁵This spreadsheet reflects a revised FY06 Fee from the previously approved \$75.00 per semester

⁶8% Ending Cash to Total Expenditures & Transfers is generally desired; 8% approximating one month's average obligations

INCREASE IN STUDENT RECREATION FEE, SIUC
[AMENDMENT TO 4 POLICIES OF THE BOARD APPENDIX A-6]

Summary

This matter requests an adjustment to the Student Recreation Fee that was previously approved by the Board on May 13, 2004. The adjustment would change the FY 2006 rate increase from 7.2% to 14.5%. An additional increase of \$6.00 over the previously approved rate is proposed for the Student Recreation Fee, effective Fall Semester 2005, for a proposed rate of \$95.00 per semester.

Rationale for Adoption

The Student Recreation Center is the focal point of all Intramural-Recreational Sports programs and services on campus and the impact reaches the entire southern Illinois region. Over 700,000 people annually enter the facility including current and prospective students and their families, community members, faculty, staff, as well as visitors from all over the world. In addition, the facility provides space for intercollegiate athletic events, academic classes, special events, youth camps, public and private educational functions, as evident by processing over 20,000 facility reservations each year.

The \$6.00 increase for FY 2006 is proposed to offset the university service expense charged to auxiliaries for FY 2005 and FY 2006. The university service expense was assigned to the Student Recreation Center effective July 1, 2004, and subsequent to previous approval of the FY 2005 and FY 2006 auxiliary budgets.

Approval of the proposed \$6.00 increase for FY 2006 would result in an average increase of 5.21% over a ten-year period. This is a relatively small increase when balanced against the additional costs the University has assigned to the Office of Intramural-Recreational Sports. The Student Recreation Center has continued to increase usage, improve programs and services, while completing maintenance and improvement projects on schedule, throughout this time period.

Considerations Against Adoption

University officers are concerned that increasing student costs may affect access to the University.

Constituency Involvement

The Intramural-Recreational Sports Advisory Board voted to approve this proposed increase. The Undergraduate Student Government voted to oppose this fee increase. The Graduate and Professional Student Council voted to oppose this fee increase.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That effective with the collection of fees for Fall Semester 2005, 4 Policies of the Board Appendix A-6 be amended as follows:

- 6. General student fees schedule approved by the Board for Southern Illinois University at Carbondale in effect Fall Semester:

Fees (Per Semester)	<u>2004</u>	<u>2005</u>	<u>2005</u>
Student Recreation *	\$83.00	\$89.00	<u>\$95.00</u>

* Prorated over 12
hours/semester

STUDENT RECREATION FEE, SIUC

Comparative Statement of Actual and Estimated
Income and Expense

Fee Rate per Semester	\$73.00	\$77.00	\$83.00	\$89.00	\$95.00	\$99.00	\$103.00	\$105.00
Percent Change	7.4%	5.5%	7.8%	7.2%	14.5%	4.2%	4.0%	1.9%
	FY03 Actual	FY04 Actual	FY05 Budget	FY06 Approved	FY06 Proposed	FY07 Projected	FY08 Projected	FY09 Projected
Revenues								
Student Fees	2,526,032	2,657,972	2,855,366	3,061,778	3,268,190	3,405,798	3,543,406	3,612,210
Entrance Fees	439,116	483,642	488,478	498,248	498,248	508,212	518,377	528,744
Other Program Fees	122,666	142,834	141,715	143,999	143,999	146,329	148,706	151,130
Rentals	58,042	56,648	57,000	58,140	58,140	59,303	60,489	61,699
Interest Income	26,198	19,297	10,000	7,500	7,500	8,000	10,000	12,500
Total Revenues	3,172,055	3,360,392	3,552,559	3,769,665	3,976,077	4,127,643	4,280,977	4,366,283
Expenditures								
Salaries	1,110,072	1,192,293	1,280,979	1,324,558	1,324,558	1,364,295	1,405,224	1,447,381
Net Wages	408,247	433,388	512,800	529,743	529,743	547,193	565,168	583,681
Equipment	30,242	43,402	44,450	45,339	45,339	46,246	47,171	48,114
Fringes	24,549	24,549	28,050	28,050	28,050	29,300	29,300	29,300
Utilities	542,994	577,287	610,050	646,653	646,653	685,452	726,579	770,174
Maintenance-Bldg/Equip/Grnds	278,606	261,306	299,271	307,652	307,652	316,826	326,275	336,006
University Service Expense	0	0	74,500	0	149,000	149,000	149,000	149,000
Other Current Expenditures	200,905	198,059	236,510	244,641	241,843	248,169	254,243	260,502
Total Expenditures	2,595,614	2,730,283	3,086,610	3,126,636	3,272,837	3,386,482	3,502,960	3,624,158
Mandatory Transfers								
To Debt Service	460,207	447,459	450,714	451,528	451,528	450,190	450,190	450,190
To Repair Replacement Reserves	33,622	34,103	40,809	40,877	40,877	40,766	40,766	40,766
Total Mandatory Transfers	493,829	481,561	491,523	492,405	492,405	490,956	490,956	490,956
Change in Fund Balance Before Transfers to Reserve for Facility Improvements								
	82,611	148,548	(25,574)	150,624	210,834	250,205	287,062	251,170
Transf. to Reserve for Facility Improvements	50,000	210,000	120,000	210,000	210,000	250,000	250,000	275,000
Change in Fund Balance	32,611	(61,452)	(145,574)	(59,376)	834	205	37,062	(23,830)
Change in other assets & liabilities	0	0	0	0	0	0	0	0
Beginning Cash	446,905	479,517	418,064	272,490	272,490	273,324	273,530	310,592
Ending Cash	479,517	418,064	272,490	213,114	273,324	273,530	310,592	286,761
% of Ending Cash to Total Expenditures and Transfers	15.3%	12.2%	7.4%	5.6%	6.9%	6.6%	7.3%	6.5%
Reserves								
Beginning Cash Balance	636,938	493,881	682,174	433,055	433,055	447,892	452,918	432,991
Add: Mandatory Transfers	33,622	34,103	40,809	40,877	40,877	40,766	40,766	40,766
Add: Facility Improvement	50,000	210,000	120,000	210,000	210,000	250,000	250,000	275,000
Add: Interest Income	26,322	15,432	25,936	13,960	13,960	14,260	14,307	13,103
Less: Expenditures	253,001	71,242	435,864	250,000	250,000	300,000	325,000	325,000
Ending Cash Balance	493,881	682,174	433,055	447,892	447,892	452,918	432,991	436,860

APPROVAL FOR EXECUTIVE COMMITTEE TO AWARD CONTRACTS:
WALL STREET/GRAND AVENUE APARTMENT COMPLEX,
UNIVERSITY HOUSING, SIUC

Summary

This matter requests approval for the Executive Committee to award the contracts for the construction of a 400 bed apartment complex at the northwest corner of Wall Street and Grand Avenue on the Carbondale campus. The beginning date of this project is crucial to the projected occupancy date of the fall of FY 2007 and it is anticipated that the bids will not be available in time to award the contracts prior to the June meeting of the SIU Board of Trustees.

The total approved budget for this project is \$22,000,000 and includes A&E fees, infrastructure and construction costs, and an appropriate contingency. The project was financed through the sale of Series 2004A HAFS revenue bonds. The annual debt service to retire the bonds will come from revenues generated by University Housing. Completion of the project is planned for FY 2007.

Rationale for Adoption

At its meeting on February 12, 2004, the Board of Trustees gave its initial approval for the design and construction of a 400 bed apartment complex at the northwest corner of Wall Street and Grand Avenue on the Carbondale campus. This project was approved by the IBHE at its April 13, 2004, board meeting. The total approved budget for the project was \$22,000,000.

As outlined in the 2004 University Housing Master Plan, and in keeping with the aspirations of *Southern at 150: Building Excellence through Commitment*, a project has been developed to construct a 147,000 gross square foot complex that would provide apartment-style living quarters for 400 on-campus student residents. The facility would consist of 100 apartment units to house sophomores, juniors, seniors and/or graduate students. Located at the corner of Wall Street and Grand Avenue, the complex would provide ready access to the main campus, the nearby Student Recreation Center, and the new Student Health Service building. Each apartment would be fully furnished and include a living room, bathroom(s), and fully functional kitchen. The gross square footage of each apartment would range from 930 to 1120 square feet.

Input gathered for the development of the 2004 University Housing Master Plan clearly indicates a need for apartment-style residential housing for on-campus students. Currently, 53% of the residents at the Southern Hills "family housing" area are single students.

The completion of the proposed apartment complex would allow more appropriate and efficient housing for these single students and is essential to the eventual closing of the Southern Hills complex as outlined in the master plan.

Considerations Against Adoption

University officers are aware of none.

Constituency Involvement

This project is included in the 2004 University Housing Master Plan, which had wide ranging constituency involvement.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That:

(1) The Executive Committee is hereby given authorization to award contracts for the construction of a 400 bed apartment complex at the northwest corner of Wall Street and Grand Avenue on the Carbondale campus.

(2) Funding for this work shall be from the sale of Series 2004A HAFS revenue bonds to be retired from revenues generated by University Housing.

(3) The President of Southern Illinois University be and is hereby authorized to take whatever action may be required in the execution of this resolution in accordance with established policies and procedures.

PROJECT AND BUDGET APPROVAL: WAYFINDING REPLACEMENT AND ENHANCEMENT PROJECT, SIUE

Summary

This matter will grant project and budget approval for the capital project, Wayfinding Replacement and Enhancement Project, SIUE. The estimated cost of the project is \$1,250,000 and will be funded through Parking and Traffic Operating and RRR Funds and University Operating Funds. This funding will provide for the replacement and enhancement of existing directional and informational signs on the Edwardsville, Alton, and East St. Louis campuses.

Rationale for Adoption

Currently, the University has a post and panel sign system that directs individuals to parking lots and buildings. Despite past efforts, University officials continue to receive complaints from visitors and students about the difficulty of finding their way around the campuses. This seems to be of particular concern for people visiting the campuses for the first time. Visitors to the campus are often frustrated especially if they receive a parking ticket for parking in the wrong lot when they don't believe it is clear which is the right lot. In addition, core buildings on all three campuses need to be more clearly marked, particularly on the Edwardsville campus where many of the buildings are similar in appearance.

In order to address these concerns, University Officials are requesting authorization to install new vehicular, parking lot, and pedestrian directional signs on the Edwardsville, Alton and East St. Louis campuses. This will more clearly direct people to their appropriate parking lot and move them more efficiently to their destination. This project will also update the banners throughout the Edwardsville campus as well as the signage at the entries of the Edwardsville campus.

The estimated cost of the project is \$1,250,000 and will be funded through Parking and Traffic Operating and RRR Funds and University Operating Funds. Parking and Traffic Operating and RRR Funds will be used for the material and related costs for the vehicle directional signs, parking lot information and regulations, and pedestrian directional signs from the parking lots. University Operating Funds will be used for the banners as well as the building and entry signs. The University retained Cloud Gehshan Associates as consultants to advise and design the proposed project, which will likely be completed in phases as funds become available.

Considerations Against Adoption

University officers are aware of none.

Constituency Involvement

This matter is recommended for adoption by the Chancellor and the Vice Chancellor for Administration, SIUE.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That:

(1) The capital project, Wayfinding Replacement and Enhancement, SIUE be and is hereby approved at an estimated cost of \$1,250,000.

(2) Funding for this project will come from Parking and Traffic Operating and RRR Funds and University Operating Funds.

The President of Southern Illinois University be and is hereby authorized to take whatever action may be required in the execution of this resolution in accordance with established policies and procedures.

Dr. Sanders moved the reception of Reports of Purchase Orders and Contracts, March 2005, SIUC and SIUE; the ratification of Changes in Faculty-Administrative Payroll for SIUC; the approval of the Minutes of the Meetings held April 13 and 14, 2005; Increase in Flight Training Charges, SIUC [Amendment to 4 Policies of the Board Appendix A-4]; Increase in Student Activity Fee, SIUC [Amendments to 4 Policies of the Board Appendix A-6 and A-11]; Increase in Student Center Fee, SIUC [Amendment to 4 Policies of the Board Appendix A-6]; Increase in Student Recreation Fee, SIUC [Amendment to 4 Policies of the Board Appendix A-6]; Approval for Executive Committee to Award Contracts: Wall Street/Grand Avenue Apartment Complex, University Housing, SIUC; and Project and Budget Approval: Wayfinding Replacement and Enhancement Project, SIUE. The motion was duly seconded by Dr. Hightower. Student Trustee opinion in regard to the motion was indicated as follows: Aye, none; nay, Ed Ford. The motion carried by the following recorded vote: Aye, Ed Hightower, Rick Maurer, Glenn Poshard, Keith Sanders, John Simmons, Roger Tedrick, A. D. VanMeter, Jr.; nay, none.

The following matter was presented:

CHANGES IN FACULTY-ADMINISTRATIVE PAYROLL – SIUE

The following changes in faculty-administrative payroll are submitted to the Board of Trustees for ratification in accordance with the Board Policy on Personnel Approval (2 Policies of the Board B). Additional detailed information is on file in the Office of the Chancellor. Where appropriate, salary is reported on a monthly basis and on either an academic year (AY) or fiscal year (FY) basis.

A. Continuing Appointment

	<u>Name</u>	<u>Rank/Title</u>	<u>Department</u>	<u>Effective Date</u>	<u>Salary</u>
1.	Fornof, Kimberly	Executive Assistant to the Chancellor Former:Asst. to Director of Graphics	Ofc of Chancellor	04/18/2005	\$4,617.00/mo \$55,404.00/FY (previous salary: \$3,205.00/mo \$38,460.00FY)
2.	Hewitt, Bradley	Director of Athletics & Assistant Vice Chancellor for Athletic Development Former: Director of Athletics	Intercollegiate Athletics	02/01/05	\$8,671.00/mo \$104,052.00/FY (previous salary: \$7,004.00/mo \$84,048.00/FY)
3.	Kwon, Guim	Assistant Professor	School of Pharmacy	04/01/05	\$6,500.00/mo \$78,000.00/FY

B. Leaves of Absence With Pay – none to be reported

C. Awards of Tenure - none to be reported

Dr. Sanders moved approval of item. The motion was duly seconded by Mr. Tedrick. Student Trustee opinion in regard to the motion was indicated as follows: Aye, none; nay, Ed Ford. The motion passed by the following recorded vote: Aye, Rick Maurer,

Glenn Poshard, Keith Sanders, John Simmons, Roger Tedrick, A. D. VanMeter, Jr.; nay, none. Trustee Hightower abstained from voting.

The following matter was presented:

INCREASE IN RESIDENCE HALL RATES AND APARTMENT RENTALS, SIUC
[AMENDMENT TO 4 POLICIES OF THE BOARD APPENDIX A-18]

Summary

This matter requests an adjustment to residence hall and apartment rates that were previously approved by the Board on May 13, 2004. The adjustment would change the FY06 rate increase from 4.75% to 7.37% for double occupancy room and board in the residence halls effective Summer Session 2005, and from 5.02% to 7.50% in family housing apartments effective July 1, 2005.

Rationale for Adoption

This increase is needed to fund the new university service expense charge, deferred maintenance, unfunded mandates, inflationary cost increases and future salary increases. Without this additional funding the quality of educational opportunities available to students would be diminished.

At the time the original increase for FY 06 was presented to the Board the university service expense had not been assessed to Housing and other auxiliary units. Consequently, paying this assessment was not included in University Housing's rate analysis and thus the need to revise the original request. The deferred maintenance backlog is decreasing but still very large. It includes many necessary projects which will help to maintain aging facilities, most of which are 40 years old. In addition, there is an unfunded mandate from the state of Illinois that requires all residence halls to install sprinklers by 2013. University Housing has scheduled the installation of sprinklers in residence halls and apartments each year so that state requirements are met by 2013. The total cost is estimated at \$12,150,000.

The Carbondale campus faces the challenge of maintaining and creating housing that will be attractive to new students who have higher expectations than in the past. This challenge is being addressed in part with the opening of the new apartment complex on the corner of Wall and Grand Streets. This new complex is scheduled to open August 2006. Most other campuses are also increasing rates for new and improved housing and unfunded mandates. It is important for SIUC to improve and add to our facilities in order to remain competitive. SIUC's housing rates are currently among the lowest in the state and lower than the regional and

national averages. Even with this proposed increase, the rates are expected to remain below average in all comparisons. The goal and expectation is to have superior housing at moderate rates.

Shown below is a comparison of residence hall rates (standard 19 meals per week plan). Some rates at other Illinois universities have been increasing by six percent or more. Norms show an average increase for housing rates of 3.83% from FY 2004 to FY 2005 for Midwest public four-year universities. (Source: *Annual Survey of Colleges*, The College Board, New York, NY)

Illinois Public University Room and Board Rates			
Double Occupancy, Full Meal Plan (Academic Year)			
Illinois Public University	FY 2004*	FY 2005*	FY 2006**
University of Illinois***	\$ 7,018	\$ 7,247	\$ 7,573
Northern Illinois University	6,298	6,380	6,667
Western Illinois University***	5,766	6,168	6,446
SIU Edwardsville***	6,214	6,516	6,809
Illinois State University	5,414	5,860	6,124
Eastern Illinois University	5,374	5,750	6,009
SIU Carbondale	4,886	5,178	5,560

*actual rates for all universities

**assumes an increase of 4.5% except SIUC at 7.38% for FY06

***based on maximum debit meal plan, equivalent to 19-meal plan elsewhere

Southern Hills apartments have continued to experience turnover and occupancy issues, although the occupancy did improve after University Housing permitted single graduate students and undergraduates over 21 to reside in two bedroom apartments. The facilities are aging and unattractive. The proposed rent increase is set at approximately 5% to cover projected inflation and the university service expense. The facilities will be vacated within the next seven years with Board approval. Southern Hills apartments will be adequately maintained until vacated.

The fraternities and sororities proposed lease rate has been increased 7.4% for FY06, an amount equivalent to the single residence hall rate. In addition, \$24,235 has been added to the proposed rate to pay off an internal loan for needed fire safety improvements. The loan is for 5 years. These fire safety improvements are required to make the buildings safe for habitation.

University Housing is implementing its long-range master plan, which was approved in principle by the Board. The plan includes renovating existing and building new facilities as well as razing old structures. The first construction project is the apartment complex at the corner of Wall and Grand. The proposed rental rates have not been

finalized for the new apartments. When the proposed rates are determined, Housing will submit them to the Board for approval.

Evergreen Terrace apartments are a separate legal entity. The proposed 7.4% average increase will be used to cover inflationary costs and continue planned improvement projects. In the 1980s this facility had deteriorated and suffered a loss of occupancy. A government grant was used to update the apartments, which led to increased occupancy. University Housing is trying to maintain this facility to avoid the deferred maintenance problems experienced in the past. The proposed increases for Evergreen Terrace are also subject to approval by the SIU Foundation Board and by the Department of Housing and Urban Development (HUD). Previous requests to HUD for FY04 and FY05 approved rate increases were denied (FY05) by HUD or greatly reduced (FY04) for unknown reasons. University Housing has had its ability to properly manage and maintain Evergreen Terrace impaired by these and other HUD rulings. University Housing is currently reviewing the possibility of paying off the remainder of the mortgage owed to HUD so it will no longer have to operate the facility under that department's guidelines and can manage Evergreen Terrace in a manner more consistent with the University's mission.

University Courts and Elizabeth Apartments are two small apartment buildings that house graduate students and visiting professors. An increase equal to other housing facilities is proposed for Elizabeth Apartments which are in good fiscal condition and are well maintained. University Courts served as the Music Department's replacement facilities while Altgeld Hall was being renovated. University Housing is proposing that University Courts be officially transferred to the control of the University to provide academic surge space or administrative offices since no revenue has been generated from this unit for several years.

The Campus Housing Activity Fee (CHAF) rates will remain the same.

Considerations Against Adoption

Approval of rate increases will require students to pay more for room and board which could affect affordability. The proposed increases will still keep University Housing rates lower than other Illinois universities and would yield funds to make facilities more attractive to new students.

Constituency Involvement

The Residence Hall Association (RHA) and representatives from the Undergraduate Student Government (USG) have been involved with University Housing administration in determining resident preferences and the long-term plan for maintenance and improvement projects. Representatives from both groups are part of the Residence Halls Advisory Board (RHAB). The RHAB has approved the proposed increases.

The Residence Hall Association (RHA) has voted to approve the increase. The Undergraduate Student Government (USG) and Graduate and Professional Student Council voted to oppose this fee increase.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That the rents and charges heretofore established for the following University Housing shall be and are hereby changed until otherwise amended to the rate shown in the following schedule, and that 4 Policies of the Board Appendix A-18 be and is hereby amended to read as follows:

18. University Housing

- a. Schedule of rates for University-operated single student housing at SIUC effective Summer Session:

	<u>Room Rate</u>		<u>Food Rate</u>		<u>Room & Food Rate</u>	
	2006	<u>Revised 2006</u>	2006	<u>Revised 2006</u>	2006	<u>Revised 2006</u>
In Dollars						
Resident – Per Semester						
Double Occupancy 19 Meals	1,492	<u>1,529</u>	1,220	<u>1,251</u>	2,712	<u>2,780</u>
15 Meals + \$75/\$80 Credit	1,492	<u>1,529</u>	1,220	<u>1,251</u>	2,712	<u>2,780</u>
Campus-wide (refundable) 12 Meals	1,492	<u>1,529</u>	1,203	<u>1,233</u>	2,695	<u>2,762</u>
Break Housing/night	11.50	<u>11.50</u>				
Single Room Increment	872	<u>894</u>				
Super Single Room Increment	1,160	<u>1,189</u>				

**Resident –
Summer Session**

Double Occupancy	722	<u>740</u>	398*	<u>398*</u>	1,120	<u>1,138</u>
Single Room	1,144	<u>1,173</u>	398*	<u>398*</u>	1,542	<u>1,571</u>

*Meals provided through a non-refundable credit in the Student Center.

	2006	<u>Revised 2006</u>
Board Only – Per Semester (in dollars)		
19 Meals	1,445	<u>1,481</u>
15 Meals + \$75 (2005), \$80 (2006) Credit	1,445	<u>1,481</u>
Campus-wide (refundable) 12 Meals	1,431	<u>1,467</u>
Room Only – Per Semester (in dollars)		
Greek Row Professional Housing		
Double Occupancy	1,703	<u>1,746</u>
Single Room	2,575	<u>2,640</u>
Super Single Room	2,863	<u>2,935</u>

- b. Schedule of rates for Greek Row building lease at SIUC effective Summer Session:

	2006	<u>Revised 2006</u>
Fraternities & Sororities (in dollars)		
Academic year (including maintenance and utilities except electricity)*	67,439	<u>93,363</u>
Summer Session	2,011	<u>2,060</u>
*Tenants are responsible for electricity for the full year		
SIUC Leased Office Space		
Annual (without utilities & maintenance)	20,300	<u>20,300</u>

- c. Schedule of rates for University-operated rental housing at SIUC effective July 1:

(In dollars)	<u>Monthly Rate</u>	
	2006	<u>Revised 2006</u>
Southern Hills – Furnished with utilities		
Efficiency	408	<u>416</u>
One bedroom	442	<u>452</u>
Two bedroom	472	<u>481</u>

Evergreen Terrace* - Unfurnished
plus charges for metered
electricity

Two bedroom	457	<u>422</u>
Three bedroom	494	<u>456</u>

Elizabeth Apartments –
Furnished, with utilities
Efficiency

404	<u>434</u>
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University Courts – Furnished,
with utilities

One bedroom	480	<u>480</u>
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*Rates subject to approval by the SIU Foundation (Carbondale) and the Department of Housing and Urban Development.

d. Schedule of rates for Campus Housing Activity Fees at SIUC effective July 1:

Resident – Per Semester	<u>Fee</u>	<u>Revised</u>
(in dollars)	2006	<u>2006</u>
Residence Hall Occupant, Fall and Spring	11.00	<u>11.00</u>

UNIVERSITY HOUSING -- FUNDED DEBT, SIUC

Comparative Statement of Actual and Estimated
Income and Expense
(Accrual Basis)

Fee Rate per Academic Year	\$4,610.00	\$4,886.00	\$5,178.00	\$5,424.00	\$5,560.00	\$5,970.00	\$6,328.00	\$6,706.00
Percent Change	5.99%	5.98%	5.99%	4.75%	7.38%	7.37%	6.00%	5.97%
Fee based on double occupancy 19 meal plan								
	FY03	FY04	FY05	FY06	FY06	FY07	FY08	FY09
	Actual	Actual	Budget	Approved	Proposed	Projected	Projected	Projected
Revenues								
Operations	22,846,646	24,931,172	26,525,700	31,808,300	28,065,400	32,909,500	36,488,150	37,735,700
Revenue Bond Fee	1,096,951	933,128	934,100	1,121,500	986,000	800,000	1,100,000	1,100,000
Interest Income	456,833	241,315	200,000	300,000	203,900	208,200	208,550	212,700
Total Revenues	24,400,430	26,105,615	27,659,800	33,229,800	29,255,300	33,917,700	37,796,700	39,048,400
Expenditures								
Salaries	5,188,262	5,285,688	5,765,900	6,638,600	5,939,000	6,311,800	6,522,450	6,718,000
Wages (Net of USOE)	1,021,276	1,089,685	1,262,100	1,260,000	1,287,500	1,354,600	1,477,400	1,464,100
Food	3,369,770	3,694,080	3,872,000	4,264,800	3,988,200	4,214,300	4,340,700	4,470,900
Utilities	2,588,850	2,395,123	2,926,000	2,823,600	3,013,700	3,643,200	4,013,600	4,134,100
Maintenance (Bldg/Grds/Equip)	3,251,869	3,997,998	3,812,400	3,974,900	3,926,600	4,253,800	4,580,700	4,494,800
Administration	2,129,548	2,478,698	2,433,400	2,449,500	2,493,600	2,710,400	2,831,600	2,810,400
University Services Expense	0	0	557,000	0	1,114,000	1,115,100	1,175,000	1,175,000
Equipment	39,282	17,802	212,900	149,000	215,500	219,500	238,300	234,767
Commodities	477,634	633,196	417,000	484,300	422,300	451,950	461,000	461,800
Telecommunications	545,995	578,350	626,700	611,200	639,100	646,100	661,400	635,200
Small Capital Projects	565,670	0	525,000	640,000	898,000	903,000	1,003,000	903,000
Maintenance Allowance	730,934	757,446	762,700	1,004,800	818,800	878,700	931,400	985,700
Other Current Expenses	1,189,247	1,142,253	1,226,000	1,531,300	1,262,300	1,334,000	1,382,900	1,365,300
Total Expenditures	21,098,336	22,070,319	24,399,100	25,832,000	26,018,600	28,036,450	29,619,450	29,853,067
Mandatory Transfers								
To Debt Service	1,675,691	1,653,625	1,324,279	1,865,400	1,366,324	2,517,619	3,433,763	3,731,682
To Repair Replacement Reserves*	2,188,172	4,387,348	4,726,127	4,651,800	1,548,689	2,648,689	4,348,689	4,848,689
Total Mandatory Transfers	3,863,863	6,040,973	6,050,406	6,517,200	2,915,013	5,166,307	7,782,452	8,580,371
Change in Fund Balance Before Transfers to Reserve for Facility Improvements								
	(561,769)	(2,005,676)	(2,789,706)	880,600	321,687	714,943	394,798	614,963
Transfer to Reserve for Facility Improvement	(2,070,000)	1,591,709	(3,973,873)	(469,400)	61,844	37,649	54,738	504,903
Change in Fund Balance	1,508,231	(3,597,386)	1,184,167	1,350,000	259,843	677,294	340,060	110,060
Change in other assets and liabilities	529,596	(184,750)	0	0	0	0	0	0
Beginning Cash	2,283,126	4,320,953	538,817	1,722,983	1,722,983	1,982,826	2,660,120	3,000,180
Ending Cash	4,320,953	538,817	1,722,983	3,072,983	1,982,826	2,660,120	3,000,180	3,110,240
NOTE: This does not include prepayments for the following year as of June 30.								
% of Ending Cash to Total Expenditures and Transfers	18.88%	1.81%	6.51%	9.64%	6.84%	8.00%	8.01%	7.99%
* Additional Transfers to RRR	2,070,000	4,200,000	4,500,000	4,500,000	1,200,000	2,300,000	4,000,000	4,500,000
Reserves								
Beginning Cash Balance	8,241,774	5,722,590	6,158,246	735,581	735,581	1,468,214	1,598,652	1,850,079
Add: Mandatory Transfers	2,238,870	4,348,336	4,726,127	4,651,800	1,548,689	2,648,689	4,348,689	4,848,689
Add: Facility Improvement	(2,070,000)	1,591,709	(3,973,873)	(469,400)	61,844	37,649	54,738	504,903
Add: Interest Income	288,685	188,230	26,540	166,600	22,100	44,100	48,000	55,500
Less: Expenditures	(2,976,739)	(5,692,619)	(6,201,458)	(4,500,000)	(900,000)	(2,600,000)	(4,200,000)	(4,500,000)
Ending Cash Balance	5,722,590	6,158,246	735,581	584,581	1,468,214	1,598,652	1,850,079	2,759,170

UNIVERSITY HOUSING -- EVERGREEN TERRACE, SIUC

Comparative Statement of Actual and Estimated
Income and Expense
(Accrual Basis)

Rent per Month	\$388.00	\$393.00	\$393.00	\$412.00	\$422.00	\$453.00	\$481.00	\$509.00
Percent Change	6.30%	1.29%	0.00%	4.83%	7.38%	7.35%	6.18%	5.82%
Rate based on two-bedroom apartment								
	FY03	FY04	FY05	FY06	FY06	FY07	FY08	FY09
	Actual	Actual	Budget	Approved	Proposed	Projected	Projected	Projected
Revenues								
Operations	1,516,195	1,325,081	1,368,900	1,668,200	1,549,000	1,655,300		
Interest Income	4,011	2,063	3,200	4,500	3,300	3,400		
Total Revenues	1,520,206	1,327,145	1,372,100	1,672,700	1,552,300	1,658,700	0	0
Expenditures								
Salaries	65,797	64,554	65,900	69,400	104,900	108,000		
Wages (Net of USOE)	125,096	133,956	123,000	89,300	125,500	128,000		
Equipment	0	0	20,000	30,000	40,000	41,200		
Utilities	360,829	369,481	393,400	407,300	405,200	417,400		
Maintenance (Bldg/Grds/Equip)	560,005	482,843	358,900	310,100	369,700	380,800		
Administration	87,709	82,924	98,800	88,100	91,300	93,600		
University Services Expense	0	0	30,200	0	60,400	59,900		
Refuse Removal	20,340	21,154	25,900	21,200	26,400	26,900		
Special Maintenance	115,882	0	70,000	376,700	150,000	100,000		
Other Current Expenses	86,018	47,667	44,500	53,200	46,900	49,400		
Real Estate Rental	180,473	194,577	204,530	192,900	202,130	202,130		
Total Expenditures	1,602,149	1,397,155	1,435,130	1,638,200	1,622,430	1,607,330	0	0
Mandatory Transfers								
To Debt Service								
To Repair Replacement Reserves	31,320	32,870	32,870	32,900	32,870	32,870		
Total Mandatory Transfers	31,320	32,870	32,870	32,900	32,870	32,870	0	0
Change in Fund Balance Before Transfers								
to Reserve for Facility Improvements	(113,264)	(102,880)	(95,900)	1,600	(103,000)	18,500	0	0
Transfer to Reserve for Facility Improvements				0				
Transfer To (From) Other		(70,000)		0	0	300,000		
Use of Revenue Bond Fee	0	173,251	114,000	0	114,000	300,000		
Change in Fund Balance	(113,264)	140,370	18,100	1,600	11,000	18,500	0	0
Change in other assets and liabilities	135,706	(174,780)	0	0	0	0	0	0
Beginning Cash	47,702	70,144	35,734	53,834	53,834	64,834		
Ending Cash	70,144	35,734	53,834	55,434	64,834	83,334	0	0
% of Ending Cash to Total Expenditures and Transfers	4.29%	2.50%	3.67%	3.32%	3.92%	5.08%	0.00%	0.00%
Reserves								
Beginning Cash Balance	296,085	333,175	277,749	257,519	257,519	236,789	275,559	282,459
Add: Mandatory Transfers	31,320	32,870	32,870	32,900	32,870	32,870	0	0
Add: Facility Improvement	0	0	0	0	0	0	0	0
Add: Interest Income	5,770	5,255	6,900	10,200	6,400	5,900	6,900	7,100
Less: Expenditures	0	(93,551)	(60,000)	(60,000)	(60,000)	0	0	0
Ending Cash Balance	333,175	277,749	257,519	240,619	236,789	275,559	282,459	0

UNIVERSITY HOUSING - AUXILIARY HOUSING, SIUC

Comparative Statement of Actual and Estimated
Income and Expense
(Accrual Basis)

	FY03	FY04	FY05	FY06	FY06	FY07	FY08	FY09
	Actual	Actual	Budget	Approved	Proposed	Projected	Projected	Projected
Rent per Month (Elizabeth Apts.)	\$404.00	\$404.00	\$404.00	\$423.00	\$434.00	\$466.00	\$494.00	\$524.00
Percent Change	0.00%	0.00%	0.00%	4.75%	7.40%	7.37%	6.01%	6.07%
Rent per Month (University Cts.)	\$480.00	\$480.00	\$480.00	\$480.00	\$480.00	NA	NA	NA
Percent Change	0.00%	0.00%	0.00%	0.00%	0.00%	NA	NA	NA
Revenues								
Operations	74,508	70,010	73,400	77,500	81,000	86,900	92,000	97,400
Interest Income	1,858	972	1,200	2,500	800	1,000	800	900
Total Revenues	76,365	70,982	74,600	80,000	81,800	87,900	92,800	98,300
Expenditures								
Salaries	18,560	19,872	15,800	24,500	16,200	16,600	17,000	17,400
Wages (Net of USOE)	3,000	4,000	4,000	4,400	4,000	4,100	4,200	4,300
Equipment	0	0	3,000	0	3,000	3,100	3,200	3,300
Utilities	13,922	8,881	23,700	15,800	24,400	25,100	25,900	26,700
Maintenance (Bldg/Grds/Equip)	14,282	14,782	16,300	17,600	14,700	15,100	15,500	15,900
Administration	3,424	6,245	6,800	5,700	5,000	5,100	5,200	5,300
University Service Expense	0	0	2,000	0	4,000	3,400	3,400	3,400
Permanent Improvement	40,493	0	0	0	0	0	0	0
Small Capital Projects	0	0	0	5,400	0	5,000	10,000	0
Other Current Expenses	9,666	8,991	4,500	8,400	4,600	4,700	4,800	4,900
Total Expenditures	103,347	62,772	76,100	81,800	75,900	82,200	89,200	81,200
Mandatory Transfers								
To Debt Service								
To Repair Replacement Reserves								
Total Mandatory Transfers	0	0	0	0	0	0	0	0
Change in Fund Balance Before Transfers to Reserve for Facility Improvements	(26,981)	8,210	(1,500)	(1,800)	5,900	5,700	3,600	17,100
Transfer to Reserve for Facility Improvements	0	0	0			13,000		20,000
Transfer To (From) Other Housing Units	0	40,000	0					
Change in Fund Balance	(26,981)	(31,790)	(1,500)	(1,800)	5,900	(7,300)	3,600	(2,900)
Change in other assets and liabilities	(852)	26,894	0	0	0	0	0	0
Beginning Cash	61,419	33,586	28,690	27,190	27,190	33,090	25,790	29,390
Ending Cash	33,586	28,690	27,190	25,390	33,090	25,790	29,390	26,490
% of Ending Cash to Total Expenditures and Transfers	32.50%	45.71%	35.73%	31.04%	43.60%	27.09%	32.95%	26.18%
Reserves								
Beginning Cash Balance	80,709	33,473	3,905	4,005	4,005	4,105	17,205	17,705
Add: Mandatory Transfers	0	0	0	0	0	0	0	0
Add: Facility Improvement	0	0	0	0	0	13,000	0	20,000
Add: Interest Income	2,320	432	100	100	100	100	500	500
Less: Expenditures/Permanent Improvement	(49,557)	(30,000)	0	(3,000)	0	0	0	0
Ending Cash Balance	33,473	3,905	4,005	1,105	4,105	17,205	17,705	38,205

Mr. Tedrick moved approval of item. The motion was duly seconded by Dr. Sanders. Student Trustee opinion in regard to the motion was indicated as follows: Aye, none; nay, Ed Ford. The motion passed by the following recorded vote: Aye, Ed Hightower, Glenn Poshard, Keith Sanders, John Simmons, Roger Tedrick, A. D. VanMeter, Jr.; nay, Rick Maurer.

The following matter was presented:

CLOSURE OF THE SIUC IN NIIGATA PROGRAM, SIUC
[AMENDMENT TO ARTICLE I STATUTES OF THE BOARD 2]

Summary

This matter seeks Board approval to close the SIUC in Niigata program in Nakajo, Japan effective May 2006.

Rationale for Adoption

Negotiations of the final budget year for the SIUC in Niigata program have concluded with a commitment from the partner organization (Pacific School Entity) for funding only through May 15, 2006. Low enrollments resulting from changes in demographics, changes in the interests of Japanese students, and unfavorable economic conditions in Japan have resulted in large deficits for the Pacific School Entity. The Entity reorganized its leadership three years ago and indicated its intention to terminate the relationship with SIUC. The Mayor of Nakajo Town served as Chairman of the Board of Trustees of the Entity until its reorganization. He and other representatives of Nakajo Town and its business community were replaced in the reorganization and the program was subsumed under the umbrella of Niigata Sogo Gakuin (NSG). NSG operates a number of private vocational institutions and other enterprises in Niigata Prefecture. NSG made the decision to terminate the relationship and close the program in May of 2006.

During the last three years, the Mayor of Nakajo Town continued to use his influence to fund the program, but in September 2004 he lost his bid for re-election. The new Mayor of Nakajo Town and his administration lack influence with NSG and have not been successful at gaining support from NSG to continue the program. Further, Nakajo Town cannot provide the support for the SIUC in Niigata program in the form it

has held for the past seventeen years. The SIUC in Niigata program, as we have known it for seventeen years, will end in May of 2006.

The program in Nakajo, Japan has been a full cost-recovery program administered by SIUC as a grant from the Pacific School Entity. No Illinois or other SIUC funds have been used to fund this program.

Considerations Against Adoption

University officers realize that this closure will affect international enrollment, although to a minor extent.

Constituency Involvement

This matter has been reviewed and the program is being recommended for closure by International Programs and Services, the Vice Chancellor for Student Affairs and Enrollment Management, and the Chancellor.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That:

(1) The SIUC in Niigata Program be discontinued effective May 15, 2006.

(2) Article I Statutes of the Board of Trustees 2 be amended as follows:

Southern Illinois University includes Southern Illinois University at Carbondale with its principal campus in Carbondale, Illinois and its School of Medicine with headquarters in Springfield, Illinois, ~~and its branch campus in Nakajo, Japan;~~ and Southern Illinois University at Edwardsville with its principal campus in Edwardsville, Illinois, its school of Dental Medicine based in Alton, Illinois, and its East St. Louis Center in East St. Louis, Illinois.

(3) The President of Southern Illinois University be and is hereby authorized to take whatever action may be required in the execution of this resolution in accordance with established policies and procedures.

Dr. Hightower moved approval of item. The motion was duly seconded by Dr. Sanders. Student Trustee opinion in regard to the motion

was indicated as follows: Aye, Ed Ford; nay, none. The motion passed by the following recorded vote: Aye, Ed Hightower, Rick Maurer, Glenn Poshard, Keith Sanders, John Simmons, Roger Tedrick, A. D. VanMeter, Jr.; nay, none.

The following matter was presented:

REVISED RATES FOR TUITION, FEES, AND ROOM AND BOARD FOR FY 2006
[AMENDMENTS 4 POLICIES OF THE BOARD APPENDICES A AND B]

Summary

This matter gives notice that the President, upon the recommendations of the Chancellors, will propose to the Board of Trustees of Southern Illinois University at its April 2005 meeting, changes to the previously approved four-year tuition and fees plan and fiscal year 2006 rate increases.

Previously approved and proposed revised tuition rates for undergraduates, graduate students and for students enrolled in the professional schools of Law, Medicine, Dental Medicine, and Pharmacy are shown in Tables 1 and 2. Previously approved and revised fees and room and board are shown in Tables 3 and 4. Revisions are indicated by enclosures.

Rationale for Adoption

Historically, Southern Illinois University has been a leader in delivering a high quality educational experience to its students at an affordable price. It remains the intent of the Board and University administration to continue with that policy and to honor the tradition of providing an accessible education regardless of financial need or other barriers.

The proposed revisions to the FY 2006 rates are needed to fund additional cost obligations of the University and specific fee units.

Accordingly, the University hereby proposes changes for FY 2006 tuition, fees, and room and board as outlined in Tables 1 through 4.

In addition, effective Fall 2005, the University proposes the establishment of a computer rental fee for newly entering resident and non-resident students in the Doctor of Pharmacy program in the School of

Pharmacy at Southern Illinois University Edwardsville, and effective January 2006, the University proposes the establishment of tuition rates for the Accelerated Bachelor Studies in Nursing (ABSN). The option is a post-baccalaureate sequence of study leading to a baccalaureate in nursing degree. Applicants who have already earned a baccalaureate degree from an accredited university and have completed all pre-nursing requirements will be eligible to enter the option.

Considerations Against Adoption

Like other public universities, we continue to be concerned with the increased costs of education. With any increase in rates there is a fear that affordability and access will be harmed.

Constituency Involvement

To allow for full constituency discussion and involvement, the final proposal to the Board of Trustees for rate adjustments will be presented in May 2005.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That the four-year plan and FY 2006 rates for tuition be amended, as presented in Tables 1 and 2, and hereby approved.

BE IT FURTHER RESOLVED, That the School of Pharmacy at Southern Illinois University Edwardsville computer rental fee be added to the existing mandatory fees.

BE IT FURTHER RESOLVED, That the Accelerated Bachelor Studies in Nursing (ABSN) option be established and charges assessed based on approved tuition rates.

BE IT FURTHER RESOLVED, That the FY 2006 fees and room and board charges be and are hereby adopted as presented in Tables 3 and 4.

BE IT FURTHER RESOLVED, That the President is authorized to take whatever actions are necessary to implement the changes and to incorporate the rates into Board policy.

Table 1

**Southern Illinois University Carbondale
Four-Year Tuition Plan (Revised FY 2006)**

Per Semester Hour Resident Tuition Rates, Academic Year Full-Time Tuition Cost and Percent Increase

***** **NO CHANGES** *****

	Approved	Proposed
	<u>FY 2006</u>	<u>FY 2006</u>
Southern Illinois University Carbondale		
Undergraduate		
Per Hour Tuition		
<i>Undergraduate: Continuing</i>	\$164.00	\$164.00
<i>UG Guaranteed Entering Fall 2004</i>	\$164.00	\$164.00
<i>UG Guaranteed Entering Fall 2005</i>	\$177.00	\$177.00
Annual Rate (30 credit hours)		
<i>Undergraduate: Continuing</i>	\$4,920.00	\$4,920.00
<i>UG Guaranteed Entering Fall 2004</i>	\$4,920.00	\$4,920.00
<i>UG Guaranteed Entering Fall 2005</i>	\$5,310.00	\$5,310.00
Percent Increase		
<i>Undergraduate: Continuing</i>	7.9%	7.9%
<i>UG Guaranteed Entering Fall 2004</i>	0.0%	0.0%
<i>UG Guaranteed Entering Fall 2005</i>	7.9%	7.9%
<i>* Each incoming student will have tuition set for at least 4 years or 48 months</i>		
Graduate (General)		
Per Hour Tuition	\$216.00	\$216.00
Academic Year Tuition (24 credit hours)	\$5,184.00	\$5,184.00
% Increase	12.5%	12.5%
School of Law		
Per Hour Tuition	\$273.00	\$273.00
Academic Year Tuition (30 credit hours)	\$8,190.00	\$8,190.00
% Increase	7.9%	7.9%
School of Medicine		
# of Semesters	2	2
Semester Rate	\$9,156.00	\$9,156.00
Annual Rate	\$18,312.00	\$18,312.00
% Increase in Semester Rate	8.0%	8.0%

Notes:

1) New entering non-resident tuition is 2 1/2 times the in-state rate for Undergraduate and Graduate students starting Fall 2004. Continuing non-resident rate remains at 2 times the in-state rate until FY 2008.

2) Non-resident tuition is three times the in-state rate for all SIU Professional Schools (e.g., Law, Dental, and Medicine) except for Pharmacy. The Pharmacy multiplier is 1.4 times the in-state rate.

Table 2

**Southern Illinois University Edwardsville
Four-Year Tuition Plan (Revised FY 2006)**

Per Semester Hour Resident Tuition Rates, Academic Year Full-Time Tuition Cost and Percent Increase

	Approved	Proposed
	FY 2006	FY 2006
Southern Illinois University Edwardsville		
Undergraduate		
Per Hour Tuition		
<i>Undergraduate: Continuing</i>	\$130.00	\$130.00
<i>UG Guaranteed Entering Fall 2004</i>	\$134.00	\$134.00
<i>UG Guaranteed Entering Fall 2005</i>	\$144.00	\$145.00
Annual Rate (30 credit hours)		
<i>Undergraduate: Continuing</i>	\$3,900.00	\$3,900.00
<i>UG Guaranteed Entering Fall 2004</i>	\$4,020.00	\$4,020.00
<i>UG Guaranteed Entering Fall 2005</i>	\$4,320.00	\$4,350.00
Percent Increase		
<i>Undergraduate: Continuing</i>	8.3%	8.3%
<i>UG Guaranteed Entering Fall 2004</i>	0.0%	0.0%
<i>UG Guaranteed Entering Fall 2005</i>	7.5%	8.2%
<i>* Each incoming student will have tuition set for at least 4 years or 48 months</i>		
Accelerated Bachelor Studies in Nursing		
Per Hour Tuition		\$190.00
Cohort Tuition (15 mth option/70 credits)		\$13,300.00
% Increase		New
Graduate (General)		
Per Hour Tuition	\$190.00	\$190.00
Academic Year Tuition (24 credit hours)	\$4,560.00	\$4,560.00
% Increase	18.8%	18.8%
School of Dental Medicine		
Semester Rate	\$8,250.00	\$8,250.00
Annual Rate (2 semesters)	\$16,500.00	\$16,500.00
% Increase	10.0%	10.0%
School of Pharmacy		
Semester Rate	\$6,100.00	\$6,100.00
Annual Rate (2 semesters)	\$12,200.00	\$12,200.00
% Increase		

Notes:

- 1) New entering non-resident tuition is 2 1/2 times the in-state rate for Undergraduate and Graduate students starting Fall 2004. Continuing non-resident rate remains at 2 times the in-state rate until FY 2008.
- 2) Non-resident tuition is three times the in-state rate for all SIU Professional Schools (e.g., Law, Dental, and Medicine) except for Pharmacy. The Pharmacy multiplier is 1.4 times the in-state rate.
- 3) The Accelerated Bachelor Studies in Nursing (ABSN) program is a post-baccalaureate sequence of study leading to a baccalaureate in nursing degree. Applicants who have already earned a baccalaureate degree from an accredited university and have completed all pre-nursing requirements will be eligible to enter this program. The first ABSN cohort is scheduled to begin January 2006.

Table 3

Southern Illinois University Carbondale
Four-Year Fees and Housing Plan (Revised FY 2006)

Fees & Housing Cost Per Academic Year

	Approved	Proposed
	FY 2006	FY2006
Student Fees		
Student Recreation	\$178.00	\$190.00
Campus Recreation	10.00	10.00
Student Activity	63.80	65.80
Student Center	450.00	170.00
Athletic	226.00	226.00
Student-to-Student Grant**	6.00	6.00
Revenue Bond	118.80	118.80
Students' Attorney**	10.00	10.00
Mass Transit	70.00	70.00
Student Medical Benefit-Primary**	306.00	306.00
Student Medical Benefit-Extended**	348.40	348.40
Total Fees	\$1,487.00	\$1,521.00
Total Annual Dollar Increase	\$66.50	\$100.50
Total Annual Percent Increase	4.7%	7.1%

Note: (** Flat Fee) All other fees are prorated over 12 hrs/semester

University Housing

Residence Halls (Academic Year)		
Double Occupancy (room only) *	\$2,984.00	\$3,058.00
19 Meal Plan	2,440.00	2,502.00
Campus Housing Activity Fee	22.00	22.00
Total Housing Costs	\$5,446.00	\$5,582.00
Total Annual Operating Increase	\$246.00	\$382.00
Total Annual Percent Increase	4.7%	7.3%

Note: * Most common room and board rate

Table 4

Southern Illinois University Edwardsville
Four-Year Fees and Housing Plan (Revised FY 2006)

Fees & Housing Cost Per Academic Year

	<u>Approved</u>	<u>Proposed</u>
	<u>FY 2006</u>	<u>FY2006</u>
Student Fees		
Intercollegiate Athletics (1)	\$121.70	\$121.70
Student Fitness Center (2)	97.60	97.60
Student-to-Student Grant (3)	6.00	6.00
Student Welfare and Activity Fee (4)	139.20	139.20
Textbook Service (5)	210.00	210.00
University Center (6)	284.50	284.50
Total Fees*	<u>\$859.00</u>	<u>\$859.00</u>
Total Annual Dollar Increase	\$20.00	\$20.00
Total Annual Percent Increase	2.4%	2.4%

Professional Schools Student Fees

School of Dental Medicine**	\$4,117.00	\$4,117.00
School of Pharmacy***	\$643.00	\$1,019.00

Note:

- (1) Per hour prorated for the first 5 hours; flat fee for 6 or more hours per semester.
(2) Flat fee
(3) No charge first 5 hours per semester, flat fee for 6 or more hours per semester.
(4) Basic fee for the first hour, plus prorated per hour from 2 to 5 hours, flat fee for 6 hours or more per semester.
(5) Beginning with FY04, an hourly fee is charged for all hours carried. The amount shown here is for 15 hours.
(6) Per hour prorated for the first 4 hours; flat fee for 5 or more hours per semester.

* Summer fees are about 67% of regular semester fees except for the Textbook Service fee and Student-to-Student Grant fee, which remain at 100% of the semester rate. Beginning with FY08, the Student-to-Student Grant will no longer be charged to students in the summer term.

** Dental students are assessed an Instrument Rental Fee of \$274 per academic year and are not assessed the Textbook Rental Fee or the Student-to-Student Grant Fee.

In addition, dental students are charged a Dental Student Facility and Equipment Use Fee, beginning with the Fall 2004 semester. The academic year rate for this fee will be \$3,200 in FY06.

*** Pharmacy students are assessed a School of Pharmacy Computer Rental Fee of \$188 per semester and are not assessed the Textbook Rental Fee or the Student-to-Student Grant Program Fee.

University Housing

Prairie, Woodland & Bluff Hall (Academic Year)		
Shared Room (room only)	\$3,360.00	\$3,360.00
Meal Plan A	2,430.00	2,430.00
Campus Housing Activity Fee	29.00	29.00
Total Housing Cost*	<u>\$5,819.00</u>	<u>\$5,819.00</u>
Total Annual Dollar Increase	\$175.00	\$175.00
Total Annual Percent Increase	3.1%	3.1%

Note: * Most common room and board rate

Dr. Sanders moved approval of item. The motion was duly seconded by Mr. Maurer. Student Trustee opinion in regard to the motion was indicated as follows: Aye, none; nay, Ed Ford. The motion passed by the following recorded vote: Aye, Ed Hightower, Rick Maurer, Glenn Poshard, Keith Sanders, John Simmons, Roger Tedrick, A. D. VanMeter, Jr.; nay, none.

The following item was withdrawn from the agenda:

AWARD OF CONTRACT: ENERGY CONSERVATION MEASURES,
SPRINGFIELD MEDICAL CAMPUS, SIUC

Summary

This matter seeks to award a contract for performance contracting to implement energy-conservation improvements that will lower utility costs for the School of Medicine.

Project funding in the amount of \$3,344,841 has been financed through the issuance of the Series 2004A Certificates of Participation (COPS) and will be retired through the resulting energy and operational cost savings.

Rationale for Adoption

On March 2, 2004, the School of Medicine accepted Requests for Proposals from energy service companies (ESCOS) seeking a firm to identify, design, and implement energy conservation measures on the Springfield medical campus. At its meeting on May 13, 2004, the Board of Trustees approved this project and an estimated budget of \$4,500,000.

The School of Medicine has worked with Honeywell International to design energy-saving projects that will include changing the energy efficiency of light fixtures in campus buildings, changing toilet and sink fixtures to substantially reduce water usage, changing ventilation systems to reduce supply and exhaust air to the minimum required for proper comfort in each space, adding ventilation controls to reduce the quantity of air exhausted from laboratory fume hoods when the laboratories are not in use, and replacement of ventilation controls and the building energy management system. After engineering the final design, implementation of the energy conservation measures will cost \$3,344,841.

A contract has been developed with Honeywell International to implement the energy-conservation measures, which will guarantee sufficient savings to retire the COPS over the next ten years. Plans call for the energy improvement measures to be fully installed by early 2006.

Consideration against Adoption

University officials are aware of none.

Constituency Involvement

Not pertinent in this matter.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That:

(1) The contract for work to design and construct energy conservation measures at the Springfield School of Medicine campus be and is hereby awarded to Honeywell International, Peoria, Illinois, in the amount of \$3,344,841.

(2) Funding for this work will come from the proceeds from the 2004A Certificates of Participation, which have been issued, with the debt service repaid from the resulting energy and operational savings.

(3) The President of Southern Illinois University be and is hereby authorized to take whatever action may be required in execution of this resolution in accordance with established policies and procedures.

The Chair announced that the next regularly scheduled meeting of the Board of Trustees would be held June 9, 2005, at the East St. Louis Higher Education Center. He explained that there would be a news conference immediately following the meeting in the Video Lounge.

Dr. Sanders moved that the meeting be adjourned. The motion was duly seconded by Mr. Maurer, and after a voice vote the Chair declared the motion to have passed.

The meeting adjourned at 11 a.m.

Misty Whittington, Executive Secretary