

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES
SOUTHERN ILLINOIS UNIVERSITY
JUNE 24, 2014

Pursuant to notice, a special meeting was called by the Chair of the Board of Trustees of Southern Illinois University, and the meeting convened at 10:00 a.m., Tuesday, June 24, 2014, in the Special Events Room of Birger Hall, Southern Illinois University Edwardsville, Edwardsville, Illinois. The meeting was called to order by Chair Thomas. The following members of the Board were present:

MG (Ret) Randal Thomas, Chair
Dr. Donna Manering, Vice Chair
Hon. Don Lowery, Secretary
Dr. Roger Herrin
Mr. Joel Sambursky
Ms. Marquita Wiley

The following members were absent:

Mr. Jesse Cler
Mr. Nick Mehner
Dr. Shirley Portwood

The Executive Secretary reported and the Chair determined that a quorum was physically present.

Also present for the duration of the meeting were Dr. Randy J. Dunn, President; Mr. Lucas Crater, Interim General Counsel; and Ms. Misty Whittington, Executive Secretary of the Board.

The Chair stated that there would be a Public Questions and Comments portion available at the day's meeting to last up to 15 minutes total, 3 minutes per speaker. That segment would follow the Board executive session and Board committee meetings and after the full Board meeting resumed.

At 10:01 a.m., Chair Thomas moved that the Board go into closed session to consider pending, probable or imminent court proceedings against or on behalf of the Board; information regarding appointment, employment, compensation, discipline, performance or dismissal of specific employees of the public body; internal audit matters; the placement of individual students in special education programs and other matters relating to individual students; and the purchase or lease of real property for the use of the public body. The relevant sections of the Open Meetings Act Statute that allow for the closed session are 5 ILCS 120/2(c) (1), (5), (10), (11), and (29). The motion was duly seconded by Trustee Herrin. The motion carried by the following recorded vote: aye, Dr. Roger Herrin; Hon. Don Lowery; Dr. Donna Manering; Mr. Joel Sambursky; Maj. Gen. Randal Thomas; Ms. Marquita Wiley; nay, none.

At 12:15 p.m., a motion was made by Secretary Lowery and seconded by Trustee Wiley that the Board come out of the executive session. The motion passed via voice vote. No action was requested or taken during the closed session.

Trustee Herrin made a motion that the full Board recess to hold the Board Committee meetings. Vice Chair Manering seconded the motion. The motion passed via voice vote.

Meetings of the Board Finance Committee and Board Architecture and Design Committee were held.

Chair Thomas declared the full Board meeting back in session.

Chair Thomas explained the procedures for the public comment and question portion of the Board's agenda.

Executive Secretary Whittington reported that no one had expressed interest in speaking at the day's meeting.

Chair Thomas explained the procedure for the Board's omnibus motion. The listing of items proposed for the omnibus motion were as follows:

APPROVAL OF SALARY AND APPOINTMENT OF
INTERIM DEAN, COLLEGE OF BUSINESS, SIUC

Summary

The matter presents for approval the salary of the preferred candidate for Interim Dean of the College of Business for the Carbondale campus.

Rationale for Adoption

Policies of the Board of Trustees require the approval of salary of professional staff who have a proposed salary of \$150,000 or more. This request follows an internal search for an Interim Dean of the College of Business, in accordance with the College Operating Paper. This position provides the necessary leadership for the College while the University conducts a national search for a permanent dean.

Considerations Against Adoption

None are known to exist.

Constituency Involvement

Nominations and applications from within the College of Business were accepted for this interim position. All appropriate University and System administrators were involved in this decision.

Resolution

BE IT RESOLVED, By Board of Trustees of Southern Illinois University in regular meeting assembled, That Dr. Jason Greene is appointed to the position of Interim Dean of the College of Business with an annual salary of \$266,640, effective July 1, 2014.

APPROVAL OF SALARY AND APPOINTMENT OF
ASSOCIATE DEAN, COLLEGE OF BUSINESS, SIUC

Summary

The matter presents for approval the salary of the preferred candidate for Associate Dean of the College of Business for the Carbondale campus.

Rationale for Adoption

Policies of the Board of Trustees require the approval of salary of professional staff who have a proposed salary of \$150,000 or more. This request follows an internal search for the Associate Dean of the College of Business, in accordance with University hiring policies.

Considerations Against Adoption

None are known to exist.

Constituency Involvement

Nominations and applications from within the College of Business were accepted. All appropriate University and System administrators were involved in this decision.

Resolution

BE IT RESOLVED, By Board of Trustees of Southern Illinois University in regular meeting assembled, That Dr. Cheryl Burke Jarvis is appointed to the position of Associate Dean of the College of Business with an annual salary of \$231,024, effective June 1, 2014.

APPROVAL OF SALARY AND APPOINTMENT OF
INTERIM DEAN, COLLEGE OF LIBERAL ARTS, SIUC

Summary

The matter presents for approval the salary of the preferred candidate for Interim Dean of the College of Liberal Arts for the Carbondale campus.

Rationale for Adoption

Policies of the Board of Trustees require the approval of salary of professional staff who have a proposed salary of \$150,000 or more. This request follows an internal search for an Interim Dean of the College of Liberal Arts, in accordance with the College Operating Paper. This position provides the necessary leadership for the College while the University conducts a national search for a permanent dean.

Considerations Against Adoption

None are known to exist.

Constituency Involvement

Nominations and applications from within the College of Liberal Arts were accepted for this interim position. All appropriate University and System administrators were involved in this decision.

Resolution

BE IT RESOLVED, By Board of Trustees of Southern Illinois University in regular meeting assembled, That Dr. Jane Swanson is appointed to the position of Interim Dean of the College of Liberal Arts with an annual salary of \$154,728, effective July 1, 2014.

APPROVAL OF SALARY AND APPOINTMENT OF INTERIM DEAN, SCHOOL OF NURSING, SIUESummary

The matter presents for approval the salary and appointment of the preferred candidate for the position of Interim Dean of the School of Nursing at the Edwardsville campus.

Rationale for Adoption

Board policy requires the approval of salary and appointment of professional staff members who have a proposed salary of \$150,000 or more. This request follows an in-depth comparative study of similar positions at peer institutions. SIUE is fortunate to have a highly qualified and respected incumbent who has successfully served the School of Nursing as the Chair of the department of Primary Care and Health Nursing for four years and as the Associate Dean for Academic

Programs for one year. The preferred candidate is willing to serve in this interim position subsequent to the current Interim Dean's unanticipated retirement in order to preserve continuity within the School and to accommodate other leadership changes within Academic Affairs and the University during the next two years. We regard this request as a high priority recruitment and retention goal.

Considerations Against Adoption

None are known to exist

Constituency Involvement

All appropriate University and System administrators were involved in this decision. Due to the emergent nature of this appointment as a result of a failed national search for a permanent Dean and the pending retirement of the current Interim Dean, recommendations from the School of Nursing faculty were received informally and were considered and weighed in making this recommendation.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University, That Dr. Laura Bernaix's title is changed from Associate Dean of Academic Programs in the School of Nursing to Interim Dean of the School of Nursing with an annual salary of \$ 161,069, effective July 1, 2014, through June 30, 2016.

APPROVAL TO SELECT CIVIL ENGINEERING SERVICES, SIUE

Summary

This matter seeks approval to establish open-service contracts through the Qualifications Based Selection (QBS) process to retain the services of civil engineering firms for various small projects at SIUE. The amounts of the contracts to each vendor will be based on actual need for the services at the time of any work. The work would be funded from the project budget needing the services.

Rationale for Adoption

Consistent with the State of Illinois' Qualifications Based Selection Process (QBS), the University would like to select civil engineering firms to provide civil, structural, and construction testing consulting services for various SIUE engineering needs. The selected firms would be requested to provide a variety of engineering studies, site and facility condition inspections and assessments, project development, project designs, construction contract bidding assistance, construction contract oversight, testing services, and other engineering requirements as needed for the

project. Construction projects may range from a few thousand to few million dollars in size, and engineering requirements from a few hours to complete utility system studies. Requirements may be emergent in nature or deliberately planned and programmed. The firms would be asked to serve as the engineer of record and work in collaboration with University facilities management staff.

The contracts would be awarded for an initial one-year period through June 30, 2015, and could be renewed for a one-year period subject to the demonstration of satisfactory service, continued need, favorable market conditions, and funds appropriated. The individual vendor contracts may collectively provide services of up to approximately \$500,000 each year, and will be funded from the project budget needing the services.

In accordance with the QBS guidelines, the project was advertised on January 2, 2014. A five-member Architect/Engineer Selection Committee reviewed 15 responses to QBS notice #8936. The firms were reviewed based on the following criteria: pre-qualification status, location of firm, adequate staff size and disciplines, prior experience and performance of the firm and its key personnel with completed projects and engineering requirements at public institutions, other State clients, or private entities similar to SIUE, and the firm's proposed management approach to this contract.

Based on the Committee's initial review of the submittals, three firms were interviewed. As a result of this process, the Selection Committee recommends Oates Associates and Juneau Associates for contracts.

The Chancellor and the Vice Chancellor for Administration, SIUE, have recommended this matter to the President.

Considerations Against Adoption

University officials are aware of none.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University, That:

(1) The establishment of open-service contracts to perform civil, structural, and construction testing consulting for various engineering services work at SIUE be and are hereby approved to:

- a. Oates Associates, Collinsville, IL
- b. Juneau Associates, Edwardsville, IL

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

APPROVAL TO PURCHASE: MEDIA CREATION AND BUYING SERVICES, SIUE

Summary

This matter would grant approval to award a contract for professional services to create and manage advertising elements for SIUE. The estimated two-year cost for these services is \$2,590,000. The actual amount of the contract will be based on the annual need for the services. The contract will be funded by departmental advertising and marketing funds.

Rationale for Adoption

Through a Request for Proposal process, the University recommends Standing Partnership Incorporated (St. Louis, MO) to provide professional services to create and manage advertising elements, such as TV and radio commercials as well as outdoor, print, and social media ads, as needed for SIUE. Additionally, consulting on crisis communication planning, social media integration and reputation management will be utilized working toward the overall marketing objectives for the University. Subject to continued needs, satisfactory service and favorable market conditions, the University may renew the initial one-year contract for up to one additional year. The estimated cost of the two-year contract is \$2,590,000 and will be funded by departmental advertising and marketing funds. The actual cost will depend on the University's usage.

The overall marketing objectives include increasing student enrollment; increasing awareness of the University to opinion leaders, influencers and peer institutions; supporting the SIUE Foundation's fundraising efforts; and increasing awareness and support of the transition to NCAA Division I athletics. The Chancellor, SIUE, has recommended this matter to the President.

Considerations Against Adoption

University officials are aware of none.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University, That:

(1) A contract for up to two years to purchase professional services to create advertising elements at SIUE, be and is hereby awarded to Standing Partnership Incorporated, St. Louis, MO, at a cost of approximately \$2,590,000.

(2) The contract will be funded by departmental advertising and marketing funds.

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

CONSIDERATION AND APPROVAL OF SIUE CHANCELLOR EMPLOYMENT AGREEMENT PROVISIONS

Summary

The matter presents for approval the extension and amendments of the Chancellor Employment Agreement (the "Agreement") between the Board of Trustees of Southern Illinois University (the "Board") and Dr. Julie Furst-Bowe.

Rationale for Adoption

Chancellor Furst-Bowe and the Board entered into the Agreement for an initial term of July 1, 2012, through June 30, 2015. Pursuant to its terms, the University may offer to extend the Agreement by executing such extension with the Chancellor not later than one (1) year prior to the expiration of the Agreement, in this case by June 30, 2014.

At its meeting on May 8, 2014, the Board authorized the President to take action to negotiate the terms of an extension of Chancellor Furst-Bowe's employment through June 30, 2016. Pursuant to such negotiations and Board Policy, this matter seeks approval of the extension and amendments to the Agreement.

Considerations Against Adoption

None are known to exist.

Constituency Involvement

All appropriate university system administrators were involved in this decision.

Resolution

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

(1) The Chancellor Employment Agreement between the Board of Trustees of Southern Illinois University and Dr. Julie Furst-Bowe shall be extended through June 30, 2016, and amended pursuant to the terms of an amendment to the Agreement.

(2) The President is authorized to execute such amendment, and take such other actions as may be necessary, to memorialize and effectuate the agreement between the Board of Trustees and Chancellor Furst-Bowe.

Trustee Herrin moved for approval of the Salary and Appointment of Interim Dean, College of Business, SIUC; Salary and Appointment of Associate Dean, College of Business, SIUC; Salary and Appointment of Interim Dean, College of Liberal Arts, SIUC; Approval of Salary and Appointment of Interim Dean, School of Nursing, SIUE; Approval to Select Civil Engineering Services, SIUE; Approval to Purchase: Media Creation and Buying Services, SIUE; and Consideration and Approval of SIUE Chancellor Employment Agreement Provisions. The motion was duly seconded by Vice Chair Manering. The motion carried by the following recorded vote: aye, Dr. Roger Herrin; Hon. Don Lowery; Dr. Donna Manering; Mr. Joel Sambursky; Maj. Gen. Randal Thomas; Ms. Marquita Wiley; nay, none.

The following item was presented:

PROPOSED INCREASE: INTERCOLLEGIATE
ATHLETIC FEE, SIUC
[AMENDMENT TO 4 POLICIES OF THE BOARD APPENDIX A-6]

Summary

This matter seeks a \$9.00 increase in the Intercollegiate Athletic Fee effective Fall Semester 2014 for a proposed rate of \$315.00 per semester, prorated over 12 credit hours. If approved, the proposed increase represents a 2.9% annual increase for FY2015.

Rationale for Adoption

Saluki Athletics finished third out of 10 teams in the 2013 Missouri Valley Conference All-Sports Trophy standings, marking its highest finish since 2010. The Salukis won conference championships in both Men's and Women's Cross Country in the past year. In track, Jeneva McCall became the first American woman to medal in the hammer throw in international competition at the World University Games last July. The Volleyball team finished third in the MVC regular season, its highest finish since 2002. The team advanced to the championship game of the conference tournament and posted back-to-back 20-win seasons for the first time since 1985. The football team finished tied for second place in the MVFC with a 5-3 league record and 7-5 overall mark. Men's Tennis finished 13-6 overall and 6-2 and in second place in the MVC. The Tennis Recruiting Network ranked SIU's recruiting class 14th in the nation among mid-majors. Women's Tennis finished 19-5 — setting school records for wins and winning percentage — while finishing second in the MVC. Men's golf finished third at the Missouri Valley Conference Championships, its third top-three finish in the last five years. The women's golf team tied for third place at the Missouri Valley Conference Championship. Women's Swimming & Diving finished third in the MVC Championships.

Student-athletes are performing well in the classroom and posted a combined 3.09 GPA for the fall 2013 semester. That is an increase from the 3.06 GPA posted for the fall 2012 semester. Among the academic highlights from the semester, 60 student-athletes recorded a perfect 4.0. In addition, 64 percent of SIU student-athletes recorded a GPA of 3.00 or better for the semester (253 out of 394). During the 2012-13 academic year, Saluki student-athletes received 59 post season academic awards, Saluki Softball finished fourth nationally in grade point average with a team GPA of 3.596, and five other teams were recognized nationally for their academic performance. Men's basketball finished Fall 2012 with an all-time high GPA of 2.947.

While we continue to build on these successes in the classroom and competition, sport operating budgets are still below the levels necessary to remain competitive in the Missouri Valley and Missouri Valley Football Conferences. While efforts to increase revenues from external sources continue to be successful, costs are increasing as well. Coaches continue their efforts to augment their budgets with funds raised from outside sources. This practice is not unusual for an athletic department. However, these funds, which would normally be used for “extras,” are still being used for basic operational expenses. Taking into account the additional fund raising and departmental internal reallocations, sport operating budgets are constantly in need of greater funding, particularly in the areas of team travel and related costs.

Significant progress has been made on improving and renovating athletics facilities. On October 3, 2005, the Troutt-Wittmann Academic and Training Center opened, providing state-of-the-art academic and weight training to help continue the success of the student-athletes in the classroom and in competition. August 24, 2010, saw the grand opening and dedication of Saluki Stadium. September 2 brought a standing room only crowd of 15,276 to witness the first football game in the new Stadium. This successful opening was followed by the grand opening of the Boydston Center on October 1 and the dedication of the renovated SIU Arena October 28. The first regular season basketball game was broadcast nation-wide on ESPN on November 16. The construction of the Lew Hartzog track and field complex was completed during the Spring of 2012. The final stages of the renovation of Abe Martin Field into the Richard “Itchy” Jones Stadium are being completed and the project is scheduled to be finished in March 2014.

The Athletics Department remains committed to full NCAA scholarship funding for all sports. This commitment has helped recruit and retain high-quality student-athletes, but the resources required to continue this commitment come at the expense of other areas within the program.

The sport operating budgets, athletic facility budgets and scholarship budgets remain in critical need of additional resources. Cost containment initiatives and budget reallocations can only partially fund some of these priorities. Additional revenue will continue to be necessary. A continuing focused effort to market our teams and an emphasis on giving to the Saluki Athletic Scholarship Fund represent two examples of revenue growth opportunities being pursued in addition to the student portion of this fee increase request. The Athletics Department believes an annual student fee increase is essential for the economic stability necessary to remain competitive in the world of Intercollegiate Athletics.

Considerations Against Adoption

Any move to increase the cost of attendance for students must be reviewed carefully, weighing the benefit of what increased financial support can mean to the future of Saluki Athletics, the University as a whole, and the value a strong athletics program has for the University against the economic impact that such increases have on the student body.

Constituency Involvement

The proposed increase in the fee has been presented to the Intercollegiate Athletic Advisory Committee, the Undergraduate Student Government and the Graduate and Professional Student Council for consideration. The Undergraduate Student Government approved a fee increase but expressed a desire to decrease the proposed amount. The Graduate and Professional Student Council did not approve the proposed 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 2014, 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)	2012	2013	<u>2014</u>
Athletic (1)	\$301.00	\$306.00	<u>\$315.00</u>

(1) Prorated over 12 hours/semester

BE IT FURTHER RESOLVED, That 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.

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

Athletic Fee per Semester	292.00	301.00	306.00	315.00	335.00	355.00
Percent Change	1.4%	3.1%	1.7%	2.9%	6.3%	6.0%
	FY12 Actual	FY13 Actual	FY14 Budget	FY15 Proposed	FY16 Projected	FY17 Projected
Revenues						
Tickets	1,337,360	1,198,942	1,140,000	1,300,000	1,400,000	1,500,000
City of Carbondale Saluki Way Support	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Football Suite Leases	192,285	201,438	175,000	200,000	200,000	200,000
Sponsorships / Advertising	553,725	567,500	595,000	600,000	625,000	650,000
Program Sales	-	-	-	-	-	-
Concessions	68,003	55,461	140,000	140,000	140,000	140,000
Merchandise Commissions	40,543	27,784	45,000	45,000	50,000	55,000
Athletic Fee	9,019,672	8,470,638	8,650,000	8,900,900	9,461,700	10,029,400
Guarantees	403,434	414,000	452,000	400,000	450,000	450,000
Conference Share	232,237	272,514	120,926	125,000	150,000	150,000
Other Conference Distributions	205,296	277,317	225,000	250,000	250,000	250,000
NCAA Distribution	675,712	716,063	683,000	725,000	750,000	775,000
Contributions	1,021,002	926,708	1,100,000	1,150,000	1,200,000	1,300,000
Restricted Contributions	153,451	326,440	350,000	400,000	400,000	400,000
Restricted Contributions - Capital Projects	1,049,534	1,322,326	1,181,000	1,181,000	1,181,000	1,181,000
Royalties	116,025	95,796	100,000	125,000	150,000	150,000
Radio Rights Fees	-	-	-	-	-	-
Restricted Scholarships	122,680	112,494	100,000	125,000	125,000	125,000
Interest from Operations	34,974	55,162	50,000	75,000	75,000	75,000
Endowment Earnings	38,060	-	35,000	35,000	35,000	35,000
General Operating Funds	1,670,773	1,364,206	1,722,552	1,700,000	1,700,000	1,700,000
Clinics and Workshops	58,507	78,822	90,000	90,000	90,000	90,000
Miscellaneous Income	239,408	69,735	125,000	150,000	200,000	200,000
Total Revenues	18,232,681	17,553,346	18,079,478	18,716,900	19,632,700	20,455,400
Expenditures						
Administration	395,941	369,027	350,000	300,000	300,000	300,000
Ticket Office/Promotions	132,825	185,879	125,000	125,000	125,000	125,000
Sports Operating Costs	2,984,998	3,106,435	3,050,000	3,100,000	3,150,000	3,200,000
Sports Information	9,069	5,723	51,000	51,000	51,000	51,000
Athletic Facility Operations and Maintenance	927,771	1,133,521	900,000	900,000	900,000	900,000
Athletic Training	59,953	67,945	50,500	50,500	50,500	50,500
Salaries	5,261,079	4,778,931	4,750,000	4,800,000	4,850,000	4,900,000
Benefit Payouts	164,241	13,800	25,000	25,000	25,000	25,000
Medicare/OASDI	74,521	67,548	75,700	75,700	75,700	75,700
Group Health Insurance	72,000	77,548	72,000	72,000	72,000	72,000
Wages (Net of Work-study)	375,309	410,864	400,000	400,000	400,000	400,000
Scholarships	2,803,849	3,668,201	3,850,000	4,040,000	4,242,000	4,454,000
Guarantee Expenses	25,557	29,765	60,000	50,000	50,000	50,000
Fund Raising	59,979	114,953	69,000	70,000	70,000	70,000
Academic Enhancement	79,510	84,394	70,000	75,000	80,000	80,000
Athletic Clinics and Workshops	43,830	61,328	65,000	65,000	65,000	65,000
Spirit Groups	77,747	88,281	85,000	85,000	85,000	85,000
Other Capital Projects - Contributions	1,049,534	1,322,326	1,181,000	1,181,000	2,250,000	2,250,000
Other Current Expenditures	293,428	286,717	250,000	250,000	250,000	250,000
Total Expenditures	14,891,141	15,873,186	15,479,200	15,715,200	17,091,200	17,403,200
Mandatory Transfers						
To Debt Service Turf and West Stadium	95,526	56,300	55,313	86,577	83,378	56,303
To Athletic Facility Support	-	-	-	-	-	-
To Debt Service Saluki Way	3,845,155	3,845,155	3,850,417	3,838,827	3,830,561	3,851,363
To Repair Replacement Reserves	479,893	478,635	474,861	474,108	470,022	470,022
Total Mandatory Transfers	4,420,574	4,380,090	4,380,591	4,399,512	4,383,961	4,377,688
Change in Fund Balance Before Transfers to Reserve for Facility Improvements						
	(1,079,034)	(2,699,930)	(1,780,313)	(1,397,812)	(1,842,461)	(1,325,488)
Transf. to Reserve for Contributions - Capital	-	-	-	-	-	-
Transf. to Reserve for Facility Improvements	(907,314)	147,394	25,000	25,000	25,000	25,000
Total Transfers to Reserves	(907,314)	147,394	25,000	25,000	25,000	25,000
Change in Fund Balance	(171,720)	(2,847,324)	(1,805,313)	(1,422,812)	(1,867,461)	(1,350,488)
Change in other assets & liabilities	0	0	0	0	0	0
Beginning Fund Balance	(1,133,048)	(1,304,768)	(4,152,093)	(5,957,406)	(7,380,218)	(9,247,679)
Ending Fund Balance	(1,304,768)	(4,152,093)	(5,957,406)	(7,380,218)	(9,247,679)	(10,598,167)
% of Ending Fund Balance to Total Expenditures and Tra	-7.1%	-20.4%	-30.0%	-36.6%	-43.0%	-48.6%
Reserves						
Beginning Fund Balance	2,309,648	882,716	1,390,440	1,642,801	1,894,409	2,141,931
Add: Mandatory Transfers	479,893	478,635	474,861	474,108	470,022	470,022
Add: Facility Improvement	(907,314)	147,394	25,000	25,000	25,000	25,000
Add: Interest Income	11,631	2,477	2,500	2,500	2,500	2,500
Add: Transfers from SIU Foundation / Other	0	0	0	0	0	0
Less: Expenditures	1,011,141	120,782	250,000	250,000	250,000	250,000
Ending Fund Balance	882,716	1,390,440	1,642,801	1,894,409	2,141,931	2,389,453

Footnote: Nonmandatory transfers in 2011 (1,300,000) and (342,686) were planned transfers as a portion of funding for the Track project, and the FY11 transfer was reversed in FY12

Secretary Lowery expressed concerns about the rising fee costs to the University to include Athletics. Further, he noted concern that money had not been budgeted to fund the maintenance costs for Saluki Way.

Vice Chair Manering noted that Board members have concerns about fees in general and asked that President Dunn review all fees and report his findings to the Board.

President Dunn reviewed that the directive from the Board was members would like to see an all-encompassing study of fees, their use, how it ties in to debt service, other purposes and have it spelled out fairly clearly.

Trustee Herrin made a motion to approve the item. Trustee Sambursky seconded the motion. The motion passed by the following recorded vote: aye, Dr. Roger Herrin; Dr. Donna Manering; Mr. Joel Sambursky; Maj. Gen. Randal Thomas; Ms. Marquita Wiley; nay, Hon. Don Lowery.

The following item was presented:

PROPOSAL TO CREATE A STUDENT MEDIA FEE, SIUC
[AMENDMENTS TO 4 POLICIES OF THE BOARD APPENDIX A-2, A-6
AND ADDITION OF A-27]

Summary

This matter seeks to create a Student Media Fee, effective Fall Semester 2014, for a proposed rate of \$9.00 per semester, prorated over 12 credit hours for Fall, Spring and Summer academic sessions, respectively.

Rationale for Adoption

The College of Mass Communication and the School of Journalism met with members of the Journalism Advisory Board and the Dean's National Industry Council to discuss the future of the Daily Egyptian. Through those meetings and other discussions with students, student groups and alumni, it was determined a Student Media Fee was warranted to ensure the future of the Daily Egyptian, a student-run

newspaper with a distinguished history and solid track record of helping launch the careers of hundreds of leading professionals in media and communication. Further, the Undergraduate Student Government passed a resolution in support of a fee in order to “ensure the freedom of speech of the student body.”

Funding will help stabilize the Daily Egyptian's daily operations. Moreover, the Daily Egyptian is committed to reviewing its operations and refocusing its work to pursue innovative money-making opportunities through social media outlets, consider outsourcing printing work and redesign its workspace to have a converged, multi-platform newsroom. Maintaining an active, responsible and cutting-edge student newspaper is critical to our campus and to the countless students who gain hands-on experience at the Daily Egyptian.

Considerations Against Adoption

University officers are concerned that increasing costs to our students may affect access to the University. Such concerns are integral to our annual review of fees while maintaining high levels of quality on campus events and services.

Constituency Involvement

The proposed fee was developed by the Daily Egyptian and College of Mass Communication and Media Arts in conjunction with student leaders and alumni. The proposed fee increase was approved by the Undergraduate Student Government but was not approved by the Graduate and Professional Student Council.

Resolution

BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That, effective with the collections of fees for the Fall Semester 2014, 4 Policies of the Board Appendix A-2 be amended as follows:

2. SIUC School of Medicine

General Fees. Students enrolled in the School of Medicine shall pay the general student fees approved by the Board (4 Policies A-6) with the following exceptions. Students attending the Springfield Medical Facility, including those enrolled in programs, shall be exempt from paying:

m. Student Media Fee

BE IT FURTHER RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That, effective with the collections of

fees for the Fall Semester 2014, 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>2014</u>
Student Media Fee ⁽¹⁾			<u>\$9.00</u>
<u>⁽¹⁾Prorated over 12 hours/semester</u>			

BE IT FURTHER RESOLVED, That, 4 Policies of the Board Appendix A-27 be added as follows:

- 27. Student Media Fee: To provide a regular source of funding for the operation of the Daily Egyptian, a fee is established for each student. This fee shall be reduced 1/12 for each semester hour less than 12.

BE IT FURTHER RESOLVED, That 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.

Student Media Fee, SIUC
Comparative Statement of Actual and Estimated
Income and Expense

Fee Rate per Semester	\$0.00	\$0.00	\$0.00	\$9.00	\$9.00	\$9.00
Percent Change					0.00%	0.00%
	FY12 Actual	FY13 Actual	FY14 Budget	FY15 Proposed	FY16 Projected	FY17 Projected
Revenues						
Sales	\$ 710,514	\$ 561,843	\$ 510,000	\$ 450,000	\$ 438,750	\$ 428,000
Transfers In/Other Revenue	-	55,000	30,000	-	-	-
Student Media Fee	-	-	-	262,425	262,425	262,425
Total Revenues	\$ 710,514	\$ 616,843	\$ 540,000	\$ 712,425	\$ 701,175	\$ 690,425
Expenditures						
Staff salaries	\$ 321,973	\$ 278,492	\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000
Student Payroll	329,043	231,144	245,000	250,000	250,000	250,000
Supplies (including newsprint)	116,962	90,802	84,350	88,500	92,900	97,500
Operation of Auto Equipment	12,095	12,160	12,200	12,200	12,200	12,200
Contractual Expenses	67,713	51,822	45,000	47,200	47,200	47,200
Other Expenses	5,239	4,367	10,585	8,500	8,500	8,500
Total Expenditures	\$ 853,025	\$ 668,787	\$ 672,135	\$ 681,400	\$ 685,800	\$ 690,400
Change in Cash Balance	\$ (142,511)	\$ (51,944)	\$ (132,135)	\$ 31,025	\$ 15,375	\$ 25
Beginning Cash	315,776	173,265	121,321	(10,814)	20,211	35,586
Ending Cash	\$ 173,265	\$ 121,321	\$ (10,814)	\$ 20,211	\$ 35,586	\$ 35,611
% of Ending Cash to Total Expenditures and Transfers	20.3%	18.1%	-1.6%	3.0%	5.2%	5.2%

Secretary Lowery noted that when the item was pulled during the Board's prior meeting, it was not the Board's intention to de-fund the *Daily Egyptian*. In addition, Secretary Lowery noted that there were no plans for a printing press in the new Communications building and recommended that option be investigated to provide a teaching tool to the students.

Trustee Herrin provided examples of magazines his publishing company printed and offered his expertise to the University in that area if needed.

Dr. Bill Freivogel, Director of the School of Journalism, offered that healthy discussion had been held, and he had received good ideas and suggestions.

Trustee Wiley made a motion to approve the item. Vice Chair Manering seconded the motion. The motion passed by the following recorded vote: aye, Dr. Roger Herrin; Hon. Don Lowery; Dr. Donna Manering; Mr. Joel Sambursky; Maj. Gen. Randal Thomas; Ms. Marquita Wiley; nay, none.

The following item was presented:

APPROVAL OF PURCHASE: MARKETING COMMUNICATIONS SERVICES
CARBONDALE CAMPUS, SIUC

Summary

This matter seeks approval to renew the purchase of marketing communications services for Southern Illinois University Carbondale. Approval of this matter will continue the strategic, comprehensive, and coordinated recruitment communications, advertising, branding and marketing program that is an essential component to stabilizing and growing enrollment. This is the third renewal with an effective date of July 1, 2014. The services will be funded from existing resources including the University's marketing initiative fund and departmental advertising and marketing funds consolidated to support this coordinated recruitment initiative.

Rationale for Adoption

In its May 12, 2011, meeting, the Board of Trustees authorized procurement of professional marketing and communications services including the design, production and implementation of a strategic, data-driven, comprehensive marketing campaign. Services also include negotiating contracts on behalf of the University with media outlets for strategic positioning in television, radio, newspaper, billboards, web-based, mobile and display advertising.

Prior to 2011, the University had significantly underinvested in an effective and comprehensive marketing plan, instead relying on inadequate, fragmented and often-conflicting marketing messages. As a part of the campus-wide effort to more effectively recruit students, the University has been working with Lipman Hearne Incorporated (LHI) to create stronger brand awareness and adopt proven recruitment strategies that are consistent with the University's mission of access and research. LHI was selected through a Request for Proposal (RFP) for a one-year contract with options for renewal up to four additional one-year periods. SIU Carbondale now wishes to exercise the third option to renew the contract for an additional year at a cost of \$1.4 million.

SIU has seen gains in enrollment and other benchmarks, such as website and campus visits, since the inception of the contract. Among the most recent:

- SIU recorded a nearly 13 percent increase in new students in fall 2013; the class had an average ACT score a full point higher than the previous year
- Enrollment in distance education programs in fall 2013 rose 36 percent over the previous year
- Undergraduate international student enrollment increased by 22 percent; overall international student enrollment increased 10 percent in fall 2013 and continued its upward growth in spring 2014
- Spring 2014 enrollment figures reflected a spring-to-spring increase in new students and a 3.5 percent improvement in retention of first-time, full-time students from fall to spring over the previous year
- SIU has recorded a 5 percent increase in campus visits for Fall 2014; attendance at fall open houses increased by 9 percent
- Nearly 625 high-achieving students interviewed for Chancellor's and University Excellence scholarships Feb. 7 and 8, a significant increase from last year
- New housing contracts, a strong indicator for fall enrollment, are up significantly for new, first-time students for fall 2014

In addition to continuing momentum by building on the previous efforts, additional work has included the continuing expansion of the brand to the Alumni Association and the Foundation, the School of Law, and, most recently, community college transfer initiatives, graduate programs and on-base military programs. All of this work, including on-going work focused on undergraduate recruitment and retention, needs to continue to build on the university's positive momentum.

This amended request at \$1.4 million will allow the University to continue its momentum in key areas related to recruitment and retention while restructuring some of the originally anticipated work planned to extend the university's brand. Selected work planned but not covered in the amended amount will be accomplished through other means. In all cases, the university will seek the best and most cost-effective solutions.

Priorities under the amended request will include student recruitment, retention and advertising planning and placement, all areas related to building enrollment. Admissions support will be a high priority given the recent resignation of the university's admissions director and the associated gap in staffing.

The Chancellor, SIUC, and the Provost have recommended this matter to the President.

Considerations Against Adoption

University officials are aware of none.

Resolution

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

(1) The purchase of marketing communications services from Lipman Hearne, Incorporated, Chicago, Illinois, for Southern Illinois University Carbondale for one year effective July 1, 2014, at a cost of \$1.4 million and is hereby approved.

(2) Funding for this purchase will come from the University's marketing initiative fund and reallocated funds.

BE IT FURTHER RESOLVED, That 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.

Chair Thomas asked the President about alternatives if the Board did not approve the contract.

President Dunn reviewed alternatives with the Board. He noted that if the contract was not renewed marketing services would need to be carried out, and staff would need to assess what services could be performed in-house versus through an external contract approach.

Vice Chair Manering inquired if many marketing plans were already in place for the semester.

Ms. Rae Goldsmith, Executive Director of University Communications, reported that undergraduate and transfer student recruitment was in good shape. She noted the big project for the coming year was going to be graduate recruitment.

Vice Chair Manering inquired about the status of international student recruitment.

Ms. Goldsmith reported that international students were built in and largely in graduate school with a coordinated effort. She added that international student enrollment was doing well.

Secretary Lowery inquired if the University was in its fourth year of the marketing contract.

Ms. Goldsmith reported that the University would have been in its third of four allowable renewals.

Secretary Lowery inquired about the delay of recruiting transfer students.

Ms. Goldsmith reviewed services performed by the firm over the life of its contract. She noted the University started with a large reputational and operational

deficit and did not have enrollment management, branding, or marketing strategies. The first year of the contract was spent to get the strategies in place. The second year was spent to get the traditional student recruitment pieces in place, reengineering undergraduate admissions and financial aid. The University spent significant time on transfer student recruitment during the current year.

Secretary Lowery sought clarification about the actual cost of the marketing contract and if media buys were an additional purchase.

Ms. Goldsmith reported that digital media buying was included in the contract for \$2 million, and the University pays an additional \$1.2 million for other advertising. She added that the contract had allowed the University to look at its marketing comprehensively, reengineered undergraduate student recruitment and financial aid and did the University's original creative work with more of that now being done in-house.

Secretary Lowery questioned the effectiveness of the firm's creative work for the University.

President Dunn inquired whether the contract would specify a certain number of dollars to be spent for advertising space.

Ms. Goldsmith confirmed that the firm would make recommendations and at times she would push back on some recommendations. She noted that there is a perception of what is effective or not. Students are asked on their applications why they selected SIU and the students repeat the marketing messages that have been placed.

Vice Chair Manering inquired about what digital advertising or media was in place.

Ms. Goldsmith reported the University advertised on approximately one dozen sites where prospective students are going such as ACT sites and test preparation sites, general internet advertising targeted to students, and digital marketing to sophomores and juniors. She reported marketing on You Tube and social media was done with internal staff.

Trustee Herrin sought clarification regarding a University billboard he had seen.

Chancellor Cheng provided clarification regarding a billboard making reference to a moon buggy which was a national award winning project

Chair Thomas made a motion to approve the item. Trustee Wiley seconded the motion. The motion failed by the following recorded vote: aye, none; nay, Dr. Roger Herrin; Hon. Don Lowery; Dr. Donna Manering; Mr. Joel Sambursky; Maj. Gen. Randal Thomas; Ms. Marquita Wiley.

Vice Chair Manering noted that she supported marketing but she thought the Board would probably like to look at other firms.

President Dunn confirmed that staff will meet to think about the strategy going forward.

Chair Thomas announced that the next Board of Trustees meeting would be held July 24, 2014, at the SIU School of Medicine, Springfield.

Trustee Herrin made a motion to adjourn the meeting. Trustee Sambursky seconded the motion. The motion passed unanimously by voice vote.

The meeting adjourned at 1:22 p.m.

Misty Whittington, Executive Secretary