MINUTES  
Board of Trustees  
Illinois State University  
July 25, 2014

Davis: Good morning. I call this quarterly meeting of the Board of Trustees of Illinois State University to order. I would like to begin by welcoming each of you to this meeting and thank you for your presence. Before I go any further I am going to recognize President Dietz for a brief comment.

Dietz: Good morning everyone. I have an introduction that I want to make in a minute but before I do that, we had a sad occasion that occurred with one of our colleagues and I want to express our condolences of the entire university community on the passing of Kiki Wood, the spouse of Jeff Wood. Many of you knew she waged a long and courageous battle with cancer. She passed away peacefully early last Saturday morning surrounded by her family, and services were held this week. I want Jeff to know he and his family are in our thoughts and prayers and while we all mourn her passing, we celebrate her life and her long and wonderful relationship with the ISU family. So if you would please join me in a moment of silence in Jeff’s honor and Kiki’s memory. Thank you very much.

There is a person who attends lots of events of the University – Mr. Redbird in the legislature and I would now like to introduce a person we know well, Representative Dan Brady. Dan we appreciate you being here and thanks so much. With those two brief remarks I will now turn the meeting back to you Trustee Davis.

Davis: Thank you President Dietz. As Secretary of the Board of Trustees of Illinois State University I convene this meeting in the absence of a Board Chairperson. As many of you are aware, Trustee and Board Chairperson Michael McCuskey resigned from the Board earlier this month. Judge McCuskey was appointed Resident Circuit Judge of Marshall County in the 10th Circuit assigned to Peoria County. The Circuit Court appointment made Judge McCuskey ineligible to serve on this governing board, and he resigned effective July 2.

So as Secretary, I will begin by calling roll.

Trustee Bergman  
Trustee Churney  
Trustee Davis—present

Trustee Donahue

Trustee Kinser

Trustee Schumacher

Absent:

##### A quorum was declared. Also present for the public session were:

President Larry Dietz

Vice President and Provost Janet Krejci

Vice President for Student Affairs Brent Paterson

Vice President for Finance & Planning Greg Alt

Vice President for University Advancement Erin Minné

Board Legal Counsel Jane Denes

Chief of Staff Jay Groves

**APPROVAL OF AGENDA**

Trustees, you have before you today’s meeting agenda. Do I have a motion to approve the agenda? Trustee Donahue so moved and was seconded by Trustee Churney. Motion made, seconded and vote recorded as all members present voting aye.

**APPROVAL OF MINUTES**

You also have before you the Minutes of the May 9, 2014, quarterly Board meeting and the Minutes of the Special Meetings of March 22 and June 6, 2014. Do I have a motion and a second to approve those minutes? Trustee Churney so moved and was seconded by Trustee Donahue. Motion made, seconded and vote recorded as all members present voting aye.

**RELEASE OF EXECUTIVE SESSION MINUTES**

In accordance with the provisions of the Open Meetings Act, the Illinois State University Board of Trustees is required to periodically review the Minutes of its Executive Sessions to determine the necessity of retaining the confidentiality of those minutes. The Board has received a recommendation from its legal counsel to release the following Minutes.

       October 25, 2013 Release all

Copies of these Minutes are in your meeting folders. Do I have a motion and second to release as public the above Minutes of the Executive Session held by the Illinois State University Board of Trustees? Trustee Kinser so moved and was seconded by Trustee Donahue. Motion made, seconded and vote recorded as all members present voting aye.

**OATH OF OFFICE**

It is a great pleasure to welcome our newest member of the Board of Trustees of Illinois State University. Our new student trustee is Ellen Schumacher. Ellen is a junior from Teutopolis, Illinois and carries a double major in Marketing and Organizational Leadership. She has previously served in student government as an East Campus Senator and President of the Assembly. Ellen, please join me and receive the oath of office.

Please repeat after me:

I do solemnly swear

that I will uphold the Constitution of the United States

and of the State of Illinois,

and that I will faithfully discharge the duties

of the office of member of the Board of Trustees

of Illinois State University

to the best of my ability.

Congratulations Ellen. We are all looking forward to working with you during the coming year. Would you like to say a few words?

Schumacher: First of all I would like to thank the student body of Illinois State University for electing me to this position. I am very excited to officially be on the Board now and working with everyone here and if all goes well I hope to run again in the spring and serve a two-year term.

Davis: Thank you Ellen. We have a busy agenda this morning—but as it is with each first Board meeting of the fiscal year, we begin with the election of officers.

**ELECTION OF OFFICERS**

As is written in the Board by-laws—during the first meeting of a new fiscal year the Chairperson and Secretary of the Board will stand for election, and voting will be by secret ballot. I will begin by asking for nominations for Chair of the Board of Trustees.

Kinser: I would like to nominate Rocky Donahue.

Churney: I would like to second that.

If there are no other nominations I will move for nominations to be closed.

Kinser: I make a motion to close and Trustee Churney seconded.

Rocky Donahue has been nominated as Chair of the Board of Trustees. I will now ask the Trustees to vote by secret ballot. On a sheet of paper from the pad provided, please write the last name of the candidate you wish to vote for, fold the paper and pass them to Board Counsel Jane Denes, who will tabulate the votes and read the result.

Donahue: Secretary Davis, I would like to note for the record that I will abstain from this vote.

Denes: I have counted the ballots and Rocky Donahue has been elected Chair of the Board of Trustees of Illinois State University—congratulations Trustee Donahue.

Davis:Trustee Donahue…my congratulations as well. I have enjoyed working with you on this Board and look forward to supporting and working with you as chairperson. And now it is my pleasure to turn the meeting over to you.

Donahue:Thank you Secretary Davis and good morning everyone. First I have to thank all of my fellow trustees for their support, trust and their confidence. I am deeply honored and humbled by your action today. I am coming up on my third year of service as a member of the Board of Trustees, and it has been an absolute privilege to serve and work with every one of you. And it has been just as rewarding to work with the outstanding administration, faculty, staff and the students here at ISU. As a member of the Board, and even more importantly, as an alumnus of Illinois State, I pledge to each of you that I will take on this new role and its duties and its responsibilities with integrity, transparency and engagement.

There is somebody who is not here today that I personally want to thank and that is Judge Mike McCuskey. In fact, I think we all owe Mike a big thank you for his leadership and service to ISU. But to me Mike was much more than my leader. Mike was my mentor, even though he is not much older than me, Mike was like a father figure. Mike was a teacher. Mike was my confidant and mostly Mike is my friend. As our leader the Board worked as a team under Mike; a team that was dedicated to achieving and maintaining excellence here at ISU. And one of my goals as chair is that we will continue to operate as a team; a team that will recognize our individual strengths and at times our weaknesses; a team that will respect member’s independence, and a team that will always allow for minority viewpoints to be heard. A team where the decision making process is always inclusive and the communication is always open and honest. And a team that will always make decisions no matter how hard in the best interest of this University that we all so love.

Speaking of love, there is somebody here today that I have to recognize and thank and that is my best friend, my wife Janet. Janet, would you please stand so everyone can say hello? And also, Ellen, I would like to congratulate and welcome you to the Board. You have big shoes to fill. Your predecessor Aaron Von Qualen served two one-year terms on this Board, and I saw Aaron here today and I want to thank him for his service and also for his friendship. But today isn’t about Aaron Von Qualen, it is about Ellen Schumacher and I have no doubt you are going to do just fine in this role. In fact, when it is all said and done I wouldn’t be surprised if those shoes you are about to step into get a little bit bigger when you are ready to leave them.

And finally, I would like to thank the 19th president of Illinois State University Dr. Larry Dietz. I look forward to working with you more closely in the future and I know this University is in great hands under your leadership. I thank all of you again and with that I think I need to find where I need to go on the script now and we will move forward.

Before we go any further, we still have one more officer election—that of Secretary of the Board of Trustees, so I will ask for nominations for Secretary.

Churney: I would like to nominate fellow board member Anne Davis.

Kinser: I second the motion.

If there are no other nominations I will move for nominations to be closed.

Churney moved that nominations be closed and Bergman seconded.

I will now ask the Trustees to vote by secret ballot. On a sheet of paper from the pad provided, please write the last name of the candidate you wish to vote for, fold the paper and pass them to Board Counsel Jane Denes, who will tabulate the votes and read the result.

Davis: Trustee Donahue, I would like to note for the record that I will abstain from this vote.

Denes:I have counted the ballots and Anne Davis has been elected Secretary of the Board of Trustees of Illinois State University—congratulations Trustee Davis.  
  
Donahue: Anne, would you like to say a few words?  
  
Davis: I would like to start out by thanking my colleagues for once again your vote of confidence in electing me as secretary of this Board. I want you to know that I remain committed to fulfilling the duties as secretary with the utmost integrity and honesty.  
  
Donahue: Thank you Anne. You will all note, there are now only six members of the Board of Trustees of Illinois State University, meaning there are currently two vacancies. With the exception of student trustees, who are elected by their peers, Illinois public university trustees are appointed by the Governor. While I cannot tell you specifically when those appointments will be made, I can tell you that I have spoken personally to the staff of Governor Quinn about the vacancies, and I am hopeful some action will be taken regarding these appointments in the not too distant future. In the meantime, this governing board may continue to operate in public session as long as five members are present in-person, so the vacancies do not prohibit us from conducting business.  
  
It is the duty of the Board to select from the University's staff an employee to serve as Treasurer but not as a member. The Treasurer serves in an ex-officio capacity and receives and disburses all monies and reports to the Board of Trustees on the financial status and fiscal affairs of the University. At Illinois State, that person has traditionally been the Vice President of Finance and Planning, and Greg Alt will continue to fill that role.  
  
In addition, it is a duty of the Board Chair to designate a University representative to serve as an ex-officio member of the Municipal Clerks Training Institute committee. The committee serves in an advisory capacity and helps develop curriculum for Municipal Clerks training courses. I have designated University Audit Director Rob Blemler for that task.

Now I will turn to President Dietz for his remarks.

**PRESIDENT’S REMARKS**

Thank you Trustee Donahue. I want to congratulate you and Trustee Davis on your leadership positions. As you referenced earlier, we have two vacancies on our Board now, but Illinois State remains under excellent leadership from its governing board, and we will look forward to the Governor filling those remaining vacancies soon. I also congratulate Ellen Schumacher on the occasion of her first meeting as a Trustee. Ellen, I have enjoyed working with you as a member of the Student Government Association and I look forward to serving with you in your new role.

I want to thank the Campus Communications Committee for organizing this morning’s discussion hour. Each July, our city leaders attend the discussion hour to give us an update on activities in their cities. The dialogue is just one of many examples that reflect the excellent town and gown relationship in our communities.

One introduction this morning – the appointment of Dr. Janet Krejci as Interim Provost left a vacancy in the dean position for the Mennonite College of Nursing. I am pleased to inform the Board that Dr. H. Catherine Miller has been appointed acting dean of that college. Dr. Miller was appointed as the associate dean for academics at Mennonite in 2010. She previously held the position of associate dean of health and human services at Heartland Community College. Dr. Miller, could you please stand for recognition?

It is hard to believe that the fall 2014 semester begins in less than one month as once again summer seems to arrive and disappear in almost the same moment. We have been busier than usual in preparing for the new academic year since the incoming freshman class is projected to be significantly larger than in the past few years. Staff members have been working hard to make sure we can accommodate freshman housing and class schedule needs—and I am pleased to say we are accomplishing that.

I want to particularly thank Dr. Jonathan Rosenthal, Dr. Troy Johnson from the Provost’s Office, Vice President for Student Affairs Dr. Paterson, and Stacy Mwilambwe from University Housing, along with a host of staff members for helping to make this a smooth transition.

As of today, we have 3,753 active enrollment deposits—almost 700 more than at this time last year. During a period when the number of Illinois High School graduates is smaller and competition from boarder state institutions is significant, our robust freshman class is something you will not see at most Illinois public universities. We were indeed challenged by this prospect, but we are also in a very fortunate position that most other institutions in the state would envy.   
  
This level of attraction is a reflection of the outstanding reputation of our academic programs, our co-curricular engagement activities, our physical campus and, of course, our faculty and staff members. It is also a tribute to the Admissions staff, current students and alumni who help recruit motivated students to Illinois State.

I think it is also very important to note that even with this larger freshman class, the academic quality of our incoming students has remained very strong. The average ACT score holds near 24 with a grade point average of 3.38. You have all probably read stories about universities that relax their academic profiles in order to increase enrollment—that hasn’t happened at Illinois State—and of course, down the road that quality will likely be reflected in higher retention and graduation rates—so we all have reason to be proud and excited for the coming year.

Illinois State will begin the fall semester in stable financial condition. As I mentioned in the June 6th Special Board meeting, the University received a FY2015 appropriation of almost $73,900,000, which was very close to our FY2014 appropriation.

We were able to recommend and you approved a tuition, fee, and room and board package just 1.9 percent higher than last year’s package. One positive result of that action was that we were able to authorize an increase in University’s personal services line of two percent for faculty and staff merit-based salary increases. Meanwhile, the state has paid ISU 80 percent of its FY2014 appropriation leaving just $14.6 million left for ISU to receive. This is the most current the state has been at this period of time for several years.

FY2014 was a banner year for private fundraising. Total fundraising activity for the year was more than $19.5 million in new cash and commitments—making this the largest fundraising year ever for Illinois State University. Congratulations to vice president Erin Minné and University Advancement for a record-breaking year of fundraising.

For the second time, Annual Giving broke the 10,000 alumni donor mark prior to the end of the fiscal year. A two percent growth in the number of alumni donors was achieved, so this is the fourth consecutive year the number of alumni giving back to Illinois State has increased.

As you know state support for higher education is now below 18 percent. The need to seek support from alumni, corporate partners and university stakeholders is now more important than ever and the impact of that support is greater than ever. Private contributions allow us to construct better facilities and smarter classrooms. I might also mention it also helps us attract smarter students. They help ISU build diversity by providing access to students from all walks of life. In short, gifts to Illinois State allow the University to accomplish its mission under our strategic plan *Educating Illinois*.

I am also happy to report that FY2014 was also an outstanding year for licensed apparel and merchandise, with royalties ahead of last year by more than 15.8 percent. For the first time, total sales of Illinois State branded merchandise has topped $3.7 million.

Grant activity was also strong this past fiscal year. For FY2014 ISU received 254 grants with a total value of $19.5 million. This represents an increase of more than $1.5 million, or 8.5 percent, over FY2013. During FY2014, grant submissions totaled nearly $56 million, an increase of $8.6 million, or 18 percent over FY2013.

Illinois State, this month, received a $450,000 grant to train K-12 teachers through the University’s Smart Grid for Schools program, which offers schools an opportunity to learn about the smart grid technology being rolled out by investor-owned utilities throughout Illinois, beginning in Chicago. Smart grid refers to the upgraded technology that will change the delivery of electricity. Consumers will have “smart meters” in their homes, allowing the utility to bill based on the time of day, giving consumers more control over their costs by using energy during off-peak periods—so our congratulations on that grant.

Congratulations to Wendy Mann Woith, an associate professor in the Mennonite College of Nursing, for being selected by the American Academy of Nursing to join the newest class of fellows. Her work advances nursing and healthcare in Russia, and her research focuses on methods to decrease tuberculosis transmission among the general population and healthcare providers. She also established an exchange program between nursing students and faculty at Illinois State and Vladimir Medical College in Russia.

I also want to pass along a much deserved congratulations to Dr. Janet Krejci. Dr. Krejci was one of just six people in McLean County to earn this year’s YWCA “Women of Distinction” award. Each year, YWCA McLean County gives special recognition to women who have made their mark on our community, honoring their professional and personal achievements—so congratulations Janet.

A few construction notes – last month, the Governor’s office awarded contracts and released $1.27 million for the renovation of Capen Auditorium. Construction will begin on September 1 on Capen, which serves as the University’s largest lecture hall. Capen will be updated with new seating, flooring, lighting, sound and mechanical, electrical and plumbing systems. During preliminary work, the University has been leasing the Normal Theater for larger classes and will continue to until the auditorium is completed June 30, 2015. And I might add that as our enrollment continues to increase, we may have a contract well beyond that even with the remodeled Capen.

The front door on the east side of Hovey Hall will open Monday, July 28 allowing visitors, faculty, staff and students a glimpse of this new area. The first floor will be the new home to the Student Financial Aid Office beginning this September.

The first floor of Edwards Hall has been remodeled for faculty offices and research for the College of Nursing. This week the faculty began the move from Uptown Crossing to this new space to work in closer proximity to their colleagues.

Planning for the first phase of the Bone Student Center Revitalization project is underway. The design team has met twice with University staff and is working toward development of concept design documents that involve a new welcome center, administrative office space for Campus Dining, a new loading dock area, a new entrance to the facility and relocation of the catering kitchen.

And, design of the Fine Arts Complex project is well underway. Program design has been completed, and the Capital Development Board is now working on the next contract with the architects on this state-funded project. This project will provide for some new construction and renovation of instructional and classroom areas.

In Athletics, Illinois State continued its streak by finishing in the top-three of the Missouri Valley Conference All-Sports standings, as the Redbirds placed third – behind Wichita State and Indiana State in the final 2013-14 rankings. ISU has placed first, second or third in 23 of the past 24 years, while earning 12 all-sports crowns. The Redbird soccer team was instrumental in helping boost ISU’s all-sports standings by earning the 2013 MVC regular-season title, along with the league tournament championship.

This summer, three head-coaching vacancies were filled for the Redbird baseball, women’s tennis and track & field/cross country programs. Former ISU assistant coach Bo Durkac was promoted to head baseball coach. His resume includes 12 years of coaching experience, with the last five seasons spent as an assistant at ISU. Newly-hired ISU women’s tennis coach Maja Kovacek has proven her ability to compete on a national stage – both as an assistant coach at Oregon and as a student-athlete at New Mexico – and she will aim to lead Illinois State to similar success in her new role with the Redbirds. Finally, Jeff Bovee has been hired as the director of track & field/cross country, after spending the last 18 years as a college coach, including the past eight seasons at Illinois State as the head cross country coach.

Collectively, the athletics department posted a 3.13 GPA last semester, just missing the department record of 3.15. The best GPA for the semester was a 3.59, achieved by the swimming and diving team. The women's basketball team set a program record with a team GPA of 3.56, while the men's cross country team posted the highest men’s GPA with a 3.26, which tied a program best.

That concludes my initial remarks. I would now like to call to the podium Alex Skorpinskifrom the Campus Communications Committee.

**CAMPUS COMMUNICATIONS COMMITTEE**

Skorpinski: Good morning. The Campus Communications Committee would like to thank the representatives from the Town of Normal and the City of Bloomington for their presentations during this morning’s coffee hour. Thanks to Normal Mayor Chris Koos, City Manager Mark Peterson, Bloomington Mayor Tari Renner, as well as the Director of Finance for the City of Bloomington Patty-Lynn Silva As ongoing town and gown relationships are crucial to the recruitment and retention of students, as well as faculty and staff, we thank them for their ongoing collaboration with the University.

We would like to extend a warm welcome to our newest member of the Board of Trustees, Ms. Ellen Schumacher. In addition, we would like to congratulate newly elected board chair, Rocky Donahue, as well as the reappointment of Secretary Anne Davis. While we will certainly miss the leadership and collegiality of Judge McCuskey, we know that you will continue to drive Illinois State University forward.

That said, it is with some disappointment we now have two vacant trustee positions. Given the quality of our institution, we both hope and encourage Governor Quinn and his office to appoint a full complement of trustees, which Illinois State very much deserves.

We would also like to welcome a number of new faces, or at least faces in new positions to the meeting. Today marks the first full board meeting in her position as Interim Vice President for Academic Affairs and Provost Dr. Janet Krejci. We would also like to welcome recently appointed Interim Dean of the Mennonite College of Nursing Dr. H. Catherine Miller, new Assistant Vice President and Dean of Students Dr. Art Munin, new director of International Studies and Programs, Dr. Luis Canales, as well as our new director of Research and Sponsored Programs Jason Wagoner. It is clear Illinois State University is making great strides to continue to further our reputation as a premier academic institution.

As we review today the FY2014 Progress Report, the committee would like to recognize and thank Kristen Hendrickson, Angela Engel, Cheryl Fogler, and the Educating Illinois Steering Committee for tracking our progress towards our collective goals. This document drives home the advancements Illinois State has made as an institution over the past year.

In that same vein, we would also like to extend our thanks and support to Dr. Jim Jawahar, Bruce Stoffel, and the Academic Planning Committee team for their work on Illinois State’s comprehensive academic plan, up for a vote later in this meeting. We appreciate their work and fully endorse the direction of this plan.

Last week marked the conclusion of Preview, our summer freshman orientation program. Our gratitude goes out to University College and the countless members of the University community involved in welcoming the largest freshman class in recent history to Illinois State. Though hard to believe, campus is already gearing up for Welcome Week, move in, and the start of another great semester.

Though state funding is considerably less than ideal, recruiting a strong freshman class and careful budgeting helps keep Illinois State in a stable financial position. We would like to thank President Dietz for extending to faculty and staff a 2% merit-based salary increase. Few other higher education institutions in Illinois have been in the position to extend that benefit to its employees, and we are grateful for the dedication the university has shown to its employees.

Further strengthening our financial position is that record-breaking year of fundraising President Dietz mentioned. We would like to thank Vice President Minné and everyone in University Advancement for not only the largest fundraising year ever for Illinois State, but also for four consecutive years of increasing alumni giving, breaking the ten thousand mark for the second year in a row.

Senator Dick Durbin paid Illinois State a visit at the end of May pushing a new bill that would make it easier for college graduates to pay back their loans. While student loan debt is a problem across the country, the Senator called Illinois State’s story “excellent” given our extremely low student loan default rate (3%), and being among the top 10% U.S. universities for student loan repayment.

Overall, we are confident in the vision, leadership, and strength of the campus community as we kick off the 2014-2015 academic year.

Dietz: Thank you Alex**.** Now, I would like to welcome and call to the podium, Louie Mossos for a legislative update.

**LEGISLATIVE UPDATE**Mossos: Good morning. The Illinois General Assembly has adjourned for the summer. The House adjourned on Friday, May 30th and the Senate closed out on May 31st after passing a number of bills in the budget.

Regarding the budget, as I say the third time is the charm. The House and the Senate finally came to a resolution on the FY2015 budget on May 30th with the House’s third version of the state budget, which was known as the middle of the road budget. This final budget totals about $35.3 billion in general revenue funding. It assumes the income tax increase will sunset at the end of the year. It relies on $650 million from inter-fund borrowing and $197 million from growth and income tax collections. Luckily most programs and funding levels remain close to their FY2014 levels. The higher education appropriations can be found in HB6094. Regarding ISU, the FY2015 appropriation level of $73,890,200 is a cut of about $200,000 or 0.26% below last year’s appropriation. All of the public universities received similar cuts, obviously would have liked to see an increase or level funding, but much of the discussion was implementing 14% cuts across the board for higher education. So, we feel in light of that, the 0.26% cut wasn’t as bad as it could have been.

MAP funding was increased by $56,400 to a total of $373,254,500 for FY2015. The only real new capital appropriations that were passed this session were directed at roads and bridges. The FY2015 capital re-appropriation bill, HB3793, re-appropriates various capital projects that we have had outstanding. This information was outlined in the end of session summary that I believe was submitted to everyone and is currently on the website.

Standard and Poor’s rating services has revised its outlook on Illinois’ general obligation bonds to negative from developing. A lot of this is caused by the income tax sunseting, a lot of uncertainty as to what is going to happen going forward, and the pension issue that is ongoing.

Regarding taxes, the income tax rate as everyone is aware, was raised temporarily a few years ago. That has set to expire at the end of the year. There is no question that more revenues and capital are needed. In the currently scheduled rollback, the 5% income tax currently will be rolled back to 3.75% at the end of the year. That will likely cost the state an estimated $4 billion/annually. Governor Pat Quinn has expressed that he wants to make this tax increase permanent. Several days ago the Republican nominee Bruce Rauner has come out with a four-year phase out of the income tax hike and wants to lower the personal rate to 3% from the current 5% over time. But, also expand the services that are subject to the sales tax. That will raise about $600 million, but again we are talking about billions of dollars in shortfall. So the critics don’t think either of these two plans would satisfy us going forward. At the end of the day the legislature does have the final word on any tax changes. We are in an election year and Democrats control strong majorities in both chambers. They have a super majority in the Senate, so at this point in time we are not sure how the income tax is going to play out.

Pension is also an important issue. As you recall, there were several of those passed to give pension reform to the state. We have $56 billion dollars of unfunded retiree health care liabilities and about $100 billion in unfunded pension liabilities. On July 3 of this year the Illinois Supreme Court ruled that health care benefits for retired state employees are protected under the state’s pension protection clause, and they ruled the changes the legislature attempted to make unconstitutional. The case that the Supreme Court recently ruled on only dealt with the health benefits, not the pension benefits, which include changes to COLA or the change in the retirement age. Most people on both sides of the argument felt that these health care changes, if anything, would have been held constitutional. In light of the fact that they were held unconstitutional, everyone is pretty confident that the remaining pension changes will also be thrown out when they are decided upon by the Supreme Court.

That doesn’t really give us many options. Right now, obviously, they have to go back to the drawing board. One option is to try to cut a deal with the union, but in light of the Supreme Court precedents and cases, there is no reason for the unions to try to cut a deal. And even if they are to agree on something, what is not to say that the court won’t strike that down.

Another option is the cost-shift that Speaker Madigan has been pushing and that will push pension cost to universities and municipalities and local governments. That might lead to tuition increases and other pressures down the road.

A final last resort that no one is really talking about yet, but this is pretty new since the Supreme Court just decided a few weeks ago, would be to let the retirement systems go bankrupt. These are uncharted waters – no one knows how that would play out of if it is even an option.

In addition, we have various bills that are affecting higher education that are of importance. Minimum wage was a very important topic of discussion during the session. There were a handful of bills that raised it to various levels. At the end of the day two bills are on the Governor’s desk, HB105 and HB3814. While they don’t raise the minimum wage, they do put an advisory question on the ballot concerning increasing the minimum wage to $10/hour by January 1, 2015.   
  
Another important bill is the Smoke-Free Campus Act, which ISU has been doing and they are basically codifying what we are doing across all public universities. So this is before the Governor’s desk to prohibit smoking on campuses. There was a big point of contention as to whether you can smoke in your parked vehicle. Some people said you can only smoke as you are driving through and others say you can’t smoke if your car is parked. So there is a trailer bill, HB3961 that clarifies that you can smoke while sitting in your parked vehicle. You can thank the lawyers for that.

Another significant bill, SB3441, creates the Higher Education Distance Learning Act. It allows the Board of Higher Education to participate in the State Authorization Reciprocity Agreement on behalf of Illinois and to be the lead agency in coordinating interstate reciprocity for distance learning for participating institutions in Illinois.

HB5678 is also very important. It allows the Board of Trustees to sell or otherwise transfer property and keep the proceeds. Under current law if an alumnus donated property to ISU and 20 or 50 years later you wanted to sell it, the proceeds from that sale would have to go to the state. Under the change in this law you will be able to keep the proceeds since the property was intended for the University if you use the money for specific purposes.

HR620 is also important. It urges Congress to restore full bankruptcy protections to all student loans, both private and federally guaranteed, as well as other standard consumer protections. The General Assembly is in recess until the fall veto session on November 19 and December 2, which comes after the election. So we don’t expect anything new to happen other than the Governor vetoing or signing bills into law.

Dietz: Thank you Louie. We always appreciate your attention to all the details of all of those bills. You do a wonderful job.

Donahue: Are there any trustees that want to provide any comments or reports?

Churney: The only thing I would like to pass along is my congratulations to Chairperson Donahue. I have served on the Board a little over a year now and we have gotten to know each other very well. As a Board we are all graduates of Illinois State or currently attending Illinois State, but over this past year we have had a lot of decisions to make as a group and I was very proud of this Board. Mike led us through a lot of that with his leadership. I know with your guidance and a lot of input during that period of time, you enlightened me and gave me a lot of different ways to look at the situation. So I am excited to move forward and congratulate you Chairperson Donahue as well as congratulating Secretary Davis on her continuing position.

The only other comment I would like to make is that I have spoken with the finance department as well as hearing President Dietz talk about our enrollment for this year. I know we were sitting here a year ago and heard Troy Johnson speak with us at our Retreat and I was very intrigued by Troy and his openness and his team and how we were going to move forward with the competitiveness. With these new projections I wanted to congratulate everyone who was involved and I know Troy put a lot of time and effort with his team so from my standpoint I just wanted to say thank you and look forward to moving the University forward.

Bergman: First I would like to congratulation Rocky and Anne in their election as officers. I am fully behind that as we all are. I am the longest serving member of the Board so in that stead I would like to say, especially with Rocky, anything going forward – any questions that come up – feel free to contact me at any time. I would be happy to give you any support that I can. I have a couple of items here I would like to mention.

One is a subject that is currently and seriously being looked at by the state board and because it is a serious situation I want everyone to be aware of it. That is the issue of affordability. We all know that in the last ten years or so tuition has gone up for many reasons dramatically and it has really priced a college of education out of reach for many qualified students. Many students look at the situation and think well if I go I am going to have to take on a lot of debt that I don’t want to do. So a lot of qualified students are just not going to college. There is a committee that is looking at this. It is different from the performance funding committee that I have mentioned to you before that is looking to change the formula for the state funding to the different universities. This committee is looking at methodology to keep tuition increases to a minimum. There may be some other fallout from that as well. Talks are still in the early stages. This is a serious subject – not just something that some board or committee talks about and never does anything. I think that something is definitely going to happen eventually. I don’t think it is a question of if – I think it is a question of what and where. Our committee will be meeting again next month at Northern to continue our discussion. I would say possibly in a year or so there will be a plan and possibly be effective shortly thereafter. So I will keep everyone informed as time goes on.

The other item I wanted to talk about is something more of a personal nature but would ultimately affect ISU minimally. Last winter my wife Lori and I decided we were going to try to cut back a little bit over the next several years. Lori is formally vice president of a large bank. She took a buyout several years ago and is now retired – she is only working 50 hours/week doing other things. I am 66 years old and last winter we decided that we wanted to purchase a home in Florida. A couple of weeks ago I signed a contract to purchase a home in Ft. Lauderdale. It’s in foreclosure – it’s a short sell. It’s not a traditional home purchase with a lot of factors involved. I do want to stress with my comments here that I have no plans on resigning from the ISU board either now or when we get some more people appointed. I have about 2 ½ years to go on my term and plan to serve it out. I guess the reason that I am mentioning this right is other than Betty I am the next person in terms of time spent on campus – football games, basketball games, College of Fine Arts events, occasional meetings with faculty when requested, so I probably won’t be around as much as time goes on. I may occasionally attend a Board meeting by telephone after we have additional trustees appointed and it is not an issue. I want to ensure everybody that just because I may not be around as much has nothing to do with any lessening of my interest in ISU – just a gradual change in lifestyle that a 66 year old person is implementing.

Kinser: I don’t have anything else to add except one little thing. I was in California and watching America’s Got Talent and one of our students was graduated to the next level on that program. My grandchildren told me to come watch because this person was holding up a diploma from ISU. So we are all proud of Christian from the Gamma Phi Circus – he’s doing a great job.

Schumacher: I would just like to echo congratulations to our new chairperson and secretary and just looking forward to a great year.

**REPORTS**

Dietz: I have one report for you this morning. With your approval Trustee Donahue I will move to the report.

**Report 2014.07/1100.01: Educating Illinois Progress Report**Among your materials is a newly minted update of *Educating Illinois 2013-2018: Individualized Attention, Shared Aspirations*. Today’s report highlights the University’s progress in the implementation of our strategic plan.

While it’s not an exhaustive list, the report provides an overview of initiatives from the first full year of the plan’s implementation—our positive gains—and a look forward to coming years. Highlights from 2013-1014 include:

* Continued strength in recruiting and retaining high-achieving, diverse and motivated students
* Graduation rates that continue to outperform the national average
* Significant progress toward the implementation of a new academic information environment through the LEAP*Forward* project
* A steering committee, representing over 40 administrators and faculty members from all four University divisions, as well as contributions from units across the campus has completed the first draft of the University’s request to the Higher Learning Commission for reaccreditation
* And, facility improvements including; remodeling projects on the first floors of Hovey Hall and Edwards Hall, the initiation of planning for the new Fine Arts Complex and the completion of the Hancock Stadium project

#### As we look forward, we expect:

* Completion of the final reaccreditation report to HLC and the peer-review team site visit scheduled for April 2015
* Activation and initial roll out of the LEAP*Forward* project
* Expansion of wireless internet access throughout the campus
* Continued expansion and implementation of the new International Strategic Plan and coordination of related initiatives
* And, continued work on facility enhancements, including the Fine Arts Complex, Bone Student Center, and Capen Auditorium

I especially want to thank members of the *Educating Illinois* steering team including Deb Smitley, Kristen Hendrickson, Angela Engel, Brian Beam, Sam Catanzaro and Katy Killian for their great work.

Donahue: I would also like to thank everybody, not just the steering team. We have heard a lot of great things today about enrollment being up, fundraising being up, actually getting money from the state to do these improvements and that is not by accident. Somebody had to lay the groundwork, somebody behind the scenes is doing all the work and it is obvious *Educating Illinois* is working and is a great plan. These things that we hear about – all these great things – in isolation they sound great, but it is all the result of the hard work and the footwork you have done with *Educating Illinois*.

**ACTION ITEMS**Diet: There are seven resolutions this morning. With your approval, Trustee Donahue, I will move to them now.

**Resolution 2014.07/19: Approval of Academic Plan 2014-2019**The Academic Plan, 2014-2019, was included in your Board materials. It includes four sections—Mission Statements, Institutional Profile and Priorities, Academic Initiatives, Academic Unit Plans and Academic Program Reviews. This plan was submitted to the Academic Senate on May 7 of this year, and is now submitted for Trustee approval. I ask your approval of this resolution.

Donahue: Is there a motion to approve? Trustee Kinser so moved and was seconded by Trustee Churney. Any discussion? Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2014.07/20: Town of Normal Fire Services Agreement**Although Illinois State University has its own police department, fire services are contracted though the Town of Normal. The FY2015 contract for fire protection services is at a cost not to exceed $539,788. I ask your approval of this resolution.

Donahue: Do I have a motion to approve? Trustee Davis so moved and was seconded by Trustee Kinser. We have heard this before and maybe I just want to hear it again for the record. When we enter into these not-to-exceed $539,788 – does that mean we are going to spend $539,788?

Alt: Typically the not-to-exceeds mean we might not spend that much if we don’t need to. But in this particular case we know the exact amount from the Town of Normal and we will expend exactly that by contract.

Donahue: Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2014.07/21: Property Insurance Authorization**As a member of the Midwestern Higher Education Compact, Illinois State participates in the Master Property Insurance Program, which provides members access to comprehensive and very cost competitive property insurance coverage. Illinois State University’s property value for FY2015 insured as part of the program totals $1.4 billion. This valuation is determined annually through a comprehensive assessment performed by the University’s Risk Management Office. Premium cost, including line taxes and fees, of this coverage for FY2014 totaled $521,337 with cost for FY2015 estimated at $494,000. This 5.24 percent decrease from the prior year is primarily attributable to a change in the deductible, which is partially offset by increases attributable to recent loss history. Today, we ask Board authorization of an amount not to exceed $500,000 to accommodate any significant property additions that might occur during the year. The funding sources are General Revenue and Auxiliary Facilities System Operating Revenues. I ask your approval for this resolution.

Donahue: Is there a motion to approve? Trustee Davis so moved and was seconded by Trustee Churney. Any discussion?

Churney: Understanding the industry it makes sense to go with the higher retention or deductible for the property in the going year. I understand the increase to the deductible from $25,000 to $100,000 given rates, my question in not fully understanding the pack of the 58 universities and colleges that we are a part of. Do we have any situation where if there were larger losses at other universities that we would have to help fund – is there any participation in losses besides our own deductible? Are there any other types of max caps that we would be liable for if there is a major loss in another university?

Alt: I think the max cap that you are referring to is that we have a $500 million/per occurrence coverage. There is an aggregate cap so let’s say there was a per occurrence between and the University of Illinois – our cap would be at the $500 million for that occurrence. But I do not believe that there is any other kind of association or our responsibility on any other loss outside of an occurrence that we are part of.

Churney: That answers it and thanks Greg.

Donahue: Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2014.07/22: Acquisition of 200/202 Kingsley and 609 College Avenue**One of the goals of Illinois State’s *Campus Master Plan* is to acquire strategic properties near the campus. Recently, properties at 200 and 202 Kingsley and at 609 College became available for purchase. The three parcels are located just south of Hancock Stadium and contain approximately 23,000 square feet. In the near-term, we plan to use the area for surface parking for faculty, staff, students, and for events. The site has passed all environmental and other inspections and has an appraised value of $600,000. Today, we ask approval to purchase the properties at the aforementioned price, plus $80,000 demolition, excavating and closing costs. The source of the $680,000 is Auxiliary Facilities System Reserves. I ask your approval for this resolution.

Donahue: Is there a motion to approve? Trustee Kinser so moved and was seconded by Trustee Churney. Any discussion?

Davis: You have indicated that the source of funding is the auxiliary facilities. Could you give me an estimate of the dollars that are currently in our auxiliary facilities because there are several resolutions today that refer to auxiliary facilities for a source of funding?

Alt: Yes, the auxiliary facility system, as you well know, is all student activity related – the residence halls, the parking, the athletic rec facilities and in aggregate we have a total reserve of $84 million. Now of that current aggregate of $84 million there is approximately $34 million that has been committed to projects that are somewhat obligated already. And this would become one of those obligations. But after that we still have a reserve balance of around $40 million, most of that in the housing/dining area.

Davis: Thank you.

Bergman: I just have a comment following up on what Greg said so there is no confusion. The $40 million that is going to be left, the University has no right to tap that money for operating expenses or anything else. That is strictly according to the bond covenant money for upgrading the auxiliary facilities that are covered by the bond.

Donahue: Good point. Motion made, seconded and vote recorded as all members present voting aye.

**Resolution 2014.07/23 Authorization to Contract for Human Resource System and Database Management**Trustees, this is the first of two resolutions dealing with information technology. This first one concerns Human Resources. Illinois State University utilizes Oracle software for the *iPeople* system, the University’s human resource management system utilized for personnel and payroll processing functions. There are annual costs associated with the maintenance and support of software applications.

Typically, those annual costs increase to approximately 3 to 4 percent each year. Oracle offered the University substantial savings with a five-year commitment to purchase the support and maintenance for this software. In FY2014, the cost for support and maintenance approximated $430,000. By contracting for software maintenance of the systems through FY2019, Oracle has agreed to charge annually the FY2014 rate for those five years, resulting in savings of approximately $250,000 over that time period. Today we ask your authorization to enter into a five-year contract with Oracle at a cost not to exceed $2.2 million for the five-year period. The source of funding is General Operating Funds. I ask your approval for the resolution.

Donahue: Is there a motion to approve? Trustee Churney so moved and was seconded by Trustee Davis. Any discussion? I know we are going to get a presentation on Leap*Forward*, can someone explain how this Oracle is different than Leap*Forward*? I understand there are all types of IT going on, but what specifically is this $2.2 million vs. what we are going to hear about next?

Alt: It is part of our overall IT system and this particular Oracle database is part of the infrastructure – so in that regard it is linked to the Leap*Forward* in the sense it is part of the database infrastructure. An IT system on a university campus really has three major components. You have your financial system, you have your human resource and payroll, and you have your student system. This is primarily maintenance for that human resource system that we bought from Oracle three years ago and implemented and now the maintenance for that as well as the Oracle database that supports it.

Donahue: Motion made, seconded and vote recorded as all members voting aye.

**Resolution 2014.07/24: Authorization to Contract for Information Technology Staff Augmentation Services**This second resolution concerns our Leap*Forward* Initiative. Over the past two years, the Board has acted on several resolutions associated with this project, so I thought it would be a good idea to review what has been accomplished thus far, and what today’s resolution is about. I will ask Vice President Alt to give a short presentation, and please refer to the handout we e-mailed to you earlier in the week. A printed copy is also among your materials for today. Greg?

Alt: Thank you for the opportunity to provide additional context, not only to the request before you to contract out for IT staff services, but also to provide an update on Leap*Forward* project that we have heard a lot about the last few meetings. As President Dietz noted, the Board has already taken several actions so the summary that is provided in your packet will summarize those actions and I will go over a few of those.

First you will recall the Leap*Forward* initiative was launched in 2011as a multi-year plan to upgrade our aging student information systems in IT infrastructure, some of it dating back to as far as the 1970s. This upgrade is called for within the goals identified in our *Educating Illinois* Strategic Plan. It is also very important due to the very high expectations that today’s students bring with them to utilize current technology to manage their academic and business affairs.

Flash forward from that 1970s when a lot of this infrastructure was put into place to today’s students who are the beginning of what is known as Generation Z, of which most have never experienced the world without the Web or instant messaging. They are known for living their lives online with 50% of them sending at least 50 text messages/day. So, therefore, upgrading these systems is very critical to our ability to remain competitive in recruiting and retaining those students and satisfying their demand for more modern, self-service and online features.

You will also recall from the Board’s December 2013 meeting that the total cost for the Leap*Forward* project was estimated at approximately $24 million, and of this $24 million project cost, the University has previously funded expenditures totaling $4 million out of operating funds. Funding for the remaining $20 million cost is being provided from proceeds of the Series 2014 Certificates of Participation debt issue, which was approved by the Board as part of the financing plan in December 2013 and formally authorized in February 2014 and issued this past May.

Now for comparison it might be helpful to note how this project differs from other large capital building projects we typically bring to you for approval such as the recent Hancock Stadium project, in which case the Board approves the budget and financing after which the University proceeds to contract with an architect and contractors for a complete turnkey solution without the need for additional approvals.

The Leap*Forward* project is different in that it is not a single source turnkey project, but is a coordinated IT effort with multiple components provided from several different sources including some temporary staffing. For this project Board approvals have been sought for those individual commitments that have exceeded $500,000 threshold. In the summary report before you there is a table that lists those authorizations on the Leap project to date.

First, in July 2012 the Board approved the University to contract up to $2.5 million for IT architecture, infrastructure consulting to assist with the design, planning and implementation of the project. This was followed by Board approval in July 2013 for $5 million to acquire the student information system. Then in December 2013 the Board approved a third component of the project by authorizing $2 million for the purchase of the business intelligence tool for use in improving data reporting analysis. And finally you will note towards the bottom of the summary table the $4 million in expenditures from operating funds since July 2012 that I mentioned earlier that have already been spent for various related staffing, hardware and consultant costs, which did not require Board approval.

Today, this resolution seeks your approval to spend up to $9 million over the next six-year period to contract with various firms to provide temporary IT staff resources. The use of contracting for IT resources is important in today’s increasingly complex IT environment, especially for highly technical projects such as the Leap*Forward* project to be completed within very limited timeframes. And because of the limits of our own staff resources it is necessary to occasionally augment those with outside technical staff to assist with the design and implementation phases of the project. In addition to the supplemental projects with technical expertise not otherwise available within the University, it also minimizes the need to add fulltime staff to work on temporary IT projects. This is an increasingly common practice used today in both business and higher education with the prime example locally being State Farm Insurance. In addition to having very large IT staff, it is contracted for supplemental IT staff service for many years now. So the total University need for these supplemental staff services for this six-year period is estimated at $9 million, but I do want to point out that $5 million of the Leap*Forward* project has already been provided for in the budget with funding identified from proceeds of the Series 2014 COPs. So out of that $9 million dollars, $5 million will be utilized in the Leap, which is currently funded.

The remaining $4 million authorizations requested for on-going IT staff needs related to other technology projects throughout campus, and these on-going expenditures are estimated to range between $500,000 - $1 million annually with funding from institutional operating budgets. Finally, we complete the Leap*Forward* project implementation and go live with the new system – going forward we anticipate other remaining expenditures for the Leap project to total approximately an additional $5.5 million.

The project implementation continues to progress with Phase 1 of the new student information system on schedule to begin in early August with Phase 2 components beginning in the spring. So at this time I would be happy to address any additional questions you might have about either the resolution or the Leap*Forward* project.

Churney: I thank you for all that information. In 2011the Board approved the $24 million cost and I was just trying to add all these up and I understand that things get more expensive every year – do we have a new projection, it’s obviously going to go over $24 million?

Alt: Well the current projection is still within the $24 million, but you make an excellent point in that the majority of IT projects do go over. A lot of that is because you don’t know what you don’t know until you get to it and different aspects come up. So far from our implementation, and we still have some to go, we believe that the $24 million is sufficient, but there is always the possibility that as we discover components might not work the way that we need them to or maybe we had some more of our own infrastructure need to be updated – so we might be coming back to the Board for an additional expenditure approval.

Dietz: Trustee Churney, this is the third institution that I have served that has gone through this. Most went through it earlier, we are not new to the party at all. We are simply trying to take an old system and make it a much better system and you really can’t do that with a customization of an old system. Most of the old systems are counting systems and they are not very good management information systems. This staff augmentation piece is a natural part of all of that because we simply don’t have the expertise in-house to do all of this. So that is a pattern at other institutions that I have served. I wish that I could sit here as a president of the University and say, and this project is going to come in on time within budget. And, frankly, if we were able to do that we would make the first page of the Chronicle of Higher Education. But we certainly are cost-conscious about this. Greg and his team have done a great job at looking at the budget side of this and we are going to try to stay within that $24 million.

Davis: It is very complex, but moving back to the resolution it speaks of five years agreement with the various vendors, yet we are expecting completion within two years and I guess my question is that we would still be under the five-year agreement in the event we needed to renew the augmented services – is that correct?

Alt: That is partly correct in the sense that yes we would maybe still need some for the Leap project, but we anticipate that most of the Leap implementation will happen in the next two years and the biggest part of this will be spent in the next two years, but we will still have need for staff augmentation to help to continue to support the Leap project and we have other technology projects on campus, particularly supporting the Oracle database that we do need some technical help on. So we would even beyond the Leap implementation need staff augmentation to assist with those.

Davis: What I am trying to get my mind wrapped around is the dollar amount that is listed for this resolution would be just for the augmented services for this, and if we needed to renew would that mean additional cost or is it covered in this resolution?

Alt: It is covered in this resolution in that we are asking for the next six-year period that we have the authority to spend up to and not-to-exceed $9 million and that would cover both our Leap staff augmentation needs and our other on-going technology projects that needs staff augmentation.

Donahue: So, if I have it straight, I think I understand the $9 million. Five million of it though is coming out of the COPs and the other $4 million is coming out of institutional funds?

Alt: Operating funds, correct.

Donahue: Will that be spent today or is that kind of in case we get to where we need to spend more?

Alt: It will be spent over the next six-year period - $500,000 - $1 million/year. We have been using some staff augmentation the last few years and have been averaging around $400,000/yr. We expect that to be higher as we get these more complicated systems online. So you are correct in that $5 million is part of the Leap, it’s paid out of the COPs, it’s funded and dedicated for that. But going forward during these next six-years we will have another $4 million potentially that we will be spending.

Donahue: Am I reading this correctly, what is left out of our COPs issuance is about $5.5 million that may or may not come to the Board?

Alt: That is correct we have $5.5 million that we have not dedicated in the budget yet, we know we are going to need some additional spending and it would come to the Board if one of those commitments exceeded $500,000 and there is a good chance on the business intelligence tool that there might be a component like that.

Donahue: I personally want to thank you for putting this together because in this timeline we approved these kind of in a micro level, and it is nice to at least see the macro and see how all the pieces of the puzzle are fitting together. Are there any other questions? Can I have a motion to approve? Trustee Davis so moved and was seconded by Trustee Churney. Motion made, seconded and vote recorded as all members present voting aye.

Dietz: I now turn the agenda back to you for the remaining resolution.

**Resolution 2012.07/25: 2015 Board Meeting Calendar**In order to provide adequate notice of future meetings in accordance with the Open Meetings Act, the Board of Trustees of Illinois State University hereby determines the dates of meetings in the year 2015 and provides public notice of the dates of those meeting.

Those dates in 2015 are February 20, May 8, July 24, October 23, and November 4,5 and 6. Is there a motion and second for this resolution? Trustee Davis so moved and was seconded by Trustee Churney. Motion made, seconded and vote recorded as all members present voting aye.

That concludes today’s business. Thank you, President Dietz, and thank all of you for joining us today.

In addition to public comments made at each quarterly meeting by the Campus Communications Committee, the Board of Trustees also invites public comment from members of the University community and greater local communities. The process for making public comment can be found through a direct link from the Illinois State University Board of Trustees Website, which is linked to the Illinois State Homepage at [www.IllinoisState.edu](http://www.IllinoisState.edu). There were no requests for public comment for this quarterly meeting.

I would now entertain a motion to move into Executive Session for the purpose of considering the appointment, employment, compensation, discipline, performance, or dismissal of specific employees pursuant to 5ILCS, Section 120/2 (c)(1); collective negotiating matters between the University and its employees, 5ILCS, Section 120/2 (c)(2); litigation which has been filed and is pending before a court or administrative tribunal, as allowed in 5ILCS, Section 120/2 (c)(11); and the purchase or lease of real property as allowed in 5ILCS, Section 120/2 (c)(5). Is there a motion? Trustee Bergman so moved and was seconded by Trustee Churney. Motion made, seconded and vote recorded as all members present voting aye.

We will now move into Executive Session. At the close of Executive Session, the Board will reconvene in public session only for the purpose to adjourn today’s meeting. A meeting of the audit committee will follow. Thank you.