

PROCEEDINGS
OF THE
BOARD OF REGENTS
OF THE
STATE OF ILLINOIS

JAMES R. THOMPSON
Governor



July 1, 1982 - June 30, 1983

(Printed by authority of the State of Illinois)

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BOARD OF REGENTS

Officers

David E. Murray, Chairman
Carol K. Burns, Vice Chairman
Franklin G. Matsler, Secretary
Charles Brim, Treasurer
William Gorrell, Assistant Secretary-Treasurer

APPOINTED MEMBERS	Term Expires
Jerome R. Bender, Rockford	1985
Carol Kristen Burns, Peoria	1989
Clara S. Fitzpatrick, Chicago	1985
L. Milton McClure, Beardstown	1987
David E. Murray, Sterling	1987
D. Brewster Parker, Lincoln	1989
Harold Riss, Shirley	1987
Harry L. Wellbank, Crystal Lake	1989
James L. Wright, Chicago	1985

NON-VOTING STUDENT MEMBERS (terms expiring June 30, 1983)

Montel Gayles, Northern Illinois University
Denise Orchowski, Illinois State University
Janine Toman, Sangamon State University

Dr. Franklin G. Matsler
Executive Director
616 Myers Building
Springfield, Illinois 62701

PROCEEDINGS
OF THE
BOARD OF REGENTS

<u>Date of Meeting</u>	<u>Location of Meeting</u>	<u>Pages</u>	
		<u>Minutes</u>	<u>Summary</u>
July 22, 1982	Sangamon State University	17-38	1-2
September 23, 1982	Northern Illinois University	39-66	3-4
October 21, 1982	Illinois State University	67-86	5
December 9, 1982	Chicago, Illinois	87-115	6-7
February 17, 1983	Sangamon State University	116-143	8-9
March 17, 1983	Northern Illinois University	144-175	10-11
April 20, 1983	Illinois State University	176-198	12
May 19, 1983	Sangamon State University	199-215	13-14
June 23, 1983	Sangamon State University	216-243	15-16



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SUMMARY OF BOARD OF REGENTS ACTIONS

July 22, 1982

PERTAINING TO THE REGENCY SYSTEM:

- Adopted a revised calendar of meetings for FY83.
- Accepted the Continental Assurance Company bid for health and accident insurance and authorized the universities to publicize the program to enroll employees and dependents.
- Received for first reading proposed revisions of Board Regulations on Financial Exigency.
- Adopted FY84 Operating Budget Request Guidelines.
- Directed Staff to explore the possibility of providing a statewide tuition waiver policy with the Board of Higher Education and report on the progress of that at the October meeting.
- Approved continuation of a Regency System liability insurance package with Estergard, Eberhardt, and Ackerman, Inc., Champaign, IL.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Authorized a contract between the University and the Administrative Office of the Illinois Courts to provide in-service training to probation officers and detention workers.
- Approved the Report of the President, as amended, which included: Academic Calendar for 1983-84 and 1984 Summer Session; personnel transactions; and purchases.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Authorized a contract with the State Board of Education, Division of Adult, Vocational and Technical Education for operation of an Adult Education Service Center for the northern region of the State.
- Approved the Report of the President, as amended, which included: personnel transactions, University Academic Calendar for 1983-84; purchases; award of contracts for Emergency Steam Line Replacement (Gable Hall to Reavis Hall and Manhole South of Field House to Gabel Hall); repair of roof on South Wing and Center Section of Swen Parson Hall; correction of ventilation deficiencies in Visual Arts Building; re-surfacing of Parking Lot F; and re-surfacing of Parking Lot 21.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: personnel transactions; purchases; Academic Calendar for 1983-84; permission to engage Brown, Davis, Mullins & Associates, Consulting Engineers, to prepare bid documents and receive bids for installation of sprinkler systems in 7 existing trash chutes; and approval to contract with the Town of Normal for improving and resurfacing a portion of University Street between College Avenue and Dry Grove Street.

SUMMARY OF BOARD OF REGENTS ACTIONS

September 23, 1982

PERTAINING TO THE REGENCY SYSTEM:

- Announced assignments to Committees of the Board.
- Approved Staff recommendations for revisions in the Board Regulations relative to financial exigency.
- Received for first reading a proposed amendment to Board Regulations relative to the entertainment allowance for presidents.
- Approved revision in Board Regulations governing procurement and bidding to conform with P.A. 82-905.
- Approved a FY84 Operating Appropriations Request for the Regency System in the amount of \$168,580,300.
- Approved a FY84 Capital Appropriation Request for the Regency System in the amount of \$26,294,100.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Authorized the university to accept a grant from the U.S. Air Force/ Office of Scientific Research to support research activity in chemistry and physics.
- Authorized the university to accept a grant from the National Institutes of Health for research on enzymes.
- Approved the Report of the President of NIU, as amended, which included: personnel transactions; collective bargaining agreement with AFSCME representing food service and building service employees; approval of accounting entities as required by University Financial Guidelines; purchases; authorization to prepare plans and specifications, advertise and receive bids for remodeling and renovation of south terrace of Holmes Student Center; permission to hire Brown, Davis, Mullins & Associates, Inc. to develop plans and specifications for extension of the primary steam line to connect the East and West Heating Plants; award of contract for remodeling of "The Barn" snack bar in Grant Towers; award of contract for roof repair of Center Core of Stevenson Towers; replacement of windows in Huskie Stadium Press Box; and replacement of doors in Lincoln Hall and Douglas Hall.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: personnel transactions; purchases; land acquisition for expansion of parking facilities; authorization to purchase outstanding revenue bonds;

and approval of Local 399 of the International Union of Operating Engineers as the exclusive bargaining representative for Building Mechanics at ISU.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President which included: permission to execute Tower/Site and Supportive Mast Agreements with CONVOCOM; approval to institute an assessment fee for measuring and awarding upper-division credit for prior learning; personnel transactions; and purchases.

SUMMARY OF BOARD OF REGENTS ACTIONS

October 21, 1982

PERTAINING TO THE REGENCY SYSTEM:

- Approved the FY83 Internal Budgets for the Regency Universities.
- Accepted the Non-Appropriated Capital Requirements Plans of NIU and ISU, and approved requests of \$2,303,900 for NIU and \$1,410,000 for ISU.
- Authorized the Regency Universities and the Central Office to grant salary increases to faculty and administrative staff effective January 1.
- Received a Staff report on statewide tuition waiver policy for dependents of faculty and staff.
- Approved an amendment to Board Regulations relative to the entertainment allowance for each university president.
- Received a report on intercollegiate athletics.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: personnel transactions; purchases; and land acquisition for parking.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: personnel transactions.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Approved the Report of the President, as amended, which included: personnel transactions; purchases; and a collective bargaining agreement with AFSCME representing food service and maintenance employees at Lorado Taft Campus.

SUMMARY OF BOARD OF REGENTS ACTIONS

December 9, 1982

PERTAINING TO THE REGENCY SYSTEM:

- Adopted a Resolution directing the institutions and the Central Staff to defer the 3% salary increase which was authorized in October.
- Received a Staff report on student financial aid.
- Adopted a calendar of Board meetings for 1983.
- Received a Staff report on economic development and higher education.
- Approved a 3% increase in the Administrative Salary Plan Ranges for 1983, effective January 1, 1983.
- Authorized line item transfers for the Central Office.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Ratified approval for NIU to contract with the U.S. Peace Corps for "Training Program for Peace Corps Trainees and Volunteers for Assignment to Honduras".
- Authorized the university to employ Kessler, Merci and Associates as architects for the proposed recreation facility, and to engage bond counsel.
- Approved the Report of the President, as amended, which included: personnel transactions; purchases; approval of labor agreements with AFSCME for building services and food services employees, and with FOP Lodge 86 for Police Officers I; permission to replace deteriorated portions of sidewalk systems; permission to enter into a contract with Energy Management & Engineering, Inc. to design and prepare construction documents, advertise and receive bids for replacement of air conditioning system and correction of ventilating deficiencies in Holmes Student Center and for correction of ventilating deficiencies in various bond revenue buildings; permission to employ Kessler, Merci & Associates, Inc. to prepare plans and specifications, advertise and receive bids for waterproofing of wing foundation walls at Lincoln Hall, repair and reset slate panels at Grant Towers, repair and reset slate panels at Stevenson Towers, and for installation of new synthetic floor in handball courts in Huskie Stadium.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: personnel transactions; award of contracts for the orchestra lift in the Public Affairs Center Auditorium; and authority to increase the FY83 contract authorization for Murphy, Downey, Wofford, and Richman, Architects.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: personnel transactions; purchases; permission to hire Brown, Davis, Mullins & Associates to prepare bid documents and receive bids for Shelbourne Apartment air conditioning replacement work; permission to engage Buchanan, Bellows & Associates for energy conservation retrofit remodeling of East Campus and West Campus residence hall complexes; permission to hire Mills/Lux, Associates, to prepare bid documents and receive bids for remodeling and renovation of Linkins Center Lounge Area; permission to increase the Student Health Service Fee and the Transcript Fee; and approval of working conditions provisions of labor agreement with Local 299, International Union of Operating Engineers.

SUMMARY OF BOARD OF REGENTS ACTIONS

February 17, 1983

PERTAINING TO THE REGENCY SYSTEM:

- Adopted a Resolution supporting the Governor's recommendations to increase the State's revenue through an adjustment of various existing state taxes and the enactment of fair and equitable new taxes.
- Adopted the Legislative Audit Commission's University Guidelines 1982 as operating policy of the Board of Regents and its universities, and also the Guidelines Exception pertaining to ISU
- Adopted a Resolution encouraging a continuation of present policy of funding fringe benefits for auxikiary enterprise employees from appropriated funds.
- Authorized the Executive Director to prepare the FY84 appropriation bill at the Board of Higher Education level.
- Approved an amendment to Board Regulations relative to civil service employees' vacation usage during probation period.
- Approved a continuation of limitations on the use of the early retirement option.
- Approved a revised calendar of Board meetings for 1983.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Authorized the university to contract with the U.S. Department of Education for a model Special Education program.
- Authorized award of contract to Chapman and Cutler to act as bond counsel on the recreation facility.
- Approved the Report of the President, which included: personnel transactions; purchases; permission to employ Raths, Raths & Johnson, Inc. to analyze extent of repair required on Grant Towers perimeter columns; permission to employ Raths, Raths & Johnson in connection with exterior soffit repair at Grant Towers; permission to prepare plans and specifications, advertise and receive bids for tuckpointing and caulking the Holmes Student Center tower and the remainder of the building; permission to prepare plans and specifications, advertise and receive bids for replacement of windows and repair of plaster ceiling in dining room in Stevenson Towers Complex; permission to prepare plans and specifications, advertise and receive bids for renovation of 3 passenger elevators in Holmes Student Center; amendment of agreement with Kessler, Merci & Associates to provide for an architectural fee of 5% of construction cost budget for the recreation facility; award of contracts for remodeling of Huskie Stadium (University Box component); award of contracts for Steam Line to connect East and West Heating Plants.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President which included: personnel transactions and January transactions.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved a Sequence in Industrial Accounting within the Major in Accounting, and a change in degree designation for completion of 30 semester hours of graduate work beyond the masters degree in two education fields from Certificate of Advanced Study to Educational Specialist.
- Approved the Report of the President which included: personnel transactions; purchases; and authority to award honorary degrees; and January transactions.

SUMMARY OF BOARD OF REGENTS ACTIONS

March 17, 1983

PERTAINING TO THE REGENCY SYSTEM:

- Approved Staff recommendations relative to the University Academic Plans, 1983-87, as amended.
- Authorized granting a 3% salary increase to faculty and staff effective April 1, 1983.
- Approved an amendment to Board Regulations relative to telephone conference meetings.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved the Report of the President which included: personnel transactions and purchases.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Approved an Emphasis in Drawing within the B.F.A. Major in Art, and an Emphasis in Educable Mentally Handicapped/Learning Disabilities within the Major in Special Education.
- Adopted a Resolution directing the Executive Director to request Halsey Stuart & Company to designate an alternative co-paying agent for the November 1966 revenue bond series.
- Adopted a Resolution accepting a gift of real property from the NIU Foundation.
- Authorized legal counsel for NIU to proceed through Countryman & Associates to obtain recovery of the liability in connection with the yearbook publication dispute.
- Approved the Report of the President, as amended, which included: personnel transactions; permission to increase the Graduate Colloquium Fee; purchases; permission to prepare plans and specifications, advertise and receive bids for repair of the gym roof in Anderson Hall, remodeling of the formal lounge in Stevenson Towers North, resurfacing of Parking Lot "L" and Williston Hall Service Drive, and the grading and resurfacing of the Recycling Center; permission to employ Servidyne, Inc. to design and prepare for bid electrical and steam controls for Anderson Hall; and permission to expend funds for emergency repairs to the granite panels on Holmes Student Center - Center Tower.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: deletion of the Division of University Relations and the transfer of its major administrative units and functions to the Division of Academic Affairs, the Division of Business and Administrative Services and the President's Office; personnel transaction; and purchases.

SUMMARY OF BOARD OF REGENTS ACTIONS
April 20, 1983

PERTAINING TO THE REGENCY SYSTEM:

- Approved amendments and additions to Board Regulations relative to Board Committees.
- Selected Franklin G. Matsler and William R. Monat to serve as directors of the Illinois Educational Consortium.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: personnel transactions; purchases; renewal of union agreements with Local 399, International Union of Operating Engineers, and Local 1110 of AFSCME; and approval of a new union agreement with Local 399, International Union of Operating Engineers on behalf of building mechanics in the residence halls.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President, which included personnel transactions and purchases.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Approved the Report of the President, as amended, which included: personnel transactions; permission to increase the commencement fee for graduate and undergraduate students; authorization to contract with NCHEMS to provide a needs assessment of private sector firms with commitments to high technology; approval of collective bargaining agreements with FOP Lodge 86, AFSCME Local 963, and International Union of Operating Engineers Local 399; approval to proceed with an installment plan for payment of tuition, fees and room and board; purchases; permission to increase the project budget for center core roof replacement at Lincoln Hall; permission to contract with Raths, Raths and Johnson, Inc. for granite and limestone panel repair or replacement at Holmes Student Center Tower; award of contracts for sidewalk repairs, repainting of exterior steel and wood at Huskie Stadium, gym divider curtains in Evans Field House, minor rehabilitation and remodeling of Dorland Building, and tuck-pointing and caulking the Tower and the remainder of Holmes Student Center.

SUMMARY OF BOARD OF REGENTS ACTIONS

May 19, 1983

PERTAINING TO THE REGENCY SYSTEM:

- Approved Agreement for Professional Services with Giffin, Winning, Lindner, Newkirk, Cohen & Bodewes, P.C.
- Approved a proposal for an Evaluation of the Quality of Education in the Regency System, and referred the matter to the Program Committee.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President which included personnel transactions and purchases.
- Approved the recommendations for award of tenure.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Authorized the university to accept a grant from the Illinois Department of Rehabilitation Services to provide services to the deaf and hard-of-hearing.
- Approved the Report of the President, as amended, which included: personnel transactions; authority to increase the fee for the University Health Service; approval to restore to the Stadium and Field House \$1.08 per credit hour of the total Bond Revenue Fee; purchases; permission to develop plans and specifications, advertise and receive bids for recaulking of A and B Towers of Stevenson; award of contracts for Anderson Hall gym roof repair, remodeling and renovation of Holmes Student Center South Terrace, renovation of elevators in Stevenson Towers and Holmes Student Center, replacement of air conditioning system and correction of ventilating deficiencies in Holmes Student Center and various revenue bond buildings deficiencies, resurfacing of Parking Lot "L" and Williston Hall Service Drive, repair and resurfacing of university streets, grading and resurfacing of Recycling Center, and construction of a steel catwalk in Huskie Stadium.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Authorized establishment of a Minor in Gerontology at ISU.
- Approved the Report of the President, as amended, which included: personnel transactions; purchases; authority to engage Mills-Lux Associates to prepare bid documents and receive bids for alterations and additions to Bone Student Center and for the remodeling of the bowling and billiards building; permission to design and receive bids for installation of auxiliary hot water heaters in various residence halls; permission to

prepare contract documents and receive bids for residence hall energy conservation work; permission to engage Brown, Davis, Mullins & Associates to prepare bid documents and receive bids for Horton Fieldhouse and Hancock Stadium Electrical Renovation Work; permission to purchase an IBM 5520 Administrative System for Bone Student Center and an IBM Word and Data Processing System for the Office of Residential Life; and approval of a union agreement with FOP Lodge 67.

SUMMARY OF BOARD OF REGENTS ACTIONS

June 23, 1983

PERTAINING TO THE REGENCY SYSTEM:

- Authorized the Executive Director to adjust in conference committee the amounts in the Income Fund in the Board's appropriation bill.
- Accepted the bid of Lanphier & Company to provide blanket crime insurance for a 3-year period commencing July 1, 1983.
- Adopted a calendar of meeting for FY84.
- Approved accounting entities for use by the Regency Universities when testing for excess funds, to be implemented no later than FY84.
- Approved an expansion of cooperative purchasing through the Illinois Educational Consortium.
- Approved an amendment to Board Regulations relative to vacation.
- Approved an increase of 5.5% in the Administrative Salary Plan ranges for FY84.
- Approved Staff recommendations relative to program review and academic plan follow-up reports.
- Approved Staff recommendations relative to the FY85 RAMP New and Expanded Program Requests and Special Analytical Studies.
- Accepted the FY84 Non-Appropriated Capital Requirements Plans and approved the FY84 budget requests of NIU and ISU.
- Confirmed a Resolution which the Board adopted in Executive Session with respect to the matter of Andrew Edwards vs. Board of Regents, Sangamon State University, Alex B. Lacy, Jr., and Susan Dezonolet.
- Confirmed Board action in Executive Session with respect to settlement of Brue & Farrick vs. Board of Regents et al. and Textor vs. Board of Regents.
- Tabled until the next Board meeting a motion for review of the inter-collegiate athletics programs.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: authorization for MICC to contract with IEC on behalf of the university; personnel transactions; purchases; and authority to execute agreements for FY84 for professional services.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Authorized the university to accept a grant from the National Science Foundation for search.
- Authorized the university to enter into a master contract with the NIU Foundation.
- Approved the Report of the President, as amended, which included: personnel transactions; renewal of authorization for the International and Special Programs division to disburse funds without specific advance authorization for each disbursement; authority to transfer \$700,000 in the Project Construction Fund to the Repair and Replacement Reserve Account; approval for reorganization within the Graduate School of the Office of Research; purchases; award of contract for general work in connection with replacement or air conditioning system and correction of ventilating deficiencies in Holmes Student Center and minor deficiencies in various bond revenue buildings, and a revision of the project budget; award of contracts for waterproofing of wing foundation walls at Lincoln Hall, repair and resetting of slate panels at Grant Towers, repair and resetting of slate panels at Stevenson Towers, installation of new synthetic floor in handball courts at Huskie Stadium; and award of contracts for remodeling of Holmes Student Center Pow Wow Room.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved the Report of the President, which included: personnel transactions; purchases; permission to hire Buchanan, Bellows & Associates for Energy Conservation, Phase I, in Watterson Towers and South Residence Hall Complex; permission to hire Henneman & Raufeisen & Associates to prepare bid documents and receive bids for installation of the first phase of steam line replacement; permission for the Office of International Studies to disburse funds during FY84 without specific advance authority for each such disbursement; permission to modify the Agreement for lease of space from the ISU Foundation; permission to enter into professional legal services contracts on behalf of the Students' Legal Services Program; permission to request line item transfer in the FY83 GR appropriation; and permission to enter into a master contract with the ISU Foundation.

Minutes of the Meeting of the
BOARD OF REGENTS
Sangamon State University - Springfield, Illinois

July 22, 1982

The regularly scheduled meeting of the Board of Regents convened at 9:00 a.m. on July 22, 1982 in Conference Room G of the Public Affairs Center, Sangamon State University, Springfield, Illinois. Mr. David E. Murray, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Ms. Carol K. Burns	Mr. D. Brewster Parker
Mrs. Clara S. Fitzpatrick	Mr. Harold Riss
Mr. Montel Gayles	Ms. Jan Simpson
Mr. L. Milton McClure	Dr. Harry L. Wellbank
Ms. Denise Orchowski	Mr. David E. Murray, Chairman

Mr. Jerome R. Bender and Mr. James L. Wright were not present for the meeting.

Also in attendance were:

Dr. Alex B. Lacy, President, Sangamon State University
Dr. William R. Monat, President, Northern Illinois University
Dr. Lloyd I. Watkins, President, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Representing the Joint University Advisory Committee were: Dr. Virginia Crafts, Dr. Thomas Eimermann, Mr. Leon Toepke, and Mr. George Tuttle from ISU; Dr. James E. Lankford, Dr. Annette Lefkowitz, Dr. Antoinette Lotsof, and Dr. Jerry Meyer from NIU; Ms. Irene Allsop and Dr. Jack Van DerSlik from SSU.

Others in attendance included staff from the Regency Universities and the Central Office of the Board; Mr. James M. Winning, Legal Counsel to the Board; and representatives of the student bodies and the news media.

On motion made by Mr. Parker, seconded by Mr. Riss, the Board unanimously voted to recess for an executive session to consider certain personnel matters.

The Board reconvened in public meeting at 11:00 a.m.

MINUTES OF THE MEETING OF JUNE 17, 1982

The attention of the Board was directed to the minutes of the meeting held on June 17, 1982, and the Chairman asked if there were any additions or corrections to be proposed. There being none, on motion by Mr. Parker, seconded by Dr. Wellbank, the minutes were approved as submitted.

CHAIRMAN'S ITEMS

Chairman Murray thanked President Lacy, on behalf of the Board, for the

hospitality extended to members of the Board the preceding evening. The President, he noted, had made some very favorable comments last evening regarding certain developments at Sangamon State and some awards which have been accorded members of the faculty. He then called upon the President to address the Board.

President Lacy noted that he had placed at each member's seat several publications as an illustration of some of the work of the SSU faculty this year. The volume entitled Public Opinion and Interest Groups in American Politics was authored by Professor David Everson of the Political Studies faculty. Dr. Everson is also Executive Director of the Illinois Legislative Studies Center and is rapidly carving out a niche for himself among political scientists in the country who specialize in looking at political parties, interest groups and public opinion.

President Lacy continued his remarks by indicating that at Sangamon State they characterize themselves as Mr. Lincoln's institution. They like to think that what they are doing in the latter part of the twentieth century is what Abraham Lincoln would be doing if he were a leader in our society today, and they try to stress as much as possible scholarship about Mr. Lincoln. The institution's senior scholar on Abraham Lincoln is Chuck Strozier, the President said, who had already carved out his niche as one of the country's leading Lincoln scholars, and has added further to that reputation with the publication of a volume entitled Lincoln's Quest for Union. The book has been out long enough to receive some critical acclaim and some very strong reviews nationally, including one in the New York Times book review section.

Finally, President Lacy said, there is a lot of strength in the SSU faculty on a lot of subject matter, but probably if one were to look at the overall strength of the faculty, the great strength would be in 20th century studies. This ties to their public affairs mandate. They have strived to implement that mandate and that ties to all of the departments, including their literature program. Mike Lennon, who is better known to the Board as the editor of the Illinois Issues magazine, had a reputation before he became editor and publisher of that magazine, namely that he is probably the strongest person in the country on the work of Norman Mailer. He has published several pieces of critical work on Mailer and his work. The volume before the Board today, Pieces and Pontifications, has recently been published and will be followed this fall by a PBS distribution of a film which Lennon has worked on with Mailer. The President said unfortunately the publisher fouled this up a little bit and Mr. Lennon's name does not appear on the cover of the hardback, although it does appear on the paperback.

President Lacy said in the next few weeks the university will be losing several very critical members of the university community who have been very important to the development of the institution. One of these individuals is Mrs. Betty Sorling, who along with Dr. Matsler and President Spencer, opened the university in 1969 and has been a mainstay of the university from that point to the present. She has tried to keep everyone on the right track. She has been Executive Secretary to the two Presidents of Sangamon State University. Dr. Lacy said Mrs. Sorling has been of absolutely immense help to him since he has been at the university, in introducing him to this Board and to the university community. She has saved him more mistakes, he said, than even he is aware of and a lot that he is aware of. Mrs. Sorling has been perhaps

the ideal example of what a staff member can do to improve the instruction, research and public service life of an institution. Dr. Lacy said in his President's Report later he would be asking the Board to add to Mrs. Sorling's title for the months that remain before her retirement, in addition to the title Executive Secretary, the title of Secretary to the University, which he had intended to ask for in the hope that she might be with the institution for one more year. However, he said, after the winter we had last year with a lot of ice and snow Betty decided that her new house in Florida is more attractive, and she will be moving there.

President Lacy also noted that Dr. Stuart Anderson is retiring. Dr. Anderson has been with SSU for 12 years. He is a native of Minneapolis, has taught at the University of Wisconsin, the University of Oklahoma, the University of Chicago and Northwestern University before joining the faculty at Sangamon State. He has a lot of international experience through UNESCO in Peru. At Sangamon he has been a Professor of Educational Administration and has coordinated that program. He has served on many university committees and has helped through many tough policy decisions during his time at the institution. More importantly, perhaps, he has been the university's lead person in relating to the superintendents of instruction and the principals of elementary, middle schools and high schools who are within driving range of the campus. He has coordinated for the past few years a regular forum of superintendents and principals which has become very important - the Sangamon Administrators Round Table. Dr. Lacy said he is pleased to say that Dr. Anderson is going to remain in Springfield, and it is hoped that he will continue to administer the Round Table again next year.

Also announcing his retirement is Dr. Clarence Danhof, Dr. Lacy continued. Dr. Danhof has been most recently Associate Dean of Organization and Management as well as Professor of Political Economy. He has been with Sangamon State for 11 years, and taught previously at Tulane, Princeton and Lehigh Universities. Before coming to Sangamon he held a senior staff position at the Brookings Institution in Washington. Dr. Danhof held several administrative positions at SSU including being the founder of one of the public service centers. For the last 3 years he has been the inaugural Dean of the Organization and Management cluster, and has guided the work of that cluster which is of major importance to the future of the university. Dr. Danhof has published widely and is currently working on a volume on technological change in American life.

Some people appear to not understand that Florida does not want more population, the President said, because Dr. Robert Zeller is also retiring and moving to Florida. Bob is Associate Dean of Health Science Professions. He has also led the development of the continuing education program in the university. Dr. Zeller joined the Human Development Counseling faculty as a full professor in 1974. He served as coordinator of that program. He was the person who developed the very successful graduate program model which the university operates at Millikin University in Decatur, which has been a nationally recognized model of how a multi-university cooperative teaching program is delivered. Dr. Zeller was of much help, the President said, to both himself and Dr. Dezenolet and became the Vice President's faculty associate and helped her through many major policy decisions during her first months in office. He has also been an adjunct professor at the SIU School of Medicine, one more example of the leadership he has given in multi-university cooperative programs.

Concluding his remarks, President Lacy said it is something of a sad moment to see these people leaving the university because it shows that the institution is no longer as young as we like to think. We now have a decade behind us. He said he knows that these individuals are leaving with the good sense that they made outstanding contributions, not just to the university, but to the Board of Regents and to higher education.

On behalf of the Board, Mr. Murray thanked all of the individuals for their service. The Board appreciates what they have given to the university and to the Board. He commented that he could not understand how Mrs. Sorling could trade a title like the President proposed for retirement, however. The Chairman also congratulated Professors Lennon, Strozier and Everson for their books and their scholarship.

Seating of New Board Members

Mr. Murray said he was pleased to present a newly appointed member of the Board of Regents, Mr. L. Milton McClure. Mr. McClure is a graduate of the University of Illinois and the U. of I. College of Law. He is a CPA as well as an attorney and resides in Beardstown where he also practices law. Mr. Murray welcomed Mr. McClure stating that he is sure he will be a valuable and conscientious member.

The Chairman announced that today is also the first meeting for the three new student Regents: Ms. Jan Simpson from Sangamon State, Ms. Denise Orchowski from Illinois State, and Mr. Montel Gayles from Northern.

The oath of office was administered to all new members by the Chairman.

Mr. Murray said he must apologize to persons present for the public meeting for taking so much time in executive session. The Board heard the appeal of David Sanford, and after hearing a very effective and qualified presentation on Mr. Sanford's behalf, the Board deliberated and decided that no due process violation had occurred and therefore did not take further action. The Board also heard a rather extensive report from legal counsel concerning pending litigation matters, including a report on the telephone fraud matter at Northern Illinois University

REPORTS TO THE BOARD

Ms. Burns said she would ask Dr. Matsler to comment on the Governor's decision relative to budgets, and then she would report on several issues before the Board of Higher Education at its last meeting.

Dr. Matsler reported that the Governor has signed the appropriation bills for all of higher education, which included a 3% salary increase effective January 1 based on a 90% base, however. This means that the institutions will have to search a little and do some reallocating to come up with this 3%. The Governor also reduced funding for retirement from 70% of the gross down to 62.5% in order to make up some of the money that will be necessary for the 3% salary increase. He also increased the maximums for ISSC scholarships by \$50.00, which was in his original recommendations. The maximum is now at \$2,000. It must be remembered, Dr. Matsler said, that we will have an annualization problem in terms of next year's budget, and we will have an automatic 1½% that we will have to find.

Ms. Burns reported that two committee reports were given at the last meeting of the Board of Higher Education: one was the off-campus program committee report and the other was the medical education committee report. The medical education committee's report is not of major interest to our universities, she noted, although some members as individuals might have some interest in it. Mrs. Jane Rader, who chairs the committee, presented an excellent report on medical education in Illinois which attempted to identify some of the key issues facing the medical schools. The committee was an excellent one, Ms. Burns said, and will really help to provide some direction to the medical schools in solving some of the problems they currently have.

In the area of off-campus programming, Ms. Burns said, the committee presented a new set of guidelines in which it attempted to establish a process for developing off-campus programs. In the process of developing the guidelines, she said, there are just two points she would like to make about sensitizing all of the people involved - public, private and proprietary - to two major issues. One issue is the matter of "turf", which ultimately borders on duplication of programs and resources, and the other issue is need. There was considerable discussion of the whole matter at the BHE meeting, which she would not repeat here, Ms. Burns said, but she said she thinks it is very healthy that everyone has now been sensitized to the issues and that the guidelines which have been established really put forward a process by which we will discuss up front and share up front information in the development of our off-campus programs. That means everyone, she said. This is a big step forward.

President Monat said he would just comment briefly on this latter report. The BHE committee did a really remarkably effective job. To a considerable extent that was due to Ms. Burns' presence on the committee. As a major deliverer of off-campus programs in the State of Illinois, NIU is grateful to her for her influence on the committee, and the President said he thinks the committee recommendations are appropriate.

Ms. Burns said she, too, was grateful for the considerable amount of input she received from both the Staff and the universities.

Mr. Murray said he had neglected earlier to report that in executive session the Board decided to postpone the review of the goals statements of Presidents Monat and Watkins until the September meeting, due to time limitations.

The Chairman then recognized Dr. Harry Wellbank, chairman of the Personnel Committee.

Dr. Wellbank moved that the salaries of the three Presidents, the Executive Director, and members of the Central Office Staff be frozen at their present levels for the coming academic year. The motion was seconded by Mr. Parker.

Dr. Matsler inquired if this motion would rule out the possibility of a change at some later date during the academic year if there is, indeed, some added money coming on January 1.

Mr. Murray said the resolution would not rule out a change later on. In the event there are extenuating circumstances, the Board can always change its policy. He noted that it is with a certain amount of regret that we tell the Presidents and the Executive Director what a wonderful job they are doing and then freeze their salaries; but that is better than the alternative.

The question before the Board was called, and the motion carried unanimously.

State Universities Retirement System

In the absence of Mr. Bender, Dr. Matsler said he would simply report that Mr. Bender has been putting in a lot of time over the past few months dealing with matters of the retirement system. He did meet with the Joint University Advisory Committee after the last meeting. Mr. Bender has become quite an expert in the system and asked that everyone be told that we will really have to work to get the retirement funding away from the operating budgets. Somehow or other, we have to work to make sure that we deal with the funding liabilities in the university system.

Finance Committee

Mrs. Fitzpatrick, chairman, reported that the Finance Committee had met twice since the last Board meeting, and the good work of the staff will be reported during consideration of Sections IV and VI of the Executive Director's Report.

Joint University Advisory Committee

Before presenting the Committee report, Dr. Virginia Crafts, chairperson, introduced new JUAC members: Dr. James Lankford from NIU, Ms. Irene Allsop and Dr. Jack VanDer Slik from SSU; and Dr. George Gruendel, also from SSU, who was unable to be present today, and who will serve as Vice-Chairman of JUAC.

Dr. Crafts requested that the Committee be recognized at the time the Board considered the matters of health insurance for dependents, the revisions of the Board Regulations relative to financial exigency, and the FY84 operating budget guidelines.

With respect to the State Universities Retirement System, Dr. Crafts reported that the committee has continued its investigation of the funding problems and since the last meeting of the Board Mr. Bender, as well as Staff members, have come to each of the campuses to meet with small selective groups to discuss the SURS situation. As a result of the meetings preliminary positions have been prepared, and they are an excellent background of information about SURS prepared by Dr. Floyd of the Staff who will prepare a final composite draft for the committee at its next meeting. The committee intends to present this paper to the Board, hopefully for approval and support, and then publicize it on the campuses and make it available to a number of persons and groups through various channels. Dr. Crafts said the Joint University Advisory Committee wished to particularly thank Mr. Bender, Dr. Brim and Dr. Floyd for all of their help.

EXECUTIVE DIRECTOR'S REPORT NO. 133

Section I - Revised Board Meeting Calendar - July 1982/June 1983

Dr. Matsler presented for information of the Board the revised Calendar of Meetings which reflects the action of the Board at the June meeting. He noted that two meeting dates had been changed: to December 9 from December 16, and to June 23 from June 16. The revised Calendar is as follows:

July 22, 1982	Sangamon State University
August 1982	Subject to Call
September 23, 1982	Northern Illinois University
October 21, 1982	Illinois State University
November 1982	Subject to Call
December 9, 1982	Chicago
January 20, 1983	Chicago
February 1983	Subject to Call
March 17, 1983	Sangamon State University
April 21, 1983	Northern Illinois University
May 19, 1983	Illinois State University
June 23, 1983	Springified

Section II - Legislative Report

Turning to the Legislative Report, Dr. Matsler said he would not repeat his comments on S.B. 1355 which is the Regency System appropriation bill.

S.B. 1361, the funding bill for the State Universities Retirement System, has been reduced to provide 62.5% of gross payout rather than 70% as originally introduced, and now awaits action by the Governor.

S.B. 1652, Dr. Matsler said, was amended in the House to specify the funding source for early retirement and designated the personal services line item as the source for such payments; however, the bill failed to win approval by the Senate. Therefore, we do not yet have authorization to pay for early retirement, but it is hoped that this can be cleared up, and there are some possible solutions.

S.B. 2246 which would provide membership on the Board of Higher Education for two individuals who would specifically represent independent colleges and universities, was amended in the Senate Higher Education Committee to delete members of the governing boards of public universities from the BHE membership. The bill failed in the Senate, Dr. Matsler advised, but it is in a committee and there will be hearings held on it this summer. Dr. Matsler said he is very much against this bill, but it is still very much alive.

Dr. Matsler reported to the Board that Mr. Peter Lardner has been confirmed as the new Chairman of the Illinois State Scholarship Commission for a three year period commencing June 30, 1982.

Section III - Semi-Annual Report of Investments

Bond resolutions authorizing the University Facilities Revenue Bonds Series 1970-70A of Illinois State University require a semi-annual report of the market value of all investments held in the bond account, the bond reserve account, and the reserve account. Dr. Matsler presented a summary of such investments for the information of the Board.

Section IV - Dependent Health Insurance

Dr. Matsler said as indicated by Mrs. Fitzpatrick earlier, the Finance Committee considered the matter of dependent health insurance at its meeting yesterday. He called the attention of the Board to the Addendum to EDR No. 133 which contains information on the results of the bidding for this coverage.

Dr. Matsler called the attention of the Board to the summary sheet showing the monthly premiums for dependent health insurance for the proposed alternative plan and the State plan (both high and low options).

Staff recommends, he said, that the Continental Assurance Company bid for health and accident insurance be accepted and that the universities and the Central Office be authorized to publicize the program and to enroll employees and dependents in the program. He then asked Dr. Brim of the Staff, to briefly summarize the matter for the Board.

Dr. Brim indicated that bids for an alternative dependent health insurance plan were opened on July 20th and of the 9 firms receiving bidding specifications, only one firm, Continental Assurance Company submitted a bid. Four other firms had indicated "no bid", while four firms did not respond. Representatives of some of the companies indicated that the main reason they did not submit bids was because of the lack of claims experience at our institutions. Staff was unable to get the information from the Blue Cross-Blue Shield State Plan and was advised that they could not provide it.

Dr. Brim said the ad hoc committee believes that the bid they did receive will provide approximately the same coverage for dependents at a rather substantially lesser rate than we are currently paying for high option coverage through the State plan. They think that a major reason for this is because none of our three institutions is located in the Chicago area which has a high cost of health care. The proposed plan will provide substantially greater benefits than are currently provided by the State low option plan, but the charge of the proposed plan will be somewhat greater. Individuals currently taking the low option plan for dependents would have to pay somewhat more for this increased coverage. However, there are two provisions that are not available under the State plan: dental and vision care.

Dr. Brim said the committee feels that it will not be easy to get the 70% participation which is required, and the only possibility of getting it will be if the plan is well publicized on campus and explained in such a fashion that individuals will have information on which to make a decision. It is hoped that not only the campus administrations, but also JUAC and others will get the word out on the proposal.

Dr. Brim said he would also point out that there are some disadvantages to this. It will be much more difficult to get back into the State plan once you have dropped it.

He added that because the proposed plan is the same type of plan as used by SIU we probably have a pretty good chance of getting the State's \$7.00 per month contribution for dependents. That will be applied for tomorrow, he said, after Board approval of the proposal. He said he has been given verbal assurance that there is a good likelihood that we will get it, but there is no guarantee.

Dr. Crafts of JUAC said they wished to commend the Staff who had major responsibility for putting this together. The committee supports the Staff recommendation, she said, and members of JUAC have committed themselves to informing their colleagues about the proposal and publicizing it through appropriate channels on each of the campuses.

Mr. Parker moved for approval of the Staff recommendation. The motion was

seconded by Mrs. Fitzpatrick and it carried unanimously.

The Chairman thanked Dr. Brim for his presentation, adding that he is pleased that we are doing something which will benefit our employees.

Section V - Revisions of Board Regulations on Financial Exigency

To provide a little background information, Dr. Matsler said it would be remembered that a Board Committee on Financial Exigency Regulations was chaired by Mr. Murray during 1975 and came up with recommendations in 1976. There were many meetings with faculty and staff, and the whole issue was discussed in public session on a number of occasions prior to the actual adoption of the Regulations. Campus procedures were developed after the Board adopted its Regulations, and these procedures really have not had much review or scrutiny until recently when Legal Counsel noted a number of inconsistencies with the Board Regulations. He brought this to the attention of the Board in May and in June, after reviewing them a little further, the Board agreed that the campus procedures should be declared inoperative, and decided that this would be a good time to review our own Regulations and change them if, indeed, they need revision.

When Board Regulations were reviewed, it was found that there is not much need for revision, Dr. Matsler said, and as a matter of fact it may very well be that the campus procedures are not as important now as they would be at some later date, because we do not know yet whether or not there will be a financial exigency. However, we do want to have some kind of a properly constituted committee set up.

What Staff is presenting today, Dr. Matsler said, are some rather minor changes, although several of them might be said to be substantive. These are presented for first reading, and there will be plenty of time for suggested changes to be submitted because the Regulations will not be presented for action by the Board until the September meeting.

Dr. Matsler said he believes that each of the proposed changes has been pretty well discussed in the presentation presented by Dr. Groves in the Executive Director's Report, and he would briefly review them and if there were questions either he or Dr. Groves would attempt to respond.

With respect to the proposed amendment of III.A.14.f (Personnel Reduction Procedures), Dr. Crafts stated that the Joint University Advisory Committee requests that the last paragraph, which has been deleted, be reinstated: "The President shall inform the Board of any such action and provide a full explanation of the reasons for it. The Financial Exigency Committee shall be provided an opportunity to indicate whether it supports or opposes the action of the President."

Ms. Burns said she suspects that this would take place as a matter of course, and putting it back in would be just a formality. Mr. Murray said just on the surface he would see no problem with reinstating this language, but he asked if either Dr. Matsler or the Presidents wished to comment on this. Dr. Matsler said he agreed with Ms. Burns that it almost goes without saying that the communications would be such that the committee would be talking with the president and the faculty senate, and it would seem a little like adding in something that isn't necessary. He asked Dr. Groves if he had any problem with the reinstatement. Dr. Groves said the only concern he would have is the matter of timing. It is somewhat difficult to convene a Board on very short notice, and if this were

read in any sense to provide for an automatic report back, clearance by the university administration of the procedures which were adopted that deal with financial exigency, it might lend itself to a degree of delay which would be unfortunate.

Dr. Wellbank said it does not appear to him that the presidents would be asking for approval, they would be informing the Board after the fact. It reads, "The President shall inform the Board of any such action . . .", which means that it has already taken place, and he does not think that time is of the essence if that is true.

Ms. Burns said it could be by letter, although she is sure that if this were the situation, we would be in touch with each other. Mr. Murray said he does not see any problem with this at all. He believes such information to the Board would be in writing in any event and that the committee would undoubtedly express itself whether it agrees with the action of the President or not. In a way, he added, that might be a good way to smoke out the committee.

President Monat said he does not believe it important to delete the paragraph. It is a given, obviously, that the president would report to the Board and to the entire university constituency on this. He also sees nothing wrong with having an opportunity for the advisory committee to have their day in court if they should disagree with what is being done. However, the President stressed that when such a situation does occur time becomes very critical.

President Monat said he would like to make a comment on III.A.14.n. (University Implementation) which reads: "The Universities shall adopt such additional policies, procedures and plans as are necessary to make campus governance and personnel review policies consistent with this regulation and to insure that a condition of financial exigency will be dealt with responsibly and effectively at the University level." It seems to him, the President said, that the Board Policy is "the policy" for the university. Basically what the university is addressing are procedures for implementing Board Policy. He would urge that the Staff consider this language so that there is no confusion on really what is at issue. The existing Board Regulations define the policies that the universities will implement. Then, the Chairman said, it might be advisable to delete the word "policies" from this paragraph. Dr. Matsler said he thinks that this could be omitted. President Watkins said he would also prefer that the word be deleted because it makes clearer the problem Mr. Winning saw occurring.

Mr. Murray asked Dr. Matsler if he was willing to accept this deletion as well as the other change proposed by JUAC. Dr. Matsler replied in the affirmative.

Dr. Crafts said she would ask the Board one question: what would the Board do when the universities have developed their procedures? Will it receive them, approve them, endorse them, or what? The committee feels that unless something along that line is done we will be right back to the same problem we had previously and they would request that this be stated in some way. Mr. Murray said he thought this was a good suggestion, and perhaps the Board should review them as soon as they are ready to go.

Dr. Matsler said he would like to comment on this and perhaps the Presidents might also. The procedures which are developed, or the statements that the institutions will want to make, he should think would be quite simple and not too involved. He said what he thinks we need primarily - and perhaps Mr. Winnin

could better speak to this - is for the Board to be assured that there is an appropriate committee constituted by representatives of the various parts of the university, that there is no problem as to the identity of the particular committee, and that the Presidents will have good advice when and if a financial exigency should occur. To go much beyond that in determining priority programs or anything like that, Dr. Matsler said he did not think that should be done at this time. It would be better simply not to go into too much detail at this time.

Mr. Winning said he would certainly concur with that because it seems to him that we are certainly not going to be able to anticipate the kind of financial exigency we might have, and if we have the structure prepared to formulate the procedures to fit the problem, we are going to be better off than if we had procedures which do not fit the problem when it arrives. Mr. Winning said he thinks it has been the experience of universities where this has occurred that they have had to change the procedures to fit the situation, and in many cases they have not actually had the procedures and had to develop them as a result of the explosion. Just as a practical matter, he said, it seems that that might be a better way to do it. Mr. Winning said he suggests this as a possibility and he has no basic quarrel with the suggestion in terms of reporting to the Board, but he would return to the concern he expressed initially - and that is timing.

President Monat said he would give a "for instance", one of which is provided for in the revised definition of what a financial exigency is. Suppose there is a mid-year recision, say, in the first week in December, and a recision is made in the university budget of X% becoming effective January 1. Time becomes a very compelling element in that environment. It may take the university several weeks to reach a common conclusion of how it is going about meeting the mid-year recision, and there is no Board meeting until the end of January. Dr. Monat said he was not inventing a horror situation - that could well happen.

Just to clarify what she had said, Dr. Crafts said she thinks that the policies that were referred to from the universities were to be those more general in nature rather than highly specific. Dr. Monat said if that is the case, then he thought that would be no problem. They might be both policies and procedures, so he had some concern about deleting the word "policy" because of that. But again, he said, he thinks the existing Board Regulations and the revised recommendation establish the very broad policy parameters within which the universities function in financial exigency conditions, and what the universities are about is really the task of implementing procedures within that broad policy framework. Dr. Monat said he may be hung up on words, but he believes that if we understand what we are talking about, then we really have no basic disagreement; and he suspects that they do not disagree.

President Lacy said he understands what President Monat is saying and he also sees no fundamental difficulty for any procedure to bring a matter of this importance to the Board, but he also thinks it should be noted that this would be an exceptional step for this Board. Ordinarily the universities do not bring to the Board and the Board does not specifically approve procedures on other important matters within the university. This one may be of sufficient importance that the Board should do that, but it would be an exception to normal practice, Dr. Lacy noted.

Dr. Robert Crowley was then recognized by the Chairman to read a statement

on behalf of The Sangamon Chapter, Local 4100, Sangamon State University. Dr. Crowley said in his opinion, while legally attractive, the proposed changes are anti-faculty and inimical to the special relationship that the Board has attempted to maintain between itself and the governed. He said he would call attention in particular to (1) the manner in which the policy is being developed; (2) the changes from previous Board policy that are being recommended; and (3) the lack of positive alternatives to layoff, as indicators of the anti-faculty bias in the proposal.

Dr. Crowley concluded his statement with a request that on behalf of the members of his organization and of those other faculty who may disapprove of the proposed changes but who are not represented here today, there be included in the Board policy: (1) a verifiable definition of a financial exigency; (2) a guarantee that tenure status will be given primary significance in determination of faculty layoff; (3) relevant criteria for making decisions as to where faculty layoffs should occur; (4) at least 12 months notice of dismissal for all tenured and tenure-track faculty; and (5) proper due process protections.

The Chairman asked Dr. Crowley what definition he would attach to financial exigency. How much clearer could it be made than what is being recommended? Dr. Crowley said he did not have the language with him. The Chairman furnished him with a copy of the proposed definition: "A financial exigency is a condition affecting a whole university during a single fiscal year. It will be considered to exist when (1) the State operating appropriation for a Regency University, adjusted for any mandated salary increments and for the impact of inflation on non-personal service costs and excluding retirement is or can reasonably be expected to be less than that of the previous year after adjustments have been made for the impact of inflation on all costs except those for personal services or when the funds made available to operate a University are reduced in the course of a fiscal year below the level of the appropriation authorized by the Governor and General Assembly, and (2) this when either type of reduction in the appropriation when if evaluated in relation to the major program and service commitments of the University can reasonably be expected to require a reduction in the number of authorized faculty positions and the emergency layoff of tenure-track or tenured faculty."

Dr. Crowley said he was commenting on during a single financial fiscal year in the definition, and as he understands it, the way the language reads now this could be called any time. Anything could be a financial exigency if we met the other two things. There is no definite time period.

Dr. Matsler said that is the reason - it is very likely that something like this could happen. It has happened in other states where along about November or December the Governor suddenly finds that he has perhaps 10% less money than he thought he was going to have. You have to expect this, and this proposal is nothing more than a way in which we can really deal with an emergency situation.

President Monat commented that he thought the proposed additions in the definitional paragraph really expand in ways that should be viewed favorably by faculty with the insertion of "tenure-track". Chairman Murray agreed, adding that the one change really made, to more clearly define when a financial exigency exists, he thought was a real improvement. He said he was somewhat disappointed to find that Mr. Crowley does not interpret it in that way.

The Chairman asked if there were any further comments to be made.

Dr. Crafts, referring to III.A.14.j. (Notification of Layoff or Termination) advised that JUAC would like the following inserted after the first sentence of the paragraph: "In addition those persons who have direct teaching responsibilities shall not be terminated until the end of the academic term, but in no event not less than 60 days." She said this suggestion is made because the committee thinks the approach should be less disruptive to the courses that the students are taking and, in fact, would allow us to retain a higher level of program quality.

Mr. Murray said that sounds reasonable to him. He asked Dr. Matsler what his reaction would be to this. Dr. Matsler said he thinks perhaps this could be inserted, but he would like time to think about it some because of the real problem in case of a recision, in case there is suddenly a time when there just isn't enough money for the rest of the semester. He suggested that this could be discussed further when the matter comes up for final action in September.

Finally, Dr. Crafts said, with respect to III.A.14.m. (Benefits for Laid Off Employees), JUAC feels that the constituencies they represent would be very, very concerned about that item. They would like to ask Staff to bring back to the Committee at the next meeting information pertaining to the retention of benefits for laid off employees for a period of time at least, with particular concern for health insurance. The discussion along that line was that someone who was laid off would have not much of a chance of getting a job and therefore able to protect families. The Committee is not sure what the regulations are in the State pertaining to that, and they are asking Staff to investigate the problem with some intent of trying to provide for benefits at least for a period of time while the individual may scramble for other employment.

That is a good suggestion, Mr. Murray said, and he thinks it would be good if Staff would try to define this.

This has been discussed some in Staff, Dr. Matsler said, and it is his understanding that once you are laid off benefits will also cease unless we make some kind of provision. What we can look into, he said, is whether we can somehow or other provide for a certain length of time when hospital benefits could be continued, but he believes this would have to be through a special arrangement. Is that correct, he asked Dr. Brim.

Yes, Dr. Brim responded, there would have to be some changes made.

Could this be done whereby it would not necessarily cost the universities anything, but the employee could continue the coverage, Mr. Murray asked?

Dr. Brim said they can convert to direct coverage; they do have that option within a 30 day period. There is a specific statute on this.

Mr. Murray suggested that the Staff give the Board a report on what exactly will happen to an employee who is laid off.

Mr. Winning suggested they might want to examine one other phase, that is, some policies permit the continuation of the laid off employee in the group for a period of 6 months at their expense. This does not violate the statute.

Dr. Crafts said these are the kinds of things they would like some information about to see what the options are.

Dr. Crafts said the Committee would like to thank Dr. Groves for his assistance in this very difficult area. In fact, Staff in every respect has been most helpful.

Dr. Crafts asked if she understands correctly that this matter will come back to the Board in September. That is right, Mr. Murray said. And Staff will consider the Committee suggestion relative to Notification of Layoff or Termination and also give a report on Benefits for Laid Off Employees, Dr. Crafts asked? Staff will consider the suggestions made by JUAC, Mr. Murray said, and will give us a report on the benefits.

Section VI - FY1984 Operating Budget Request Guidelines

Before presenting the guidelines to the Board, Dr. Matsler asked Mrs. Fitzpatrick if she wished to make any further comment on the meeting of the Finance Committee.

Mrs. Fitzpatrick said she would only like to mention the good work done by Staff in terms of background information and the rationale for recommended guidelines to be used in preparing the FY84 operating budget request. She also informed the Board that after action had been taken on this section of the EDR she would have a resolution to present to the Board for consideration.

Dr. Matsler summarized the proposed budgetary guidelines for the FY84 increases in operations as follows:

Salaries: 6.5% plus 4.5% recovery on a 97.5% base plus annualization of the FY83 mid-year 3% salary increases.

General Prices: 8% increase.

Library Materials: 10% plus 5% catch-up increase for books and other library materials.

Equipment: 8% increase.

Utilities: 15% increase. Each university is documenting increases by fuel mix and supplier.

Retirement: 22.049% of the personal services base for FY84 as established by the State Universities Retirement System.

Staff recommends, Dr. Matsler said, that these guidelines be approved by the Board to be used by the Regency Universities in developing the FY84 operating budget request for submission to the Board of Higher Education.

Referring to the requested salary increase percentages, Dr. Matsler said Staff feels that this is entirely defensible. Perhaps it might be considered optimistic, nevertheless, Staff has no problems with requesting an increase of this size.

In response to a request from President Watkins for clarification of the 15% increase to be requested for utilities, Dr. Matsler explained this 15% figure was plugged in to give the Board some idea as to what the increase would be, however, there will be the flexibility for each institution to document its own percent of increase needed.

Mr. Murray asked if it might not be a little unrealistic, perhaps even a little crazy, to ask for a 11% salary increase with the prospects for the coming year. Dr. Matsler's response was that he thinks it would be a mistake for the Board to ask for anything less, and in fact it had been thought that the increase should have been based on perhaps some added percentages, particularly since we got less than we had thought we would effective this coming January. It turns out that we will actually be getting a little bit less an 3%. Dr. Matsler said if we compare our institutions with what the AAUP calls Category I institutions, we are now at about 11% below the mean salary level of those institutions. He said this Board has through the years had the goal of at least trying to get up to that mean salary level. Obviously, he said, we are going to be subject to the economy and it might very well be that it will not get turned around by next session; however, he still believes that this is an appropriate request.

Mr. Murray said he must compliment Staff for the justification of the request and he agrees with that justification, but he still has doubts about going public with a 11% increase when we know they reserve that kind of an increase only for the judges.

Dr. Wellbank said at the last meeting we asked Staff to take a look at the salary structure, and this should be a part of it. This 11% is for the pool, and not everyone would get 11% across the board.

But on a 97.5% base it would probably turn out to be more than that, Mr. Murray said.

President Watkins disagreed, explaining that while 97.5% is more realistic in terms of a base, it still is not a totally realistic base. They did a study at ISU, he noted, and found that their turnover savings amounted to less than one-tenth of one percent of the total personnel budget. What we would have here, the President said, if it were possible to gain a 97.5% base would be a minimizing of the damage that a 95% or a 90% base does. These concepts of turnover which seem to be engained somehow in the thinking of Illinois are simply no longer very realistic, the President said. There are several reasons why this is so. First, every time we lose people in certain areas we hire replacement as cheaply as we can, but still have to pay them more than the person who left. It is simply a matter of musical chairs in certain areas. Secondly, the President said, suppose a full professor retires and leaves the institution. He takes with him legally mandated payouts with regard to vacation time and other things, and this totally knocks into a cocked hat the supposed savings that are accrued. They know that their turnover savings amount to less than one-tenth of one percent.

President Lacy added that another new factor is in the cards now - we are probably going to have to take early retirement payments out of operating personnel dollars. Secondly, in an economic situation as tight as what we are now in employees tend to accumulate their benefits more deliberately. They tend to watch vacation time and to accumulate the maximum as a safety valve. That may not be good personnel policy and it may be that we should discourage it

and have the employees take the vacations they need. We are facing a situation where a 97.5% figure or even a 100% figure is not going to truly reflect the cost that we have in the personnel system.

Dr. Crafts said the Joint University Advisory Committee appreciates the fact that the Board has added a catch-up as part of the salary increase, even though they feel it is not adequate to truly allow us to catch up. Dr. Crafts asked if Dr. Gorrell of the Staff would bring back to the JUAC at the next meeting some information which would clarify the catch-up and regular increment ideas, based upon a number of ideas that were raised in the discussion today.

Ms. Burns said her concern is what position it leaves us in to follow a strategy of asking for recovery money under the present economic conditions. She would rather more straightforwardly go in and ask for a percentage increase with no talk about recovery - in other words develop what we feel we need next year, what we feel we are worth next year. She thinks that would be a more straightforward way of dealing with it, and then we don't have the problem of the backup we might have if we go in with these extra numbers.

President Monat pointed out that the Board of Higher Education really fought the concept of redressing a decade of erosion in faculty salaries with the catch-up concept. It took them a long time to come to that, and this Board was very instrumental in convincing the BHE that the catch-up concept made sense. For two years now, at least in the initial recommendations of the BHE, the catch-up concept was built into their recommendations. This past year it was 8% plus 2% catch-up. Dr. Monat said he would not like to see us back away from that concept since it took such a long time to sell it.

As a matter of fact, Mr. Murray said, that was the strategy of the judges and it seemed to work.

Ms. Burns said if everyone thinks that with the economy worsening this will continue to be good strategy, then it is fine in her opinion. She just wanted to see what the feeling of everyone was.

Mrs. Fitzpatrick then moved for approval of the Staff recommendations. The motion was seconded by Ms. Burns and it carried unanimously.

Mrs. Fitzpatrick was then recognized to present the following Resolution for consideration by the Board.

WHEREAS, the Board of Regents recognizes the status of the federal and state economy; and

WHEREAS, the Board of Regents also recognizes that faculty salaries have suffered in part because of our recessionary economy; and

WHEREAS, the Board of Regents further recognizes that many dependent children of faculty and staff may not be able to attend higher education without outside financial assistance;

NOW, THEREFORE, be it resolved that the Board of Regents direct the staff to explore the possibility of providing a statewide tuition waiver policy with the Board of Higher Education and report

on the progress of that exploration at its October meeting.

This would be for a statewide tuition waiver policy, asked Mr. Murray? Yes, Mrs. Fitzpatrick, for dependent children of faculty and staff.

Dr. Matsler said he would be glad to explore this with the Board of Higher Education.

Mrs. Fitzpatrick moved for adoption of the Resolution. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Section VII - Regency System Liability Insurance

In August of 1981, Dr. Matsler said, the Board approved the bid of Estergard, Eberhardt, and Ackerman, Inc., Champaign, Illinois for a Regency System liability insurance package. The insurance policies included in the package cover a three year period which commenced September 1, 1981.

Staff recommends, he said, that the Board approve continuation of the liability insurance coverage for the second year of the three-year period covered by the original bids.

Mr. Parker moved for approval of the Staff recommendation. The motion was seconded by Mrs. Fitzpatrick and it carried unanimously.

Section VIII - Grants and Contracts

Dr. Matsler said Staff is recommending Board approval of two contracts. The first is a contract with the Administrative Office of the Illinois Courts to allow Sangamon State University to provide in-service training to probation officers and detention workers. Under authority provided by Board Regulations, this contract was approved on a preliminary basis by the Executive Director because the University had to accept the contract prior to the Board meeting, and Staff is recommending that the Board ratify this approval.

The second contract is one for which Northern Illinois University is seeking approval. This is a contract with the State Board of Education--Division of Adult, Vocational, and Technical Education for operation of an Adult Education Service Center for the northern region of the State including Chicago and its suburbs.

Mr. Riss moved for approval of both contracts as recommended. The motion was seconded by Ms. Simpson, and it carried unanimously.

RECURRING INSTITUTIONAL MATTERS

Northern Illinois University - President's Report

Dr. Monat said before presenting his Report he would call to the attention of the Board the summer commencement exercises at NIU on Saturday, August 14, and urge all members who could to attend.

President Monat distributed copies of three Addenda to his Report: Faculty Appendix; Purchases Appendix; and Capital Improvement Projects - Contract Approvals. He also asked that on page 21 of the Faculty Appendix a correction be made to show the correct monthly salary of Donald E. Luman as \$2185.

Information reports were presented on:

Status of Undergraduate Admissions for Summer 1982
 Status of Undergraduate Admissions for Fall 1982
 Degrees Granted December 1981 and May 1982
 Grants and Contracts (Research, Institutes and Studies)
 Gifts to Northern Illinois University
 International Programs Expenditures

The following items were submitted for action by the Board:

1. The University Academic Calendar for 1983-84.
2. Personnel transactions for faculty and other employees, including recommendations for faculty and twelve month salaries for 1982-83. A list of all reported transactions is appended to the President's Report and will be kept on file at the university and in the Central Office.
3. A list of purchases for the month, as appended to the President's Report.
4. Capital Improvement Projects
 - (a) Emergency Steam Line Replacement-Gabel Hall to Reavis Hall and Manhole South of Field House to Gabel Hall
 In June the Board authorized the University to engage an engineering firm to prepare plans and specifications, advertise and receive bids for the emergency steam line replacement. In addition, the Board authorized the University to award contracts to the low, responsible bidders after consultation with Board Staff. The following contracts have been awarded:

General Construction

Mike Long Construction, DeKalb - \$212,000

Heating

Nelson Piping, Rockford - \$103,408

Board ratification was requested of the contracts awarded and also that the budget for the project be established as follows:

General Construction	\$212,000.00
Heating	103,408.00
Total Construction	<u>\$315,408.00</u>
Engineering Fee (10.6%)	33,433.00
Engineering Fee (allowance for supervision)	<u>4,500.00</u>
TOTAL PROJECT BUDGET	<u><u>\$353,341.00</u></u>

- (b) Swen Parson Hall - Repair Roof on South Wing and Center Section
Bids received by the Capital Development Board were presented with a recommendation that the Board concur in the recommendation by the University that a contract be awarded to American Roofing, West Chicago, in the amount of \$125,416.00; and approve the expenditure of \$60,000 as the University's share of the total project cost.
- (c) Visual Arts Building - Correction of Ventilating Deficiencies
A tabulations of bids received was presented with a recommendation that the low bids be accepted and contracts awarded as follows:

<u>General Construction</u>	
Irving Construction Company, DeKalb, IL	\$14,200.00
<u>Electrical</u>	
Jay Ward Electric, DeKalb, IL	\$ 6,007.00
<u>Heating</u>	
Kallal's Sheet Metal, DeKalb, IL	\$12,494.00
<u>Plumbing</u>	
G's & R Plumbing, DeKalb, IL	\$ 8,106.00
<u>Ventilating</u>	
Kallal's Sheet Metal, DeKalb, IL	\$27,618.00

and that the budget for the project be established as follows:

General	\$14,200.00
Electrical	6,007.00
Heating	12,494.00
Plumbing	8,106.00
Ventilating	27,618.00
Total Construction	\$68,425.00
Contingency	3,475.00
TOTAL PROJECT BUDGET	<u>\$71,900.00</u>

- (d) Resurfacing of Parking Lot "F"
The single bid received on this project was presented with a recommendation that the bid be accepted and a contract awarded to Stahl Construction Company, DeKalb, in the amount of \$31,603.35.
- (e) Resurfacing of Parking Lot 21
The only bid received on this project was presented with a recommendation that the bid be accepted and a contract awarded to Stahl Construction Company, DeKalb, in the amount of \$12,820.04.

Commenting on his Report, President Monat said he wished to highlight the appointment of Felix M. Padilla as the new Director of the Center for Latino and Latin American Affairs, and William Williams as Interim Director of the University Libraries.

Mr. Parker moved for approval of the Report of the President of Northern Illinois University, as amended. The motion was seconded by Dr. Wellbank.

At the request of Mr. Parker, President Monat provided a further explanation relative to the requested purchase of a Mini-Computer for Geology.

Chairman Murray said he would take this opportunity to report that the Law School at Northern has received word that the American Bar Association is going to recommend full accreditation one year early. This is due in no small part, he said, to the efforts of both the President and Dean Strickman. Both have dedicated body and soul to the excellence of the Law School, Mr. Murray noted, and he would like the congratulations of the Board to be included in approval of the President's Report.

President Monat said he appreciates this statement by the Chairman. In exchange he would say that if it had not been for the constant and continuing support of this Board they never would have gotten there.

It is quite an achievement, Mr. Murray said, and when he attends the ABA meeting in August it will be with a lot of pleasure that he will be able to vote on approval of the recommendation for accreditation.

The question before the Board was called for a vote, and the motion carried unanimously.

Sangamon State University - President's Report

Before submitted his Report to the Board, President Lacy distributed copies of an Addendum to the section on Faculty and Administrative Staff and Civil Service Employees. He also noted that Dr. Stuart Anderson was now present in the audience, and he asked him to stand to be recognized by the Board. The President had earlier reported on Dr. Anderson's retirement from the university.

Information reports were presented on:

Degrees Awarded Fall 1981 and Spring 1982
 Grants and Contracts
 Report of Faculty Receiving More than 100% of Salary for the
 1982 Spring Semester
 Capital Improvement Projects

The following items were then presented for action by the Board:

1. The proposed Academic Calendar for the 1983-84 Academic Year and the 1984 Summer Session.
2. Personnel transactions for faculty, administrative and civil service employees, which also included recommended salaries for FY83. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
3. A list of purchases for the month, as appended to the President's Report.

Mrs. Fitzpatrick asked President Lacy if he could furnish a little more detail relative to the contribution by the university to the project for A Community Needs Analysis for United Way of Sangamon County sponsored by United Way of Sangamon County. The President said this is a fairly common thing. The university does have an equity question as to how it uses its public affairs money in that through its existence as an institution most of these monies have been used to conduct work with major interest to state agencies. Those agencies pay a very high percentage of the indirect costs that the institution incurs. More recently, Dr. Lacy said, they have come to believe that it was the proper public policy for the institution to also give greater attention to the needs of local agencies. They have tried to follow about the same policy for local agencies as they have followed with the state agencies, namely that they try to collect direct costs and do not try to collect the full indirect costs of the operation. So, he said, in most of the figures showing the SSU contribution, the figure reflects something less than 100% recovery of indirect costs. Ordinarily it does not reflect any cash output on the part of the institution, and in this case the SSU contribution does not represent any cash output.

Mr. Riss moved for approval of the Report of the President of Sangamon State University, as amended. The motion was seconded by Mrs. Fitzpatrick, and it carried, with Mr. Parker abstaining.

Illinois State University - President's Report

President Watkins said he knows that he also speaks for Presidents Lacy and Monat when he says that none of them would have been comfortable had the Board taken any other action on presidents' salaries than it did. They are going to have to be in the trenches with the people who work at the institutions and they are not going to receive salary increases, then he thinks none of the presidents would have been comfortable had they received an increase. They do not feel that they should be treated any differently.

President Watkins distributed copies of an Addendum to his Report (Non-Recurring Items: Contract with Town of Normal).

Information reports were presented on:

Degrees Awarded December 1981 and May 1982 (as corrected on p. 7)
Bond Redemptions
Capital Improvement Projects

The following items were submitted for action by the Board:

1. Personnel transactions for faculty and administrative staff and civil service employees, including salary recommendations for FY83. A list of all reported transactions is appended to the President's Report and will be kept on file at the university and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.
3. The proposed 1983-84 Academic Calendar.
4. Capital Improvements Projects

(a) Trash Chute Sprinkler Systems in South and West Campus Residence Halls

Permission was requested to engage the firm of Brown, Davis, Mullins & Associates, Consulting Engineers, of Champaign, Illinois, to prepare bid documents and receive bids for installation of sprinkler systems in the 7 existing trash chutes.

5. Permission was requested to contract with the Town of Normal for improving and resurfacing a portion of University Street between College Avenue and Dry Grove Street. The cost of the project is not to exceed \$30,000

Referring to the contract with the Town of Normal, President Watkins advised that this would provide a left-turn lane on University Street at the intersection. This is important because there is a bad traffic bottleneck there. The Town, at the request of the university really, is undertaking the whole resurfacing of several blocks of streets, and since the university requested this they feel they should pay for it.

Dr. Watkins said he wished to take special note of the retirement of Dr. Charles Hicklin who has served Illinois State University and the Board in a variety of capacities. He has been a veteran and an excellent faculty member. The President said the Board would note a number of resignations of faculty and while he would not talk about individuals, he would simply say that included in this list are some of the people who were the best. This, he believes, highlights more than anything else the problem. The very able people who are leaving are going to be very hard to replace. In most instances, he said, they are leaving because they got offers they could not refuse. Dr. Watkins said he would hate to see this sort of thing continue into the future if we can do anything about it.

Mr. Parker moved for approval of the Report of the President of Illinois State University, as amended. The motion was seconded by Ms. Burns, and it carried unanimously.

Mr. Murray said he would make just one comment to add to what President Watkins said about salaries. In all seriousness, he said, the one thing that having served on this Board has done for him is to give an appreciation to him for the dedication of faculty, administrators and others who work at the universities. As a trustee, he said it is disappointing that we cannot recognize competitively certainly what these people are worth. He said he appreciates the President's comments, and he and other members of the Board are concerned that we can't continue salaries in a competitive manner. However, we do hope for better days.

There being no further business before the Board, on motion duly made and seconded the meeting was declared adjourned. The next regularly scheduled meeting of the Board will be held on September 23, 1982 at Northern Illinois University, DeKalb, Illinois.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Northern Illinois University - DeKalb, Illinois

September 23, 1982

The regularly scheduled meeting of the Board of Regents convened at 9:00 a.m. on September 23, 1982 in the Sky Room of the Holmes Student Center at Northern Illinois University, DeKalb, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Mr. Jerome R. Bender	Ms. Denise Orchowski
Ms. Carol K. Burns	Mr. D. Brewster Parker
Mrs. Clara S. Fitzpatrick	Mr. Harold Riss
Mr. Montel Gayles	Dr. Harry L. Wellbank
Mr. L. Milton McClure	Mr. James L. Wright
Mr. David E. Murray, Chairman	

Also present were:

Dr. Alex B. Lacy, President, Sangamon State University
Dr. William R. Monat, President, Northern Illinois University
Dr. Leon Boothe, Vice President and Provost, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Representing the Joint University Advisory Committee were: Ms. Linda Andrejek, Dr. Virginia Crafts, Dr. Thomas Eimermann, Mr. Leon Toepke, Mr. Joe Koch, Dr. James Lankford, Dr. Annette Lefkowitz, Dr. Tony Scaperlanda, Dr. Jerry Meyer, Ms. Irene Allsop, Mr. George Gruendel and Dr. Jack VanDerSlik.

Others in attendance included staff from the Regency Universities and the Central Office of the Board; Mr. James M. Winning, Legal Counsel to the Board; and representatives of the student bodies and the news media.

Mr. Parker moved that the Board recess to hold an Executive Session to discuss land acquisition, land use, and certain personnel matters. The motion was seconded by Mr. Gayles, and it carried unanimously.

The Board reconvened in public meeting at 11:15 a.m.

Mr. Murray noted that today is one of the few times in his recollection that we have had perfect attendance at a Board meeting. He said that he understands that Ms. Jan Simpson has resigned as student Regent from Sangamon State University and that there is a new election in process.

MINUTES OF JULY 22, 1982

The Chairman directed the attention of the Board to the minutes of the meeting held on July 22, 1982, and he asked if there were any additions or corrections to be proposed.

Dr. Matsler said that Illinois State University had requested one insertion in the minutes to reflect a correction in the ISU President's Report for July: on page 7 a correction should be made under College of Education to indicate that 9 masters degrees had been awarded on May 8, rather than none.

Mrs. Fitzpatrick pointed out that several members of the Board were lacking pages 3 and 4 in their copies of the minutes, and Dr. Matsler advised that replacement copies would be forwarded.

Mr. Parker then moved that the minutes be approved as amended and subject to a review of the missing pages. Ms. Burns seconded the motion, and it carried unanimously.

CHAIRMAN'S ITEMS

Mr. Murray said that everyone was saddened to learn of Dr. Watkins' eye surgery however, they understand that things are going well and everyone wishes him a speedy recovery. He asked Dr. Boothe if he would bring everyone uptodate on the President's condition. Dr. Boothe said the President is hopeful that he will be allowed to go home by the end of the week. The doctors are quite optimistic that the surgery performed to date will be successful. The President will, however, have to remain isolated from university business for another couple of weeks, if all goes as originally projected.

Mr. Murray announced that some additional committee assignments have now been made, and he then read the membership of each of the Board's committees. He said if anyone is unhappy or wished to have his or her assignments changed, the Chairman should be so advised.

Executive Committee: Mr. Murray, Ms. Burns, Dr. Wellbank, Dr. Matsler
Facilities Committee: Ms. Burns, Chair, Mr. Riss, Mr. Wright, Mr. Parker
 Mr. Gayles, Mr. Beahringer (staff)
Program Committee: Mr. Parker, Chair, Mrs. Fitzpatrick, Ms. Burns,
 Dr. Wellbank, Mr. Gayles, Dr. Groves (staff)
Finance Committee: Mrs. Fitzpatrick, Chair, Mr. McClure, Ms. Orchowski,
 Mr. Riss, Mr. Wright, Dr. Brim (staff)
Personnel Committee: Dr. Wellbank, Chair, Ms. Orchowski, Ms. Burns,
 Mr. Bender, Mr. Wright, Dr. Matsler (staff)
Audit Committee: Mr. Murray, Chair, Ms. Burns, Mr. Parker, Mr. McClur
 Dr. Matsler, Dr. Brim, Mr. Beahringer (staff)

REPORTS TO THE BOARD

Board of Higher Education Meeting

Mr. Murray said neither he nor Ms. Burns had been able to attend the last meeting of the Board of Higher Education. Mr. Parker agreed to represent the Board of Regents at the meeting, and he asked him to report on the actions of the BHE.

Mr. Parker reported that the BHE did take some action on one matter which does not really affect the Regency System - the staff recommendations relative to medical education. This centered primarily around the problem of minority students as well as retaining graduates as practicing physicians in Illinois.

The BHE also took action on the report to study off-campus programs, which has been an ongoing matter. Ms. Burns is a member of that committee, Mr. Parker said, and she will be happy to know that they will continue to have further meetings throughout the year. Generally, he said, the action was the result of a considerable amount of discussion and hearings providing ways in which new programs offered off-campus can be coordinated so that duplication is minimized. Although private institutions do not have to undergo the same procedures in getting approval for off-campus programs, it is the intention of the committee to urge that legislation be changed so that the BHE staff will have some authority over private universities and their program requests.

Dr. Wagner established a new committee, Mr. Parker reported, which he thinks will be of special interest to the Regency Universities. It will be very important to the whole State of Illinois. The committee is being established to study high tech and economic development in Illinois and will consist of industrialists from various parts of the State, and it is hoped that the universities will be able to cooperate in working toward establishing high tech industry in various parts of Illinois. He said that he certainly hopes that NIU, ISU and SSU will be able to take part in that study and that we have adequate representation from our universities.

Mr. Murray said he would depart from the Agenda for a moment to report generally on what was done in the executive session of the Board. He said he apologizes for keeping everyone waiting for so long for the public session to resume, but the Board did have some important matters to discuss and took appropriate actions. There was a land acquisition matter at Illinois State, a land use matter at Sangamon State, and the Board also had a lengthy discussion of the goals of President Monat and evaluated his performance. The Board also discussed certain personnel matters at Sangamon State University. As to the evaluation of the President of NIU, Mr. Murray said the Board is reassured by the leadership demonstrated by Dr. Monat. They all share his concerns for adequate funding and adequate salaries in the future, and share with him the challenges that face him and the university in the future. The Board also shares in the successes and achievements, particularly the accreditation record the university has established in the past year. The Board feels very confident in his leadership abilities in the coming years, it is pleased with the job Dr. Monat has done as President, and with the stature that Northern Illinois University has attained under his leadership.

Mr. Murray said he would be remiss if he did not thank the people at the social science research center for last evening's activities. The Board was very pleased with the improvements which have been made in the Rice Hotel and it was delighted that everyone in the center seems pleased with the improvements and with the fact that the center is now together in one location. Mr. Murray said we can publicly thank and commend Mr. Rosenow for the job he has done, and the attractive and functional way the building has been completed. The Board is pleased that the university apparently got a nice facility at a reasonable price, the City of DeKalb benefits in some downtown restoration and activity, and he assumes that Mr. Rosenow in addition to his contribution on our behalf is satisfied with his investment. It looks like a good deal for all parties.

Returning to the Agenda, the Chairman called for the report of the Facilities Committee.

Facilities Committee

Ms. Burns said a more complete report on the meeting of the committee would be made in conjunction with the Executive Director's Report. The bulk of the committee's discussion was concerned with the FY84 capital budget request which is detailed in the EDR, and a system-wide priority list which Staff has put together and which the committee will recommend for approval to the Board.

Executive Committee

Mr. Murray reported that because no regular meeting of the Board was scheduled during the month of August, the Executive Committee did meet. In addition to himself, Ms. Burns and Dr. Matsler attended the meeting, but Dr. Wellbank was unable to be present. The agenda consisted of the items which had been submitted by the Presidents. All of the Illinois State matters were approved by the Committee. All of the items submitted by NIU were approved with the exception of the request for purchase of computer equipment and related equipment for the Psychology Department, which was deferred. At Sangamon State, the Committee raised a couple of questions with regard to personnel matters. This was taken care of in Executive Session this morning, Mr. Murray reported, and will be discussed further when the President's Report is under consideration today.

Finance Committee

The Committee met on Wednesday, Mrs. Fitzpatrick reported, and considered several items, the most important of which was the operating request for FY84. The percentages on pages 31-39 of the Executive Director's Report were discussed at length by the Committee, as well as the advisability, in this kind of economy, of asking for at least a part of what we need. The Committee discussed the salary increase that we are requesting, knowing perhaps that we won't get all of it, but the Committee thought it prudent to put out on the table exactly what our institutions need in order to continue to operate at a level of excellence. What is seen in the Executive Director's Report, Mrs. Fitzpatrick said, is what the Committee recommends that we request from the IBHE.

Mrs. Fitzpatrick said a second item discussed in Finance Committee was the dependent health insurance program, and she is pleased to report that CNA has accepted us, and some faculty and staff will begin participation on October 1st.

Dr. Brim added that the enrollment period is being extended through the end of October, so that those faculty and staff who are interested in joining but did not get signed up yet can have the effective date of November 1st. Quite frankly, Dr. Brim said, he had been quite discouraged about the possibility of having this program go because the enrollments were not coming anywhere close to the 70% that was specified in CNA's proposal. Actually, he said, on Monday of this week we had a little over 700 participants signed up, which is only slightly over 30% of those eligible. CNA has said that because of the timing and the pattern of enrollments they believe that if enrollments are extended another month, and as turnover occurs, we will gradually reach 70%, and they are willing to accept us. Dr. Brim said this pleases him because he feels that this is a very viable alternative to the State health plan, and perhaps it will be even more attractive in the future, depending upon what the rate changes are for the State plan.

Mrs. Fitzpatrick said the Committee also reviewed the revisions for procurement

and bidding, which will be an action item in the Executive Director's Report. The Committee recommends approval of this item.

Mrs. Fitzpatrick also reported that the Committee received from Mr. Winning a resolution providing for the application of certain surplus bond revenues established pursuant to bond indentures heretofore adopted by the Board of Regents or its predecessor entities, for improvements at Illinois State University. She said this resolution would be presented to the entire Board for consideration in conjunction with the President's Report for Illinois State University. Dr. Matsler added that the item in the ISU Report relative to the purchase of bonds would then be changed to an action item.

State Universities Retirement System

Mr. Bender took note of the fourth draft of the JUAC report on the State Universities Retirement System, stating that considerable work has been done on this document which has now been presented to the Personnel Directors Advisory Committee. Dr. Floyd did an extremely good report, Mr. Bender said, and he understands that this has been delivered to the universities and to the members of JUAC. Mr. Bender said he did take exception to the last paragraph. First of all, he said, he felt - but this was only his opinion - that this was not Dr. Floyd's opinion, but that there was some direction given to her. He said he does not feel this is necessary at this time, but that is merely his opinion. However, he said, he thinks the report is an excellent one.

Dr. Brim was a great help, Mr. Bender continued, in putting together a paper which was presented to the Personnel Directors Advisory Committee, and they are taking it back to their campuses. Mr. Barber from the annuitants group attended this meeting as well as Mr. Hoffmeister of SURS, and the paper was very well received. He said the paper has also been given to Dr. Crafts of JUAC, and it will be delivered to other groups as well. He said his whole thrust in this is that the only way we can correct the situation is at the ballot box, and he would hope that the people involved in and interested in the State Universities Retirement System's problems - which are considerable - will find out from the people who represent them in the House and in the Senate, and from the Governor, exactly how they stand on this issue. The system is actuarially unsound and for two years in a row has been tremendously underfunded; and there is no indication that this could not happen again. If those involved in SURS do not become a large voting majority, then they have only themselves to blame, Mr. Bender said.

Dr. Matsler said that he for one truly appreciates the work that Mr. Bender has done on behalf of the faculty and staffs of the Regency Universities in the area of the retirement system. He is probably now the most knowledgeable of the members on that committee. He has some ideas as to how we might be able to rectify the situation we are in. It is very complicated, Dr. Matsler said, and Mr. Bender has only outlined it very sketchily to him. The situation is not going to be solved quickly, but it will be solved if we can get the participation of the faculty and staffs of not only our own institutions, but others as well.

Mr. Murray said he wished to compliment Dr. Floyd on preparation of the document. He said he has seen terms such as "gross payout" and "net payout", and he asked if someone could explain the difference between the unfunded

accrued liability and the total accrued liability. How are these figures determined, he asked?

Basically, Dr. Brim said, what the actuaries at the retirement system will be doing when they calculate these is to take the present individuals who are in the system and how much commitment has been made in terms of years of service, salaries, etc., and how much they would have to pay out if all of the individuals were to receive their benefits. They then determine basically how much money they have on hand, including employers' contributions - which from the State is very small although federal grants and others pay the full cost - and the interest that has been earned. The difference, really, between the amount of money they have on hand and the accrued liabilities is the unfunded amount. This is the amount the State ultimately owes. These figures change from time to time, Dr. Brim said, not only because the number of participating employees changes, but also as the actuaries use different assumptions. For 1981 the unfunded liabilities jumped rather tremendously over the previous year. That was because the actuaries revised their estimates of the long term average salary raise and interest rates. When they revised this the unfunded liability amount and the total liability amount changed. It can change either way, depending on how the rate changes are made. Frankly, Dr. Brim said, in his opinion they do not need to have all of the unfunded liability because there are many people who will never use the State's share, for example, they might quit and withdraw their money. Many actuaries have said that for most public pension systems perhaps 67% is a rough rule of thumb as a very good actuarial level for the pension system to be in, depending on turnover and dropout rate. Our system, however, is currently quite a bit below the 50% level, and actuaries consider anything below about 60% as really getting quite dangerous. While we do not need to have 100% funding, we do need much better funding than what we have had over the last 10 or 15 years.

Joint University Advisory Committee

Dr. Virginia Crafts, chairperson, introduced to the Board Dr. George Gruendel who serves as vice chair of JUAC, and Dr. Tony Scaperlanda, a new member of the committee from Northern Illinois University.

Dr. Crafts said she wished to comment on two items now and then ask to be recognized when Sec. III of the EDR was presented. As to the State Universities Retirement System, Dr. Crafts said the committee spent a considerable amount of time last evening discussing, reviewing and editing the fourth draft of the background paper prepared by Dr. Floyd. She said she knows Mr. Bender would be pleased to know that the committee deleted from the paper everything following the sentence: "Such a PAC would need to carefully develop a strategy for getting the legislative and gubernatorial support necessary for funding increases for SURS and the other state retirement systems."

The Joint University Advisory Committee, she said, does plan to review the document again and hopes it will be reviewed by other key groups. They then have plans for distribution of the finalized copies to the different university campuses. They request a Board Staff member be assigned to help expedite that plan.

Dr. Crafts said it also seems important that the document not be distributed widely until there is a finalized form. If those who presently have copies of the draft would refrain from distributing it and work with their representatives on JUAC, we can insure that there is only one copy which gets out.

With regard to the salary increases that are planned for January 1983, Dr. Crafts said the committee understands that there were some guidelines for the salary increase made in January of 1982, and they therefore assume that there will be guidelines for the January 1983 increases, and they request that these be distributed to JUAC before their next meeting.

President Monat noted that the presidents apparently did not receive a copy of the draft report which is under discussion. Dr. Crafts said it is in the process of being refined which is why it has not been distributed as yet, and the committee does not think it should be floating around in its fourth draft. When the final document is prepared it will be shared at that point.

SPECIAL REPORTS TO THE BOARD

Illinois Educational Consortium

Dr. Matsler said there had been distributed to the Board a report prepared by the campuses, together with Dr. Gorrell and the staff of IEC. This is not an action item for the Board today, he said,

The term "onslaught of the computer age" has almost become a cliché, Dr. Matsler said, and we have heard it compared with even the Industrial Revolution. The realities of this will become so very soon. Our System spends about \$6.5 million a year on computers and related activities, he said, which are easily defined. It is probably more than that. With the very rapid proliferation of the microcomputers, we think that this figure will rise even further. This report divides the uses of the computer, the two general categories, one of which is academic and the other is administrative. It gives us an inventory of the mainframe hardware at our institutions and gives a summary of the budgets that we use in the three computer centers. It also gives a short description of how the Illinois Educational Consortium fits in with the higher education community generally. It will be remembered that the IEC is a consortium of all of the public universities in the State of Illinois, working together with a shared network called ECN, which is headquartered down in Edwardsville and which has a huge computer, a CYBER, which many faculty on all of our three campuses work with. There are funding problems with this organization, Dr. Matsler said, and Staff will be bringing back to the Board these problems to share and to make decisions on later. He said he does hope that all members of the Board will look over this report to get an idea of what our institutions are doing, and he would at a later date bring back a further analysis of the whole problem.

EXECUTIVE DIRECTOR'S REPORT NO. 134

Section I - Status Report: Appropriations for FY83 Higher Education Operations and Grants

This section, Dr. Matsler said, simply summarizes the current budget that we are living with today, and tells us, summarily, how we are doing. It will be seen that we have a total of \$1.5 million to finance a 3% mid-year salary increase for faculty and staff. It could be a little more or a little less for some. Some may not get any increase because our Board regulations state that salary increases will be allocated on the basis of merit. We also have funding in the amount of \$.9 million to annualize the mid-year salary increase granted for FY82. We have funding of \$1 million or 80% of the projected utility costs, which means that the remaining 20% will have to come from other lines during the current year. We

have an allocation of \$1.3 million in revenue from tuition increases above the 10% which was allocated by the BHE, Dr. Matsler said. We also took some decrements, however: \$1.7 million or 1½% in the Personal Services line, and \$1.2 million to improve what the BHE calls an improvement in productivity. It is simply another base cut to our budgets.

Table 1 of the Report shows the amounts given to all segments of higher education, Dr. Matsler said, with the percents of increase or decrease shown also. All of these were rather small. For instance, the public universities received a total increase of only 1.5%. The Board of Regents received 1.2%, the Board of Governors 2.0% (because they increased their tuition by a total of 17 or 18%), SIU took a cut of .1%, and the University of Illinois received an increase of 2.1%.

Dr. Matsler said one of the things which bothers him and others in the public sector is the State Scholarship Commission which received a 13.8% increase for a total of \$134 million. Of the \$16 million increase, roughly two-thirds of it goes to the private institutions even though they get only about one-third of the students. So, the ISSC was protected to a certain degree, and should be, he supposes, but the problem as he sees it is that there is a disproportionate share of the money going to the private institutions, and that increase could have been somewhat less by reducing the maximum amounts of scholarships made available to the private institutions.

Table 2, Dr. Matsler continued, shows the funding differences, and it can be seen what the tuition increase has done to our percent of increase on the total. For instance, he said, in the case of the Income Fund for the Board of Governors it was 17.9%. The increase in the Board of Regents Income Fund was only 9.8%. There are a lot of variables that go into this, but the main reason is that there was a higher percent of increase in tuition at the Board of Governors.

How is the big cut for the BHE explained, Mr. Murray asked? Dr. Matsler said this is primarily in the loss of federal funds. A large amount of their support in the past has been from the federal funds. Are they reducing staff, Mr. Murray inquired? No, Dr. Matsler said, only to the extent that those funds were supporting consultants or staff members who were paid out of federal money.

Table 3 shows the retirement fund. The minimum statutory amount is shown on the bottom line, \$142,971,900, while for FY83 we have \$41,415,800, which is much less than what the statutes provide for.

Referring to the \$1.0 million in FY83, or 80%, for utility cost increases, Mr. Gayles asked from what other lines the difference would come. This will differ from institution to institution, Dr. Matsler said. Staff is trying to show here, he said, that although we will have to meet 100% of the utility needs, they have only given us as a new increment, 80%. We still have to pay the bills, we don't know exactly what they will be, but we are quite sure that they will be considerably higher, particularly gas, for the coming year. The difference will probably come from other line items in Contractual Services.

Legislative Report

Dr. Matsler said he would not go into a lot of detail on H.B. 1108 except to say that it provides a different procedure for buying up service from years gone by. It used to be that we could take the first year's salary, multiply it by roughly 8%, and then pay 6% interest on it now. That will be raised to 8% as of September 1, but we will have to pay that 8% only from September 1 on,

and 6% prior to that date.

H.B. 2504 expands coverage primarily for doctors having malpractice suits being brought against them.

Dr. Matsler then called upon Mr. Phil Adams to comment on the recent hearings which were conducted by Rep. Hallstrom and by a sub-committee headed up by Rep. Hastert.

Rep. Hastert's sub-committee of the House Higher Education Committee met on September 14, Mr. Adams reported. to discuss intercollegiate athletics. As many know, most of the colleges and universities in the State have been asked to complete rather extensive questionnaires concerning their participation in intercollegiate athletics. This information was put together by various people on the campuses and sent into the representative's staff who did a brief analysis in preparation for the hearing. Rep. Hastert is now holding public meetings and asking various schools to give testimony. The first meeting was held at ISU, and both ISU and NIU participated. Two of the major areas in which the sub-committee is interested are the processes that were gone through when most of the universities recently reduced the level of participation in terms of numbers of sports; and the decisions that are made and the benefits that are accrued, based on the level of participation in NCAA levels, whether it be Division I, II, IA, etc. Illinois State and Northern testified for approximately two hours, Mr. Adams said, and the hearing went exceptionally well. He said he must also mention that Dr. Adams and Mr. Pembroke did an outstanding job in front of the committee. The next hearing is next Tuesday at the Urbana campus, and at that time Sangamon State will give testimony, along with U. of I-C and some other institutions.

Rep. Hallstrom's subcommittee, Mr. Adams reported, is also one of the House Higher Education Committee dealing with membership on the Board of Higher Education. As reported in the past, Rep. Hallstrom did introduce a bill guaranteeing specific representation for two people on the BHE to represent the private colleges. The bill passed the House and went to the Senate, where it was held in the Senate Higher Education Committee. She then went back to the House and had a sub-committee established which held a meeting this past month at Northwestern University, which was attended by representatives from the Board of Governors, the Board of Regents, SIU-Carbondale, the U. of I., and representatives of the private colleges and universities as well as the Board of Higher Education. Testimony was given by all of the groups, and no actions were taken. The major line of testimony from those not in the private sector, Mr. Adams said, was "Where is the bill of particulars? What is the problem that the private sector feels is out there which the current organization, structure and system is not dealing with?" There was nothing particularly brought out at this meeting, he said, which had not surfaced in the Senate committee, and at this time it is his opinion that Rep. Hallstrom will probably not hold any more hearings prior to the election. But we can expect another bill next year. Mr. Adams reported that Dr. Wagner in his testimony brought up some points to consider such as an expanded role for the BHE in terms of program approval for private institutions should some change be made in the structure of the BHE membership. That pretty much brought the meeting to a close, he noted, but we can probably expect another bill next year.

On the federal scene, Dr. Matsler said, the tuition tax credits bill in Congress probably will fail this year. The balanced budget constitutional amendment is also probably dead for this year. Also, the President's veto of the supplemental funding bill was overridden.

Section III - Revisions of Board Regulations on Financial Exigency

Dr. Matsler noted that the proposed revisions in Board Regulations relative to financial exigency have been discussed by the Board at considerable length over a period of years, because the genesis of this occurred, he believes, in 1975 and 1976. There are three matters, he said, which he would bring to the attention of the Board which have been addressed in Staff since the last meeting. He said that Dr. Groves who worked with the original committee in the 1970's has been working with the institutions on the revisions which are really very minor and need very little further explanation since they were discussed on first reading.

With regard to the revision of III.A.14.f. (Personnel Reduction Procedures), the second paragraph of that section has been changed to read: "The President shall inform the Board of any such action and explain the reasons for it. The advisory financial exigency committee shall be provided an opportunity to record its support or opposition to the action of the President." This change was put in, Dr. Matsler said, at the request of the Joint University Advisory Committee and Staff feels that it is appropriate. This change was pretty well agreed upon at the last meeting of the Board.

Relative to III.A.14.i. (Notification of Layoff or Termination), there was a request last month which suggested that if a financial exigency were to occur we crank in some kind of a safeguard to be assured that there will be no layoffs during a semester. Dr. Matsler said he feels that we really cannot do that. If we have a financial exigency and the money is not there, something must be done; and to put in any such guarantee which would not treat the entire institution quite equitably probably would be inappropriate. Staff does not feel it would be advisable to change this wording, and is recommending that this be left as proposed.

There was a slight change in III.A.14.n. (University Implementation), Dr. Matsler said, and the paragraph would now read: "The Universities shall adopt such additional procedures as are necessary to make campus governance and personnel review process consistent with this regulation and to insure that a condition of financial exigency will be dealt with responsibly and effectively at the university level."

Dr. Matsler said Staff is recommending that the Board take action on these revisions as proposed today.

Dr. Crafts, Chair of the Joint University Advisory Committee, said with regard to III.A.14.n., the Committee is interpreting this to mean that the campuses could develop directional statements of a general nature as well as implementing statements. Of course, she said, these statements would have to be consistent with Board policy, and the Committee understands that. JUAC feels this approach would allow campuses to better interpret and implement policy set by the Board and at the same time recognize the differences in the universities. They are, therefore, requesting that they be allowed to use this interpretation. There are differences in the universities, Dr. Crafts noted, and some of them stress various aspects more than others and therefore there is a need to have some leeway in providing general statements as well as very specific implementing statements. The Committee feels that if they were permitted that leeway they could be consistent with Board policy and yet serve the individual differences as far as the universities are concerned.

With regard to III.A.14.i. (Notification of Layoff or Termination), Dr. Crafts said the Committee would request that the following sentence be inserted in the sixth line after the word "effect.": "Completion of instruction in the semester underway shall be given the highest priority." This suggestion is made to clarify and stress the need for universities to meet and fulfill their obligations to students who are enrolled in academic courses that are underway. They also feel that this is broad enough to allow each institution to consider all of the factors that would affect the situation and yet be aware of the need to maintain quality programs and serve their obligations to the students.

President Monat said, speaking for himself, he find this latter suggestion to be acceptable and he has no problems with it. President Lacy said he would have no difficulty with it either.

Mr. Murray asked the Presidents if they had any problem with the interpretation suggested by JUAC of III.A.14.n., and the indication was that they would have no problem with this.

Dr. Matsler said he does not have a great deal of a problem with the insertion proposed for III.A.14.i. However, he would warn the Board that there are many priorities such as utilities and other activities. We do recognize that we have a contract with the student as he or she enrolls and goes through the particular semester, and obviously we are going to try to complete the semester as best we can. But what would this do to us? Does this mean then that it might not be possible to combine classes or give an overload? There are so many things involved, he said, that he is a little afraid that this might provide more problems than it would solve in terms of meeting our commitments to students. He said he does not believe the clause is a necessary one, but he would not argue it to the death because obviously it gives some special consideration to what we are all here for - teaching. Of course, there are other things which are important, too - research and community service that we are providing. If the Board wants to put this in, it will be making a decision early on, when this decision could easily be made at a later date.

Mr. Murray said it would seem to him that we would be effectively changing the 60 days to the end of a semester. He said he worries about the wording "highest priority" because that is covered under III.A.14.g. (Personnel Reduction Criteria). Mr. Winning agreed, saying that he does not think that this is the appropriate place to insert that language if it is to be considered.

Mr. Gayles said he thinks that we should be considered with the completion of a semester with regard to the students' careers. Not only do we have faculty that we need to be concerned with, but we have students who have scheduled their graduation dates and their possible careers on a number of classes that could possibly end after the mid-point of a semester.

Mr. Murray said he thinks this is just a tempest in a teapot because he feels that we are going to always be able to get through a semester, although this does not mean that we will be able to get through a semester with every employee. That is what Dr. Matsler's point is.

Ms. Burns said maybe if we are going to insert such a statement it should be under Personnel Reduction Criteria in some way. It has already been stated, Dr. Matsler said, under III.A.14.g. (1) (Personnel Reduction Criteria. Program Needs). That states that program needs are our highest priority. Dr. Wellbank said this is really just another interpretation.

The Chairman said the Board would hold this question in abeyance for the moment and hear from Ms. Margaret Schmid of the University Professionals of Illinois.

Ms. Schmid distributed copies of her prepared remarks to members of the Board. She said she would comment that UPI oftentimes finds itself working in the same direction as the Board, and she pointed out that at the hearing on the Hallstrom bill, which Mr. Adams reported on earlier, the UPI also testified by invitation of the committee and said basically the same kinds of things that Mr. Adams and Dr. Wagner said. The UPI shares many things in common with the Board of Regents and with all the administrations in terms of goals.

However, she said, this matter under discussion is an area in which they find themselves in considerable disagreement. She would not read her prepared statement, she said, but would like to review some of the points contained therein. The statement indicates specific proposals which they believe the Board should adopt which will protect the faculty, which will protect tenure, protect academic freedom, and which are consistent with the viable functioning of the universities. They do exist now in university policy, in university collective bargaining agreements, in particular, and they are workable. The first point she would like to make, Ms. Schmid said, is that they recommend and ask that in the very first sentence of III.A.14, the word "demonstrable" be inserted before "financial exigency". By establishing this test of fact, which in essence is what it would be, Ms. Schmid said the Board could do two things. It could insure confidence among the faculty that the Board does intend to only declare financial exigency if essential. This is in fact a test that would be met and in reality, of course, it would allow a challenge which current language does not. Current language which the Board is considering for adoption would allow it to do pretty much what it wants. This is not insured to guarantee confidence among any of the employees of the university, and faculty are rightly alarmed at the implications of what the Board is proposing to do.

Secondly, Ms. Schmid said, UPI proposes that in order to protect tenure and again to insure that the threat of layoff does not erode academic freedom, section g. needs to be re-done rather considerably (Personnel Reduction Criteria). They would recommend that the first sentence read: "If the Board decides it is necessary to lay off faculty, faculty will be laid off in the following order: temporary and part-time faculty first; full-time faculty on probationary appointments but without tenure second; and tenured faculty last." Tenure is crucial to the functioning of the university, she said, tenure needs to be protected, and the Board's policy does not protect tenure.

Further, along those lines, Ms. Schmid said they recommend the adoption of a sentence which reads: "In the event of faculty layoff, the factors which will be considered in determining the order of layoff in addition to tenure status will be: length of full-time service at the University, including approved leaves; educational qualifications; professional training; and experience." This would not tie the hands of the administration and it does not prohibit administrative judgments, but it would insure that faculty would be protected on the basis of objective and professional characteristics, and that there cannot be arbitrary layoffs, that faculty will not fear layoff which is definitely the case under the proposed language. And there are fears, and justified, Ms. Schmid added.

Finally, Ms. Schmid said, with regard to the proposed section i., the point

that JUAC was raising is not, in fact, addressed by talking about the highest priority being given to program needs. That section talks about the order of layoffs among faculty once it has been decided that faculty are going to be laid off. It has nothing to do with how quickly faculty will be laid off, whether the continuation of instruction will be more important than any other activity. It is a different point, not the same point, which is to say: what kind of notice will there be? What kind of disruption of university programs are you making possible by your language? UPI proposes this sentence: "Except in the event of extreme and immediate financial exigency, a faculty member with a probationary appointment shall be given the same notice in the event of a layoff as would be given in the event of nonrenewal of his/her appointment. A tenured faculty member shall be given notice of layoff of at least one academic year."

In conclusion, Ms. Schmid said she would note that the protections which such language would afford faculty, tenure, and academic freedom are consistent with the orderly and effective functioning of universities, and that identical or comparable language is found in a number of academic collective bargaining agreements.

Mr. Murray asked Ms. Schmid if she distinguishes between tenure and seniority.

Ms. Schmid said there is a difference. Seniority is length of service, how long people have been at the university. Tenure is a status which people attain after going through the process which has been established. Tenured faculty is a much broader category.

Mr. Murray asked how they would relate seniority to the Personnel Reduction Criteria. Ms. Schmid had not mentioned seniority in the language proposed under paragraph g.

UPI proposes that seniority be considered along with educational qualifications, professional training, and experience, Ms. Schmid said. Obviously there needs to be some consideration given to what the program needs of the institution are. All reasonable people would agree to that, Ms. Schmid said, and that is why they are proposing educational qualifications, professional training, and experience as factors they also recognize need to be looked at.

UPI is suggesting that we delete program needs as any criterion in this, Mr. Murray asked?

Ms. Schmid said she would be happy to sit down and write out a tentative policy for the Board, but she thinks what this amounts to is UPI's proposing that section g. should be basically totally stricken and that instead they could go to the few sentences as proposed by UPI. The first one specifies that tenured faculty would be laid off last, and the second one specifies that in addition to tenure status, the factors which would be taken into consideration are length of full time service, and so forth.

Mr. Murray said the only reasonable way he can interpret what she is saying is that we lay off faculty without any concern for the program needs, according to their status.

Ms. Schmid said she would stress that when they use the terms "educational qualifications; professional training; and experience", these things are clearly

related to the ability of the faculty to teach particular courses, to do particular kinds of research, to do the assignments which would remain to be done in the event of some severe cut in the economic base. So, this would allow consideration, it is essential to allow consideration of the programmatic needs of the institution. They are not proposing that the Board should not consider the programmatic needs of the institution. What they are proposing instead is a policy, language which will protect tenure and which will insure that any layoffs, if we come to that, will be made on the basis of something which is objective.

Mr. Murray asked Ms. Schmid how she feels about affirmative action.

Ms. Schmid said that she thinks basically what they would hope - and she must state that she is not familiar enough with the Board's hiring record in the past years to know precisely how successful it has been in hiring minority and women faculty, but if the university's record has been a relatively reasonable one - obviously this would not impact negatively. The only problems that ever come up with affirmative action, she said, are when the hiring records have been such or so inadequate that minorities and women faculty have all been hired in the last several years.

Let's assume, Mr. Murray said, that we have done a very poor job and so we have added a lot of minorities and women in the last year or two who are way down on the seniority list. So, when we lay off shall we just willy-nilly lay all of them off, he asked?

Ms. Schmid said she would be glad to work with the Board to develop alternative language which would meet that particular concern, although she thinks that it would be necessary to look at what the record has been.

Dr. Matsler said the Board did have one of the UPI representatives speak at the last meeting of the Board, and it is really unfortunate that we should work on this wording today. Perhaps there should be some changes in the future, perhaps not, but the essence of this whole policy statement is that programs must be protected, tenure must be protected, affirmative must be protected, and we do think in terms of seniority. We have laid out some broad policies. Dr. Matsler said he does not think that the Board should be getting into the detail that has been spoken to at this time. He said he would like very much to have action today on what we have, with a commitment that as time goes on these policies can be changed. But at this late date to revise our whole philosophy of this policy which does protect programs and tenured faculty as best we can, and to get into the detail of perhaps the qualifications of faculty, would be a mistake. Those are things, he believes, which can be handled on the campuses. The Board does not want to get into that as long as the broad policies are followed. Dr. Matsler said he is appreciative of Ms. Schmid's input here, but on the other hand to come in at this late date, and after the presentation that UPI made last month but which did not address specifically these things so well, it is simply too late for that today; but it would not be too late for it as time goes on.

The Chairman asked if there were any further questions or comments.

Dr. Crafts said she would only like to reiterate what JUAC had said about inclusion of the sentence in section i.. From the discussion she has heard it would seem that we are coming back to focus on the fact that the major mission of the institutions has to do with the academic classes and the education of the

students attending. Putting in that statement is general enough in nature so that it does not tie the hands of the institution's administration, they still would consider the other factors, but it does emphasize the major mission of the higher education institutions. Therefore, Dr. Crafts said, the Committee is suggesting again and recommending strongly that the Board insert the sentence she proposed earlier: "Completion of instruction in the semester underway shall be given highest priority." This would not rule out consideration of other factors.

Ms. Burns said we have so many highest priorities that we are having trouble sorting them out. She asked if it would be acceptable to JUAC to state that this would be given a high priority, or that it would be given consideration.

Dr. Crafts said she had received from her colleagues a strong feeling that we may need to identify what is the highest priority in institutions of higher education, or indeed in any educational institution. It would seem that this does not rule out consideration of operational detail, but it does say that the mission of it is, indeed, focused toward the education of students who attend and, therefore, even though there are high priorities that would seem to be the highest. Dr. Crafts said she has been urged to ask what the Board would identify as the highest priority, or if that can be done, given the reservations.

Dr. Matsler said he would try to respond to that to this effect: obviously, there will be some programs that are not as important as others. There may very well be some courses and some programs that have very few students and the institution may very well still want to protect those programs and they have the opportunity to protect them if they so wish. But to insert this particular phraseology, with the 60-day statement which we already have, would seem to run counter to what we are trying to accomplish. Dr. Matsler said he feels that faculty is protected by our criteria - programs, tenure, etc. - and he would hope that we would not change the wording from the way we have it now.

Ms. Burns said under the area of Program Needs, it seems to her that JUAC is saying that the Board failed to communicate that all programs are of the highest priority, and particularly to complete them in the semester that is underway. That is only fair to a student. However, Ms. Burns said, we may not have that luxury if we get into this position. Is there some way of stating that which would satisfy JUAC? Or is it implicit in Program Needs (g.(1))? Dr. Crafts said it seems to be the feeling of her group that there needs to be a reiteration of this in Notification of Layoff or Termination, relating to the previous item in Program Needs. They feel that their suggested statement would do this.

Would this statement protect the employee from lay off, Mr. Murray asked? No, Dr. Crafts said. Well, then, the Chairman said, he does not think that it should go into the section on Notification of Layoff or Termination - it should be over in Program Needs, and he thinks we would be asking for trouble to insert this, with all due respect to the Committee.

Mr. Wright said he has problems with trying to correct or insert language now, and he believes that a small committee should be established, with the presidents involved, to work on the language. He said he does not believe that this whole group today can work this out and come out with anything constructive.

Ms. Burns said her feeling is that we have left enough room for this to happen on the campuses, without the Board trying to define it. She said she would

prefer it that way. We can always amend it, Mr. Murray said, and he would be in favor of taking a vote on it today.

Ms. Schmid said she would just like to reiterate what the proposed policy does is to destroy tenure protection for faculty. How, Ms. Burns asked? By making program needs more important than tenure in determining layoffs, Ms. Schmid responded, and because the proposed policy does not give defensible criteria for determining program needs. Ms. Schmid said the UPI way has been demonstrated to work in other places, and is an attempt to combine what they recognize as the need to maintain programs with the need to protect the rights which faculty have earned over the years. If the Board wants a faculty which is going to be happy, she said, which is not frightened and which does not feel demoralized this is an important factor to keep in mind.

Mr. Murray said while he did not wish to disagree with Ms. Schmid, he would point out that this language has been in effect since 1975, and no one has ever raised it as being demoralizing in the last seven years.

Dr. Wellbank then moved for Board approval of the Staff recommendations for revisions in the Board Regulations relative to financial exigency. The motion was seconded by Mr. Riss, and it carried unanimously.

Dr. Crafts said JUAC would like to request that the university guidelines be reviewed by Legal Counsel to the Board and the Staff of the Board, and that any difficulties would be resolved with the universities; and that at the point where they are deemed consistent with the Board's policy and acceptable to the universities, the Staff would assert for the record at a Board of Regents meeting that the guidelines are acceptable and consistent with Board policy.

Mr. Murray said he thinks this is an excellent suggestion and would insure that we do not get into the same situation as we did the last time. Dr. Matsler said he would agree, and would suggest also that the less detailed and the shorter these campus documents, the better, because we cannot anticipate everything that might come up.

Mr. Wright said he would like for the record to show that he is opposed to what happened because he still thinks that people should sit down and try to work out through a sub-committee this language and get it straightened out.

Section IV - Intercollegiate Athletics

Dr. Matsler said now that the Hastert sub-committee hearings have been held, Staff will be bringing some of the results into the October meeting along with the Regency System intercollegiate athletics study.

Section V - Grants and Contracts

Dr. Matsler advised that Northern Illinois University is seeking approval of two grants which support research activity in chemistry and physics:

1. Grant for Research on Superconducting Materials, which is a continuation of Department of Physics research on the causes of superconductivity. The award from the U.S. Air Force/Office of Scientific Research is for the amount of \$85,000 which brings the multi-year support of the activity past the \$250,000 level where Board approval is required.

2. Grant for Research on Enzymes, from the National Institutes of Health in the amount of \$64,575 which brings the multi-year support of the activity past the \$250,000 threshold.

Staff has evaluated both proposals, Dr. Matsler advised, and recommends approval by the Board.

Mr. Parker moved for approval of the Staff recommendation. The motion was seconded by Ms. Burns and it carried unanimously.

Section VI - Collective Bargaining Agreement - NIU and AFSCME

Dr. Matsler advised that negotiations have been completed relative to a two-year agreement between Northern Illinois University and AFSCME pertaining to food service and building service employees. There are no immediate wage increases, he said, but the agreement does contain provisions for further negotiations as to wages in January 1983 and again in August 1983. The agreement has been reviewed by Staff and legal counsel, he said, and approval is recommended when the agreement is considered with the NIU President's Report.

Section VII - Board Regulation Amendment: Entertainment Fund

Dr. Matsler presented for first reading a proposed amendment which would permit the entertainment allowance for each university president to be used at locations other than the President's residence. It is anticipated that this amendment will be presented for action at the October meeting of the Board.

Section VIII - Additions and Deletions of Units of Instruction, Research and Public Services

A report was presented of units of instruction, research, and public services added or deleted by the universities from July 1, 1981 to June 30, 1982.

Section IX - Revision in Regulations Governing Procurement and Bidding

Dr. Matsler reported that Senate Bill 423, enacted as Public Act 82-905, amends the Illinois Purchasing Act, primarily by raising the bidding threshold from \$2500 to \$5000 for most purchases, and from \$5000 to \$10,000 for certain types of repair, remodeling or maintenance contracts. The first step in implementing the changes, he said, is adoption by the Board of the changes contained in the legislation.

Staff recommends that the Board (1) adopt the Purchasing Act revisions contained in P.A. 82-905, (2) authorize the necessary revisions of the Regulations Governing Procurement and Bidding at State Systems Universities in Illinois, and (3) declare the changes to be effective as soon as legally possible.

Dr. Matsler advised that the proposed changes will have to go to the Joint Committee on Administrative Rules for publication in the Illinois Register, and the changes cannot be implemented before that Committee completes its action.

Ms. Burns moved for approval of the Staff recommendations. The motion was seconded by Mr. Gayles, and it carried unanimously.

Mrs. Fitzpatrick requested that the Board Staff explore with the State Comptroller the impact of this action on his guidelines on the use of amounts of funds charged to contractual services. Dr. Matsler said he thought this would be most appropriate and Staff will explore this.

Section X - FY1984 Operating Appropriations Request

Our FY84 Operating Appropriations request has been discussed publicly and in committee for several months, Dr. Matsler noted, and he would just quickly summarize major features of the recommendations:

- . A total Regency System operating budget request (excluding retirement and IBA rentals) of \$168,580,300, an increase of \$19,123,000 or 12.8% over the FY83 adjusted appropriation.
- . Requests for price increases to minimize the impact of inflation on university operations. This includes: \$1,826,900 for general price increases of 8%; \$1,446,500 for utilities price increases; and \$518,000 for library materials price increases.
- . A total request of \$2,534,000 based on Special Analytical Studies (SAS's): \$ 912,300 for ISU, \$1,276,400 for NIU, and \$345,300 for SSU. Major SAS requests are for equipment replacement and computer systems.
- . New and expanded program requests (NEPR's) approved in June total \$800,500 for NIU.

Dr. Matsler noted that there is one slight change to be made which was discussed in the Finance Committee meeting. In the Special Analytical Studies for Northern Illinois University, NIU has requested \$650,000 for Replacement of Obsolete Equipment, and the university would like that amount reduced to \$550,000, and would also request the insertion of the category, Permanent Improvements Supplement, in the amount of \$100,000. Dr. Matsler said Staff has agreed to this change.

Staff recommends, he said, that the Board approve of the FY84 operating appropriations request for the Regency System in the amount of \$195,965,400 as summarized in his Report. Such approval is granted subject to any subsequent arithmetic or clerical adjustments which may be required, and the Executive Director would be authorized to approve such adjustments and report them to the Board at the next meeting.

Referring to the change requested by Northern, Mrs. Fitzpatrick said she has no problem with leaving the bottom line exactly as it is, but she also thinks that we should explore further the need for this item. If there is a need for it, it should be added permanently for all three of our institutions.

Ms. Burns moved for approval of the Staff recommendations relative to the FY84 Operating Appropriations request. The motion was seconded by Mr. Riss and it carried unanimously.

Section XI - FY84 Capital Appropriation Request

Before presenting the Staff recommendations for the capital request, Dr. Matsler advised that Ms. Burns, Chair of the Facilities Committee, wished to present

the recommendations of the committee.

Ms. Burns reported that the total figure which the Facilities Committee discussed on Wednesday and which it approved and recommends to the Board of Regents is \$26,294,100. She called attention to a revised Board of Regents FY84 Capital Budget System Priority List which had been distributed, noting that the committee did not change the bottom line, but did make a change in priority in category for the Northern Steam Line Replacement from the Energy Conservation section, and preferred instead to submit this project as System Priority 4, which is also the first priority for NIU. The dollar amount, or recommended project cost, remains the same. Ms. Burns said she is sure that everyone is well aware that the steam line has become somewhat of a news item. This will be seen again in the President's Report, which also contains another item which the committee discussed - the steam line to connect the East and West Heating Plants. The total dollar figure on that is \$1.7 million. The President might wish to comment further on this later in the meeting, however, it is not a part of the FY84 capital request.

Since there were no capital monies appropriated last year, Ms. Burns said, it will be seen that there are very few new additions to the list of projects. We have seen most of the projects before and have used the same criteria to develop the systemwide priority list. The first three priorities appeared and were approved by the Board last year and they are still of ongoing concern. The committee recommends that they be left in the same order for FY84.

Dr. Matsler noted that Mr. Behringer of the Staff has worked with the campuses on the request, and he was pleased that the list has been made up as it now appears without disagreement.

Dr. Matsler said he must comment on one matter, one of the most important facing the System, and that is that we are not getting sufficient funds to maintain our buildings. We have literally hundreds of millions of dollars worth of buildings in the Regency System and yet we got practically nothing in the way of capital last year for maintenance of the buildings. There has to be something done, he said, and new buildings must take a lower priority than maintenance and operation of these facilities. That is all there is to it. Dr. Matsler said he thinks as time goes on we are going to have to be developing some procedures such as a new policy in the State to have a bond issue for maintenance, perhaps. Something on this order must be done or our buildings will, indeed, deteriorate further. The roofs are beginning to leak, the steam lines are beginning to leak, and the deterioration is very noticeable. It is a very serious situation that we are facing.

Ms. Burns said she would underscore these comments. As the Facilities Committee went down the priority list, they realized that everything on the list was maintenance and repair projects, and that generated considerable discussion about the deferred maintenance problem that is obviously underway and getting worse each year that we do not receive funds to maintain our buildings properly. With an eye toward that, the Committee did ask Dr. Matsler and Staff to come up with some suggestions as to how we might separate this problem out from the capital budget or perhaps isolate it as a separate section in the budget so that we could not only emphasize it more, but perhaps secure funding in a different manner.

Dr. Matsler said Staff recommends that the Board approve the FY1984 Capital Budget Request of the Regency Universities in the following amounts, as detailed in the Executive Director's Report (Tables 1, 2 and 3):

Northern Illinois University	\$10,149,800
Illinois State University	14,087,500
Sangamon State University	2,056,800
Total	<u>\$26,294,100</u>

Ms. Burns moved for approval of the Staff recommendation. The motion was seconded by Mr. Gayles, and it carried unanimously.

RECURRING INSTITUTIONAL MATTERS

Northern Illinois University - President's Report

Before presenting his Report to the Board, President Monat distributed copies of an Addendum (Repair of Bleachers - Evans Field House). He asked that on page 4 of the Report (Grants and Contracts), the item relative to the Chemistry grant from the Department of Health and Human Services/Public Health Service/National Institutes of Health, be deleted as an action item inasmuch as action by the Board took place in conjunction with the Executive Director's Report.

Information reports were presented on:

Status of Undergraduate Admissions for Fall 1982
 Enrollment by Headcount, Summer 1982
 Grants and Contracts (Research, Institutes, and Studies)
 Gifts to Northern Illinois University
 Presidential Research Professors
 Report of Depositories for Year Ended June 30, 1982

The following items were then submitted for action by the Board:

1. Personnel transactions for faculty and other employees. A list of the reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Collective bargaining agreement with the American Federation of State, County and Municipal Employees representing food service and building service employees on the DeKalb campus. The two year agreement, effective August 15, 1982 through August 14, 1984, provides for wage negotiations to be effective on or after January 1, 1983 and August 15, 1983.
3. As required by the University Financial Guidelines adopted by the Board in 1978, the University had defined its accounting entities into groupings that were "substantially similar and rationally related". After several years' experience, it is now proposed that the following modifications of the entities be approved by the Board:
 - A. Student Programs & Services
 - Graduate Activities
 - Student Activities
 - Orientation
 - CHANCE (Orientation) Program
 - B. Field Trip & Foreign Study Activities
 - Field Trip Activity
 - Foreign Study Activities

C. Sales & Service

This group of accounts provides services to the various University departments on a charge-back basis. The service departments include Printing, Telephone, Transportation, Computing Services and other services on a break-even basis.

4. A list of purchases for the month, as appended to the President's Report.

5. Capital Improvement Projects

(a) Holmes Student Center - Remodeling & Renovation of South Terrace
 Permission was requested to prepare plans and specifications, advertise and receive bids for the remodeling and renovation of the south terrace of Holmes Student Center.

(b) Steam Line to Connect East and West Heating Plants
 Permission was requested to engage the firm of Brown, Davis, Mullins & Associates, Inc., Champaign, to develop plans and specifications for the extension of the primary steam distribution system from the Evans Field House to the West Heating Plant, to advertise and receive bids for the project.

(c) Grant Towers - Remodeling of "The Barn" Snack Bar
 A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Irving Construction, DeKalb, in the amount of \$17,400.00, and that the project budget be established as follows:

Construction	\$17,400.00
Contingency	1,700.00
Total Project Budget	<u>\$19,100.00</u>

(d) Stevenson Towers - Roof Repair of Center Core (North Section)
 A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Freeport Industrial Roofing Company, Freeport, in the amount of \$41,774.40, and that the project budget be established as follows:

Construction	\$41,774.40
Contingency	4,125.60
Total Project Budget	<u>\$45,900.00</u>

(e) Replacement of Windows in Huskie Stadium Press Box
Lincoln Hall - Replacement of Doors (Exterior)
Douglas Hall - Replacement of Doors (Exterior)
 A tabulation of combined bids for the above projects was presented with a recommendation that the combined low base bids within the approved budgets be accepted and a contract awarded to Flagg Construction Company, Rochelle, in the amount of \$94,004.00, and that the total budgets for the projects be established as follows:

	Press Box (Base Bid B)	Lincoln/ Douglas Doors (Base Bid A)	<u>Combined</u>
Construction	\$27,500	\$66,504	\$94,004
Architect's Fee (8%)	2,200	5,320	7,520
Allowance for on-site observation & reproduc- tion of bid documents	1,870	5,870	7,740
Contingency	<u>2,730</u>	<u>6,606</u>	<u>9,336</u>
	<u>\$34,300</u>	<u>\$84,300</u>	<u>\$118,600</u>

President Monat noted that he had distributed to the Board copies of the Master of Arts in Public Affairs Alumni Information Directory. This program has been recognized, the President said, this year by receiving the Stephen B. Sweeney Award from the International City Management Association. Glancing through the directory will show just how widely spread the alumni are within the country and the level of responsibility of the positions they hold. The President said he had also distributed copies of the latest album recorded by the NIU Jazz Ensemble, which has been nominated for a "Grammy Award", and the university is very pleased about this.

The President said Ms. Burns had earlier referred to the university's request to move forward with authorization to proceed with a steam line replacement to connect the East and West Heating Plants, a project which will be funded out of revenue bond sources. This project will be presented again to the Board when the university is ready to proceed with work on the project.

Dr. Monat took note of his recommendation for the appointment of Mr. George M. Shur as University Legal Counsel, effective May 1, 1983. Mr. Shur is currently a partner in a law firm in Portland Maine, which has represented the University of Maine System during the last 14 years. Mr. Shur has been the leading partner in that firm. The President said he is also recommending the reassignment of Mr. Norden Gilbert who has been Contracts Administrator in the office of Business Affairs, to the position of Acting Associate Legal Counsel effective September 1, 1982. This is recommended because it would make it possible to consolidate within the Legal Counsel's Office all of the legal responsibilities of the University, and Mr. Gilbert in moving into that role will take with him his responsibilities as Contracts Administrator.

The President called the attention of the Board to recommendations to appoint Mr. George R. Kenney as an Adjunct Professor in the Department of Political Science, and Sun Tianyi as Visiting Professor in Foreign Languages and Literatures in the International and Special Programs. Mr. Kenney comes to NIU this year as a Diplomat-in-Residence. This is a program that the U.S. Department of State has sponsored for a number of years, and each year four senior foreign service officers are assigned to universities in the country. Northern feels very privileged to have one of them this year. Professor Sun, Dr. Monat said, is Chairman of the Language Department at Xi'an University in the Peoples Republic of China, and is this year the Chinese counterpart in the university's exchange program with that university. This is the second year for the program and Professor Sun will make a significant contribution to the campus.

Dr. Monat took note of the recommendation in the Purchases Appendix for the purchase of a Computer System and Related Equipment for Psychology. Last month the Executive Committee of the Board deferred this item. This is really a part of a grant received by a member of the faculty in the Psychology Department, the President advised, and unless he has the equipment he most likely will have to turn back the grant because the equipment is essential to the performance of the commitments made under the grant.

Ms. Burns moved for approval of the Report of the President of Northern Illinois University, as amended. The motion was seconded by Dr. Wellbank and it carried unanimously.

Dr. Matsler said he would call the attention of the Board to the position which Norden Gilbert will be moving into. That position, he said, he does not believe has been approved by the Board, and he thinks that in addition to asking for Board approval to move Mr. Gilbert into the position, the university should also be requesting approval of the position itself. Our Regulations do provide that these positions be brought to the Board prior to making any commitments to hire and fill the positions. Dr. Monat said he agrees with this; however, this is not an initial hire, it is the transfer of a person from one responsibility to another. Had there been a Board meeting in August, this would have been forwarded to the Board. It was an oversight on his part, the President said.

Illinois State University - President's Report

Acting for the President, Vice President and Provost Leon Boothe advised that he had distributed a replacement page 4 to be inserted in the President's Report. The page contains some slight change in wording relative to the union representation of Building Mechanics. Dr. Boothe advised that the item concerning Bond Redemptions on pages 2 and 3 of the Report has been changed to an action item, and this would be addressed by Mr. Winning with the presentation of a resolution for consideration by the Board.

Information reports were presented on:

Enrollments for Summer Session 1982
Grants and Contracts (Research, Training, Service)
Annual Report on Depositories

The following items were then submitted for action by the Board:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.
3. Land Acquisition for Expansion of Parking Facilities

The following Resolution which had been presented to the Board in Executive Session was presented for action by the Board:

RESOLUTION
AUTHORIZATION FOR LAND ACQUISITION
ILLINOIS STATE UNIVERSITY

WHEREAS, the Board of Regents has reviewed a campus plan demonstrating the need for expansion of parking facilities; and

WHEREAS, implementation of said plan requires additional land in the central area of the campus; and

WHEREAS, a parcel of land is available to the University which would enable the University to expand its parking according to said plan;

THEREFORE BE IT RESOLVED that the Board of Regents of the State of Illinois, acting for and on behalf of Illinois State University, does hereby authorize the President of Illinois State University to take such actions as may be reasonably necessary to obtain merchantable title to the following described property from the present owner of said property by warranty deed conveying the property to the Board of Regents for and on behalf of the people of the State of Illinois for consideration as shown:

The South 44' of Lot 2 in Block 4 in the Normal 23rd Addition to the Town of Normal, McLean County, Illinois.

219 North University Street, Normal, McLean County, Illinois

Amount of Consideration - \$54,100 (Fifty-Four Thousand One Hundred Dollars)

FURTHER RESOLVED, that Illinois State University is authorized to expend said specified amount from Parking Reserves.

4. Bond Redemptions

The following Resolution was presented by Mr. Winning for consideration by the Board:

Resolution Providing for the Application of
Certain Surplus Bond Revenues
Established Pursuant to Bond Indentures Heretofore
Adopted by the Board of Regents, or its Predecessor
Entities, for Improvements at
Illinois State University

WHEREAS, there are currently outstanding bond issue indentures dated July 1, 1954, April 1, 1959, March 1, 1961, December 1, 1961, June 1, 1963, April 1, 1965, May 15, 1967, September 17, 1970, and December 20, 1970, pursuant to each of which there are outstanding bonds, and

WHEREAS, in each of the foregoing bond indentures, authority was retained to use surplus bond revenues to repurchase bonds prior to maturity;

NOW THEREFORE BE IT RESOLVED, that the President of Illinois State University, or his designee, is authorized by and on behalf of the Board of Regents, to purchase outstanding revenue bonds issued pursuant to any of the aforesaid bond indentures, so long as such purchases are made with surplus revenues available in the bond fund of any such issue after payment of all operating expenses and funding of all indentured reserves in such issue as of the end of the fiscal year preceding the year of purchase and so long as the bonds offered for repurchase are offered at a price which is less than face value.

RESOLVED FURTHER that in the event of any such purchase, a report thereof shall be made to the Board of Regents at the first meeting of the Board following such purchase.

5. Union Representation

Dr. Boothe reported that on August 17, 1982, Illinois State University conducted a secret ballot election in accordance with the regulations of the Board to determine whether Building Mechanics of Illinois State University were entitled to be represented by Local 399 of the International Union of Operating Engineers. Of 17 employees, there were 16 votes in favor of Local 399, and 1 employee not voting. Thus, he said, the Union has been selected as the exclusive bargaining representative, and subject to the Board's acceptance of this report, the University may proceed with negotiations.

Commenting on the President's Report, Dr. Boothe took special note of the resignation of Dr. Fritz Schwalm who is going to become Chair of the Department of Biology at Texas Women's University. Dr. Schwalm has served as Acting Chair of the Department of Biology at ISU with distinction and has given the university many good years of service.

The Vice President said he also regrets to note the death of Dr. LaVerne Cox, Professor of Finance and Law. Dr. Cox came to ISU after a distinguished career at St. Cloud State. Even though he was with ISU only briefly, he will be missed.

It should also have been noted in the President's Report, Dr. Boothe said, that Dr. Merritt Chambers is beyond retirement age and is being renewed on an annual basis in accord with Board practices. Dr. Chambers is nationally renowned in the field of educational finance, and the university feels fortunate to retain his services.

Mr. Winning noted that for a good many years he has been a little troubled by the fact that bond purchases have been made at the university level and then brought to the Board, in effect, for confirmation retroactively. What has troubled him about this, he said, is that the Board has never expressed itself in terms of setting some standards within which bonds should be purchased, because the original indentures, of course, authorize the purchase of bonds and all prior purchases have been confirmed by being reported in the university reports. It seems to him, Mr. Winning said, that the Board should have a formal

authority which sets some general standards within which the university should operate and an express delegation of authority for the president or his designee to purchase. That is why the Resolution was prepared, he explained. There were some questions in the Finance Committee about the language of the Resolution, he noted, but since we have in effect confirmed and ratified all purchases previously reported by approving the President's Reports, it does not seem to him that we will be troubled by using the language proposed because it does authorize future purchases within the standards. All prior purchases have been within these standards. Mr. Winning said the only thing he would point out is that the Resolution was drafted to apply to Illinois State University, and probably if he had had more time to reflect on this, he would have prepared a broader Resolution to apply to all three institutions. Perhaps, he said, at the next meeting we can have a Resolution of general authority. As a matter of fact, he said, the Board might even postpone adopting this one today if that is the pleasure of the Board. However, he added that we should have in the minutes the authority with the standards within which the universities should operate.

Mr. Murray said it would be his suggestion that the Board act on this Resolution today.

Are we acting on it with no change in language, Mrs. Fitzpatrick asked?

Mr. Winning said he was of the opinion that no change was needed because of the fact that the Board has ratified all prior purchases.

Mr. McClure then moved for approval of the Report of the President of Illinois State University, as amended, and including the Resolution relative to the purchase of outstanding bonds. The motion was seconded by Ms. Orchowski and it carried unanimously.

Sangamon State University - President's Report

President Lacy called attention to the elections publication from Illinois Issues magazine which had been distributed to the Board. This is a volume which is published every two years, he advised, in connection with elections in the State.

On October 14, 15 and 16, Dr. Lacy said, there will be on campus a major symposium on Illinois government and politics called "Crossroads 82". This symposium is also becoming a custom every two years to take a look at issues that are facing the State at about the time of the election. He invited all Regents to attend. It is expected that both Governor Thompson and Adlai Stevenson will be present, as well as other leaders of the State.

Information reports were presented on:

Enrollments for Summer Session 1982
Annual Report of Depositories for FY82 and Statement of Investment Policy
Articulation Agreement Between Sangamon State University and Lincoln
Christian College
Grants and Contracts

The following items were then submitted for action by the Board:

1. Approval was requested for the execution of the Tower/Site and Supportive

Mast Agreements, whereby the Board of Regents acting on behalf of Sangamon State University leases to the West Central Illinois Educational Telecommunications Corporation (familarly referred to as CONVOCOM) limited access to (1) the University's existing Tower/Site and (2) the Public Affairs Center for the purpose of installing required CONVOCOM microwave equipment, with no monetary consideration involved, for a period of ten years beginning September 24, 1982, contingent upon approval of these agreements by the Board's Legal Counsel.

2. Request for Assessment Fee Approval

President Lacy advised that the university in recent months has experimented in developing an instrument for measuring and awarding upper-division credit for prior learning. The complexity of the process entails considerable effort and, therefore, requires an assessment fee. Approval was requested of the following schedule based on the amount of credit requested:

<u>Credit Hours Requested</u>	<u>Fee</u>
1 - 4	\$ 80
5 - 8	\$140
9 - 12	\$210
13 - 16	\$300
17 - 24	\$400
25 +	\$400 plus \$9.50 per hour over 24

3. Personnel transactions for faculty, administrative and civil service personnel. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office. Included was a request for approval of a change in the assignment of Library faculty members' locus of tenure from the Innovative and Experimental Studies Cluster to the Library.
4. A list of purchases for the month, as appended to the President's Report.

Taking note of the agreements with CONVOCOM, President Lacy noted that he would be bringing in additional contracts which will describe other arrangements of this partnership.

With regard to the credit for prior learning program, Dr. Lacy said this is an experimental program which is now being conducted on a very small basis on campus. They are now at the point in this experiment where some students have gone through the necessary preliminary stages last year and this summer to now be at the point of being admitted into credit programs. They do need to have the fee structure adopted, the President said. It has been discussed with Staff. The structure is a moderate one compared to the structures they have evaluated at other public universities and private universities around the country. It comes in solid in the middle of the road compared to other fee structures which they have seen. This evaluation is for portfolios, and not for examination, Mrs. Fitzpatrick inquired? That is correct, the President said.

Dr. Lacy said as an open access institution in the past SSU has not brought to the Board a good many articulation agreements, although they have had

understandings with community colleges and others about transfer credits. Now, the President said, he believes they will be bringing in more articulation agreements because the community colleges in particular feel more comfortable when they have these understandings in writing. The agreement with Lincoln Christian may be the first of a number to be brought to the Board over the course of the next year.

Mr. Gayles said he is sure he speaks for Ms. Orchowski as well as for himself in wishing Ms. Simpson the best of luck in bringing in new students to Sangamon State.

The President said he knows that Ms. Simpson regrets very much that she is unable to continue as a member of the Board because she was looking forward to the service, but she feels that this particular project is perhaps more important for the university.

Mr. Parker moved for approval of the Report of the President of Sangamon State University. The motion was seconded by Ms. Orchowski, and it carried unanimously.

There being no further business to come before the Board, on motion duly made and seconded, the meeting was adjourned. The next regularly scheduled meeting of the Board will be held at Illinois State University on October 21, 1982.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Illinois State University - Normal, Illinois

October 21, 1982

The regularly scheduled meeting of the Board of Regents convened at 9:00 a.m. on October 21, 1982 in the Circus Room of the Bone Student Center at Illinois State University, Normal, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Mr. Jerome R. Bender	Ms. Denise Orchowski
Ms. Carol K. Burns	Mr. D. Brewster Parker
Mrs. Clara S. Fitzpatrick	Mr. Harold Riss
Mr. Montel Gayles	Mr. James L. Wright
Mr. L. Milton McClure	Mr. David E. Murray, Chairman

Dr. Harry L. Wellbank was not present for the meeting.

Also present were:

Dr. Alex B. Lacy, President, Sangamon State University
Dr. William R. Monat, President, Northern Illinois University
Dr. Lloyd I. Watkins, President, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Representing the Joint University Advisory Committee were: (ISU) Ms. Linda Andrejek, Dr. Virginia Crafts, Mr. Leon Toepke and Dr. George Tuttle; (NIU) Mr. Joe Koch, Dr. James E. Lankford, Dr. Annette Lefkowitz, Dr. Tony Scaperlanda, and Dr. Jerry Meyer; (SSU) Ms. Irene Allsop, Dr. George Gruendel and Dr. Jack VanDer Slik.

Others in attendance included staff from the Regency Universities and the Central Office of the Board; Mr. James M. Winning, Legal Counsel to the Board; and representatives of the student bodies and the news media.

Mr. McClure moved that the Board recess the meeting to convene in Executive Session for the purpose of discussing matters relating to land acquisition, litigation, and the evaluation of President Watkins. The motion was seconded by Mr. Gayles and it carried unanimously.

The Board reconvened in public session at 10:15 a.m.

Mr. Murray expressed the sympathies of the Board to Marcella Murphy who was absent from the meeting because of the death of her mother-in-law. He advised that Mrs. Val Witten from ISU would serve as secretary for the meeting.

Mr. Murray said he must note that although Mr. Wright had been up all night working on the Chrysler contract with the United Auto Workers, he was still present at the Board meeting today. He expressed his appreciation to Mr. Wright for taking the time in spite of the great inconvenience to attend the meeting.

President Watkins advised that the memento from Illinois State University had been furnished by Mr. Ted Wood, the manager of the bookstore located in the Student Center which the Regents had an opportunity to tour last evening.

The President introduced Dr. Edward L. Schapsmeier, Distinguished Professor of History at ISU, who with his brother, Frederick, co-authored a two-volume history on former Vice President Henry Wallace, which was nominated for a Pulitzer Prize. A copy of Dr. Schapsmeier's most recent book, Political Parties and Civic Action Groups, had been placed at the place of each Regent. Dr. Watkins advised that this is a reference book which provides concise histories of important political and civic action organizations. His next book will be a biography of the late Senator Everett Dirksen entitled Senator Everett Dirksen of Illinois and the Politics of Minority Leadership which will be published by the University of Illinois Press.

President Watkins said another book placed on the table for the Board is an interesting collaboration by Dr. Willard J. McCarthy, Dr. Victor Repp and Mr. Oswald Ludwig. Metalwork Technology and Practice, he said, has been a leading text in the field of metalwork for many years. The first edition came out in 1943, and this is the seventh edition, which has been associated with ISU's teacher preparation mission as it is intended for secondary and community college programs. Dr. McCarthy retired in 1980 from the Department of Industrial Arts, although he is still teaching on a part-time basis at ISU. The President said this textbook is a reflection of both the roots and history of the university as well as the dedication of the faculty members. Dr. McCarthy and his wife were introduced to the Board.

One very interesting thing about this text, Dr. Watkins commented, is that it was published by a local company which has a national reknown - McKnight Publishing Company. The chairman of the Board of the company donated the copies for distribution to the Board. He then introduced Mr. Bill McKnight who has contributed so much to ISU through the years, having served on the ISU Foundation board of directors, and who in 1978 was named Distinguished Alumnus of ISU.

Chairman Murray thanked Dr. Schapsmeier and Dr. McCarthy for the autographed copies of their books. He noted that his relationship with Mr. McKnight goes back to the time when he served on the Foundation board with him, and he thanked him for his many contributions to Illinois State University.

Mr. Murray noted that Regent Harold Riss had recently been recognized by the Normal Chamber of Commerce by being named the Citizen of the Year. He congratulated Mr. Riss and complimented the Chamber of Commerce on their selection. President Watkins said he had been present at this event which filled the ballroom of the Union, and Mr. Riss joins a list of very distinguished leaders of the community.

The Chairman said that the preceding evening the Board had dinner here in the Student Center with members of the Normal city government and all of the new vendors located in the facility. Everyone is pleased with the changes that have taken place in the Union and excited about the future. He said it is just great to see students in the building again. The President said he was pleased to accept these acclamations on behalf of those people who were responsible for the changes. They really put their shoulders to the wheel and created what is seen here today.

MINUTES OF SEPTEMBER 23, 1982

The Chairman directed the attention of the Board to the minutes of the meeting held on September 23, and he asked if there were any additions or corrections to be proposed. There being none, on motion by Mr. Parker, seconded by Ms. Burns, the minutes were unanimously approved as submitted.

Mr. McClure said he wished to comment that the secretary does an outstanding job of preparing the minutes, and Mr. Murray said he was sure that Mrs. Murphy would appreciate hearing this.

CHAIRMAN'S ITEMS

Seating of New Student Regent

Mr. Murray said he had been advised that Sangamon State University was selecting a new Student Regent today or later this week.

REPORTS TO THE BOARD

Facilities Committee

Ms. Burns, committee chairman, reported that their primary discussion centered around the non-appropriated capital requirements plans for FY83 through FY85. This is the first time the committee has addressed the issue, and the plans will give the Board a better idea of future planning as it relates to non-appropriated facilities. She said she would just briefly summarize the plans, and Dr. Matsler might wish to elaborate further in his Executive Director's Report.

The FY83 non-appropriated budget requests for Northern Illinois University, Ms. Burns reported, include Dorland Roof Replacement (\$156,000), Steam Line Replacement (\$1,700,000), and Exterior Soffit Repair on Grant Towers (\$100,000), as well as various projects under \$100,000 (\$347,900), for a total of \$2,303,900. She noted that the Extension of the Building Automation System (\$250,000) had been deferred at the request of the university.

Illinois State University's FY83 requests total \$1,410,000, and include Energy Conservation in various residence halls with a payback of five years or less (\$600,000), Replacement of Central Air Conditioning in Shelbourne Apartments (\$350,000, which represents an increase of \$150,000 over the original estimate), providing sprinkler systems for the trash chutes in two residence halls (\$60,000), and various projects under \$100,000 (\$460,000).

Ms. Burns reported that Sangamon State had no projects and therefore did not submit a non-appropriated capital requirements plan to the Committee.

Ms. Burns advised that the Committee recommends that the Board accept the FY83 plans.

The Facilities Committee also discussed a project at Northern - the recreation facility which was first presented about a year and a half ago to the Board. This will be reviewed again, Ms. Burns advised. A representative from Continental Bank met with the Committee yesterday, and if the bond markets remain favorable and the climate is desirable to go ahead with the project, more plans will be detailed to the Board within the next six months.

Referring to the recreation facility under consideration, President Monat said that he and Mr. Gayles had discussed the Student Association referendum for a fee increase to support the bond issue which was held about two years ago. If they do proceed with the project, the fee will remain at the level which was authorized by the referendum - \$20.00 a semester. However, the President advised, Mr. Gayles does want to go back to campus and discuss with his colleagues and with the SA whether they feel that the referendum is still binding.

Mr. Gayles advised that he had supported the project in the Committee meeting yesterday and he thinks that the referendum does still stand. He added that he is confident when he returns to campus and reports on the progress that has been made, he will see a lot of happy faces.

Finance Committee

Mrs. Fitzpatrick said inasmuch as she had been unable to attend the entire meeting of the Finance Committee, she would ask Mr. Riss to report to the Board.

Mr. Riss reported that the Committee had no problems with Section III of the Executive Director's Report (January 1983 Salary Increases), and recommends approval by the Board. The matter of differential tuition was discussed, and the Committee is to receive more information on this question from the Staff. The Committee also considered the FY83 internal budgets prepared by the institutions and recommends their approval by the Board. Staff also presented to the Committee an analysis relating FY82 Internal Budget allocations to expenditures.

Dr. Matsler said he would add that although the matter of differential tuition was discussed only preliminarily by the Committee, there was really no feeling one way or the other on the part of the Committee, and Staff has made no decision as to whether or not this is an appropriate concept. Recommendations relative to tuition probably will not be made before the end of the year, and perhaps not until January. There are too many things which must fall into place before a decision is made on the level of tuition. Some input will be needed from the Student Regents also.

Mr. Murray inquired what is going on in the other systems in Illinois and throughout the country with regard to differential tuition. Is there a move toward this?

Dr. Matsler responded that there was some movement about two years ago, but if there is any movement toward this now it is probably in the area of professional schools - engineering, law, and medicine. There are not very many institutions which have a differential between upper and lower division, although there has been some movement in that direction. It is a problem that will be unique to the Regency System, Dr. Matsler said, and we simply should face it, and if it is appropriate we should be moving in that direction - perhaps not this year, but in other years. He said he is reluctant to move in that direction before we know a little more about what we are going to receive in the way of recommendations from the Governor's Office and from the legislature.

State Universities Retirement System

Mr. Bender said he could report that the assets of the funds of the State Universities Retirement System for the first time in many years now exceed the book value. Hardly anyone remembers when that was true. Mr. Bender said

if his figures are correct, this is a recovery in excess of \$200,000,000. Also the income is really substantially higher than it has ever been because of the change in the use of the monies by the four money managers.

Mr. Bender then read to the Board the text of a letter which had been sent by Mr. G. W. Howard III, President of the Board of the State Universities Retirement System, to Paul Stone, President of the Board of Trustees of the University of Illinois; William Norwood, Chairman of the Board of Trustees of Southern Illinois University; David E. Murray, Chairman of the Board of Regents; Dominick Bufalino, Chairman of the Board of Governors; and William Campbell, Chairman of the Illinois Community College Board. The letter concerned the status of the funding of the State Universities Retirement System, and urged all public governing boards to make retirement funding a major priority for FY84, lest SURS again suffer from the state's failure to adequately fund this important aspect of compensation for services. (A copy of the letter is attached as a part of these Minutes.) So, Mr. Bender said, the problem is still with us and it is imperative that we continue our efforts to get the system into a better shape.

Chairman Murray commented that Mr. Howard's letter is very thought-provoking and he could not agree more. He asked Mr. Bender to keep the Board informed as to what he believes should be done.

Before hearing the report from the Joint University Advisory Committee, Mr. Murray said he would first report on the Executive Session of the Board. The Board took action on acquisition of real estate at Illinois State University. As to litigation, the Board discussed the suit at Northern Illinois University concerning the repairs to the parapet wall of the Holmes Student Center, as well as the matter involving NIU and the Continental Telephone Company. The bulk of the Executive Session was dedicated to the evaluation of President Watkins and a review of his goals and objectives. Mr. Murray reported that this was a routine review and the Board expressed real pleasure with the condition of ISU at this time. He said while it is not fair to blame the President for any of the problems at ISU, it perhaps is not fair to give him all of the credit for all of the good things that are happening either. The Board thinks that administratively ISU is in excellent condition, and that certainly is a credit to Dr. Watkins and to the outstanding people who serve with him in guiding the university, both administratively and educationally. The Board is pleased with the President's leadership and looks forward to working with him and his administrative team indefinitely.

Joint University Advisory Committee

Dr. Crafts, Chairman of the JUAC, reported that the committee has two new student members from Sangamon State, although they were unable to be present for today's meeting - Sue Bussone and Cindy Stephenson.

At its meeting, Dr. Crafts continued, the Committee spent most of its time discussing the SURS background paper and its dissemination. Everything is proceeding according to plans, she said, and it is hoped that the printing of the paper can be expedited for distribution. The Committee also had some discussion of the regulations relative to financial exigency which were approved by the Board last month. Dr. Groves did clarify the notice provisions for the temporary contracts as well as the tenure and tenure-track contracts. The Committee also discussed very briefly the guidelines for the 1983 salary increases

to make sure everyone understands them. With respect to the proposal for a statewide policy on tuition waivers for dependents of faculty and staff, JUAC is looking forward to the report which will be forthcoming from the Board of Higher Education.

EXECUTIVE DIRECTOR'S REPORT NO. 135

Before presenting his Report, Dr. Matsler informed the Board that he had received from Dr. Charles Brim a letter of resignation to be effective next August. He said he appreciates having that much time to find a replacement. Dr. Brim has been with the Central Staff since 1969, Dr. Matsler said, although he has been in the System for 25 years. He probably knows more about the Regency System than any individual and he will be missed tremendously.

Dr. Matsler called the attention of the Board to the new "Board of Regents Directory" which had been distributed. Dr. Marcia Escott of Illinois State has helped compile the Directory for two or three years, Dr. Matsler advised, and her assistance is very much appreciated. The Directory is intended to be distributed by the institutions to faculty and staff to orient them to the Board of Regents system.

Section I - Internal Budgets for FY1983

The internal budgets, Dr. Matsler said, are very important documents which indicate how the institutions will spend their funds. The Finance Committee spent a considerable amount of time yesterday reviewing these budgets, he said, which total \$236,659,000 for the three institutions. A look at Table 1, he said, would show the summary of revenue sources for FY83 operating funds: General Revenue, University Income Funds, Revenue Bond Operations, Auxiliary Enterprises, Gifts, Grants and Contracts and Local Funds. The ideal thing, he said, would be to present the internal budgets to the Board right after the Governor signs the appropriation bill in July. This is not feasible, he said, because after we find out what the final appropriations are, the institutions then must allocate to the hundreds of cost centers. While the Board would not wish to get into the details of how much each of the cost centers is allocated, it should be interested in some of the trends which are occurring over the years. The Board should also be interested in seeing whether there are aberrations in the trends and if there are, receiving answers as to why.

Tables 2, 4 and 6, Dr. Matsler continued, show the historical distribution of appropriated operating funds and the percent of total (excluding retirement) by functional activity, with Instruction being the most important of the primary functions which also include Organized Research and Public Service. Support functions include Academic Support and Institutional Support. Other functions include Student Services and Operation and Maintenance of Physical Plant.

As to trends, Dr. Matsler said he would use as an example the functional activity of Instruction at ISU accounted for 58.6% of appropriated operating funds in 1979, 57.4% in 1980, 58.2% in 1981, 58.2% in 1982, and going back down to 57.2% in 1983. In other words this has remained quite stable. It will also be seen that in terms of these percentages, Northern's are quite close to those at ISU.

Dr. Matsler said he would direct the attention of the Board to Table 9 showing

at NIU the historical distribution of appropriated operating funds by object classification, which uses the same line items that are used in writing the appropriation bill. It will be noted that Personal Services has gone up only 27.4% from FY79 to FY83, Contractual Services (utilities, extra costs for gasoline, etc.) has increased 34.9% during this period, and Commodities 105.2%. Dr. Matsler said he believes that this shows that the salaries in our institutions as well as all institutions in the State, have dropped behind other categories.

An examination of Table 3 which breaks the Instruction function down into various components will give the Board an idea of where the load is occurring in the various colleges at ISU, and the changes that are being made. Arts and Sciences has increased only 24.4%, while Applied Science and Technology over the years has increased considerably (58.7%). This is significant.

Staff recommends, Dr. Matsler said, approval of the FY83 Internal Budgets for Illinois State University, Northern Illinois University and Sangamon State University. Staff also recommends that the Board authorize the Presidents to make reasonable and moderate changes in the budgets as presented, subject to the availability of funds, statutory limitations and Board Regulations.

Mr. Parker moved for approval of the Staff recommendations. The motion was seconded by Ms. Burns, and it carried unanimously.

Section II - Non-Appropriated Capital Requirements Plans, FY1983-FY1985

Dr. Matsler said inasmuch as Ms. Burns had reported on these plans earlier, he would simply draw attention to the summary of the requests and ask that appropriate corrections be made. The total for ISU should be changed to \$1,410,000, and the amount for replacement of Central Air Conditioning in Shelbourne Apartments be changed to \$350,000. The corrected total for NIU should also be changed to \$2,303,900 to reflect deferral of the Extension of the Building Automation System (\$250,000).

Staff recommends that the Board accept the Non-Appropriated Capital Requirements Plans of NIU and ISU and that approval be given to the requests of \$2,303,900 for NIU and \$1,410,000 for ISU. These budget recommendations include project approval only for those projects which exceed \$100,000.

Ms. Burns moved for approval of the Staff recommendations. The motion was seconded by Mr. Riss, and it carried unanimously.

Section III - January 1983 Salary Increases

Dr. Matsler said that this year the legislature and Governor provided funds which are not sufficient to cover a full 3% increase for faculty and staff, but the intent was to have the institutions provide a 3% raise beginning January 1. The institutions, therefore, have had to go into other lines to provide the needed funds. Since the 3% is only for one half a year, the total amount in the personal services line is, for the full year, 1.5%. It should be remembered, however, that we only received about 90% of that because we had been told to compute on a 90% base. The action being proposed today, Dr. Matsler said, is simply to authorize the institutions to provide the 3%. He said he would add that in some instances the 3% would be exceeded because the 3% does not include in some instances promotion money and adjustment money.

Dr. Matsler said Staff recommends that the Regency Universities and the Central Office be authorized to grant, subject to the availability of funds, salary increases to faculty and administrative staff (authorization is already provided for granting such increases to civil service employees) within the following limitations:

1. The increases will be effective on January 1, 1983 or at the beginning of the pay period nearest that date. Increases shall not average over 3%.
2. Only faculty and staff (including laboratory school faculty at ISU) who were under contract in FY1982 and who would have been eligible for merit salary increases in the summer or fall of 1982 (if funds had been available for such increases) are eligible for the proposed January 1, 1983 salary increases. Temporary employees are not eligible to be considered for the proposed increases.
3. Total salary increase dollars granted to faculty, administrative staff, and civil service employees in FY1983 shall not exceed the dollars included in the FY1983 appropriations for such increases. The salary adjustments to be covered will include increases granted on or about January 1, 1983 or at any other time during FY1983 which are for merit, promotion in rank, equity adjustments, across-the-board raises, scheduled step plan increments or raises due to range changes for civil service employees, etc. The only changes which may be granted in addition to these increases would be: a) end-of-probationary-period raises for civil service employees who are ineligible for any other increases during FY1983 and b) adjustments due to added responsibilities assumed as a result of changes in position.
4. Increases granted on or about January 1, 1983 to faculty and administrative staff will be reported for information to the Board in the January 1983 Presidents' Reports.

Mrs. Fitzpatrick moved for approval of the Staff recommendations. The motion was seconded by Mr. Riss, and it carried unanimously.

Section IV - Statewide Tuition Waiver Policy for Dependents of Faculty and Staff

In July, Dr. Matsler said, the Board adopted a resolution directing the Staff to explore with the Board of Higher Education the possibility of providing a statewide tuition waiver policy for children of faculty and staff. Staff has gone to the BHE to determine what the impact of such a policy would be on the budgets of each of the institutions. Presently, he said, we can waive up to 2% without penalty, but if we go beyond that 2% the Legislature will not make up the difference in general revenue monies.

If the Board of Regents were to unilaterally instigate the policy, Dr. Matsler said, we would have to take a reduction in general revenue dollars the year the policy is instituted or the following year. That is why Regent Fitzpatrick suggested at the outset that we explore this as a statewide policy.

Dr. Matsler said he could see this going two ways: (1) the policy would be for each institution to provide such waivers for just the children of faculty and staff at that particular institution; or (2) a statewide policy whereby

each institution would waive tuition for dependents of faculty and staff from any other institution. This latter way might be more difficult, he noted, and he is not sure which way would be better. As this unfolds, we will be looking at the proposal from the standpoint of how many students, for instance, would choose to go to the U. of I., and whether one institution might benefit more than others. It is estimated, Dr. Matsler said, that such a policy could cost the State between \$3 million and \$6 million, depending on how it is done.

Dr. Brim added that the very rough estimates are from \$2.5 million to \$3.6 million for waivers within the System whereby, for example, employees at NIU could send their dependents to ISU or SSU. The lower figure is the estimate if the dependents attend the home institution. It is believed that if students attend schools in other systems then it would run more, but whether it would cost \$5 or \$6 million is uncertain because they really do not have data on this. As a matter of fact, he said, even the \$2.5 to \$3.6 million is based on some very shaky assumptions. It will all depend upon how wide a choice is allowed.

Dr. Matsler said if we take the position that there are only limited dollars available and we allow for tuition waivers for just the dependents of faculty and staff, then those faculty and staff who do not have children would be penalized. There is the problem of equity within the campus, and there is also the problem of compatibility with other institutions in the State.

Ms. Burns inquired if we know what the experiences of other states have been. Is there some place where this does work?

Dr. Matsler said they have found that most tuition waivers occur within one institution and also more within the private institutions who find that this is a good way to help faculty on their own campuses. He said he does not have much information as to other states' experiences. Dr. Brim said that public universities typically do not grant waivers to dependents of employees. Dr. Matsler said waivers tend to be granted more by the private institutions, and some of them will grant reciprocal waivers for people in the same conference. For example, Knox College will probably grant waivers to faculty and dependents of faculty at Coe College. This whole area is being looked at more now because of the low salary increases for the last few years around the country, although thus far not too many have gone this route.

President Monat commented that two of the universities with which he has been associated have such waivers. The City University of New York has a complete waiver, and Pennsylvania State University, he believes, there is a 2/3 reduction in tuition.

Ms. Burns suggested it might be a good idea to talk with some of these other universities such as New York to find out what kinds of problems they have had, if any, and we might also be able to get a better handle on the costs, what percentage of faculty might take advantage of the waivers, etc.

Dr. Matsler said the present estimates are based on the number of faculty and staff who have children of college age. The assumptions were made as best they could be with the data we have on our own campuses. Some of these assumptions are very difficult to get at. However, he believes this is still a very good idea to explore. Let's assume, he said, that it only costs \$3 million for the State, which is not very much when it is figured down to what each

institution is going to have, and when the morale booster effect is taken into consideration. If indeed our assumptions and estimates are correct, then it would not be a costly proposal. We will know more about this as we study this with the BHE staff.

Mr. Gayles asked how this would affect the current percentage of tuition waivers that are given to non-children of faculty or staff.

Dr. Matsler said this would have to be decided. One way to look at this would be simply to say that the policy of the State would be to allow the policy to exist and to let each institution waive tuition for children of faculty and staff. Let's assume that would cost about \$3 million, so the Board of Higher Education would simply raise the 2% ceiling to some other figure which would be slightly higher. If we were to do that, he said, we would benefit a little bit more than would appear on the surface because in some instances, of course, we would still have our scholarship funds which would be saved and be available for even others.

Staff will be returning with further information on this whole matter, Dr. Matsler advised.

Section V - Collective Bargaining Agreement: Northern Illinois University and AFSCME (Lorado Taft)

Dr. Matsler informed the Board that negotiations have been completed relative to a two-year agreement between NIU and Lorado Taft Campus Employees Local 963-AFSCME (AFL-CIO) pertaining to the classifications of cook, kitchen laborer and maintenance worker repairman. There are no immediate wage increases, but the agreement is tied to the DeKalb campus agreement and contains provisions for further negotiations as to wages in January, 1983 and again in August 1983. There are no major policy changes reflected in the agreement. Staff recommends that when the agreement is presented in the NIU President's Report it be approved by the Board.

Section VI - Board Regulation Amendment: Entertainment Fund

This proposed amendment was presented for first reading in September, Dr. Matsler noted. The proposed change would permit funds in the entertainment allowance for each university president to be used at locations other than the President's residence, which will allow for a little bit more flexibility. Staff recommends, he said, that the amendment be approved by the Board.

Mr. Parker moved for approval of the Staff recommendation. The motion was seconded by Ms. Burns, and it carried unanimously.

Section VII - Intercollegiate Athletics

Dr. Matsler said he would like to thank the staff at the institutions who provided much of the data required to put this report together for the Board. Intercollegiate athletics, he said, has been a rather controversial matter because of the costs involved. There are some who feel that perhaps intercollegiate athletics should be self-supporting, although he does not believe that this is possible at our institutions. He said he was pleased to find that our institutions are not out of line when compared with others in the State and with institutions in other conferences. He noted that the report

was being presented to the Board as an information item and Staff was not requesting any action, unless the Board should feel otherwise.

Mr. Parker noted Dr. Matsler's comment about how our schools compare with others, however, he said he thought the basic idea when the study had been proposed by Mr. Henriksen was that all schools are out of line, and that a comparison among schools would not really be meaningful.

Dr. Matsler said that was a good point, however, the real issue is whether our institutions would want to change their policies or continue to compete with these other institutions, and that is a policy question which the Board may or may not want to address.

Mrs. Fitzpatrick inquired into the status of the hearings by the Hastert subcommittee.

Dr. Brim said as far as he knows they have finished their hearings. All schools have had an opportunity to make a presentation, and he understands that there will be a report forthcoming although it probably will not be made until after the election. The universities did present information to the committee, he said, and in some instances hundreds of pages, consisting of data such as the names of coaches and other individuals involved in the programs. The committee staff summarized the data and some of this has been included in the report before the Board. The legislators on the committee were interested in a variety of things such as the percentage of athletes who graduate, the advantages of being in a Class I organization, what are the criteria that may have been used when the decision was made to add or delete programs? Dr. Brim said the committee got into things which in many cases were more judgmental in nature than just data. In some cases where institutions had made revisions in their programs, questions were asked as to why this was done rather than just take across-the-board cuts. The committee did not dwell too much on the data which had been provided which, of course, was largely financial data, numbers of scholarships, number of participants, number of coaches, where the money comes from, etc.

Since Dr. Brim has attributed some significance to the report, Mrs. Fitzpatrick asked what he thought might happen. Dr. Brim said he was the world's worst at guessing what legislators or boards might do. His opinion was that the general tone was not one of great antagonism or attempting to say that they had a pre-arranged agenda and that they want to eliminate athletics or reduce the programs. The hearings were as much as anything sort of fact-finding sessions. He said from the nature of the questions asked he would not feel that there would be any great recommendation for change; however, he could be completely wrong.

Dr. Brim said the report does not answer or attempt to answer many of the questions that come up from time to time about intercollegiate athletics. It does not attempt to answer the questions which were raised in the beginning. We sometimes hear, but very rarely, if ever, in our System of recruiting violations or under the table payments. These sort of things are usually associated with the major powers and our schools are not, in spite of how some of them may like to be classified, major athletic powers in comparison with the Big Ten schools or other groups. What staff attempted to do was take a small portion of information that could be obtained from the RAMP documents and

data turned into the Hastert committee, and put it into a short report which could be fairly easily digested by the Board without having to wade through literally hundreds of pages of material. Some of the information can be a little misleading, Dr. Brim warned, because of the nature of the data, the way questions were asked, and perhaps the way it was summarized. For instance, he said, on the table showing the number of athletes participating in intercollegiate athletics, only one year is shown, although the following page shows an overall history for the last two or three years. The totals may not be completely correct in the sense that there may be some duplication, Dr. Brim said.

When you start looking into the dollars, Dr. Brim continued, you have problems with how they are reported and what is included. The different institutions in the state interpreted differently the questions concerning the full-time equivalent of students who were granted awards.

Some of the schools said if a student got a full tuition waiver from appropriated funds, they would consider that one FTE student. If the same student got a full award including room and board, perhaps some books and waiver of fees, some institutions might consider that one FTE student, and this was the way that ISU reported, Dr. Brim said. He said he added them together and in many cases they were the same students, so he should not have done this for the number of students, although the dollars should have been added together. Incidentally, he said, the Hastert Committee made the same mistake in their interpretation of how ISU did this. So, Dr. Brim said, the Totals column in the upper portion of Table 2 should be deleted from the report.

Illinois State and Northern are doing roughly the same thing in terms of waivers, Dr. Brim said, as can be noted in the tables. This varies from school to school depending on which sports they have and where the emphasis is, but at each of the two institutions they amounted to a little over half a million dollars, but Sangamon State, having just initiated some sports, has less than \$38,000 in awards and grants. Waivers are extremely important in terms of dollars, Dr. Brim commented, but obviously they account for less than the majority of the funds used. He called attention to Table 3 (State Support for Intercollegiate Athletics), where according to RAMP documents in FY82 we spent a little over \$1.3 million in our System. This includes such things as scholarship waivers, coaches' salaries, etc. We all know, Dr. Brim said, that if we buy equipment out of appropriated funds for intercollegiate athletics, our Regulations require that these expenditures will come from the Income Fund. These are still appropriated dollars and some will maintain that if these purchases come from appropriated funds in any manner - whether from General Revenue or Income - if the money is not used for this it could be used for other purposes. Looking at the information Staff was able to get from the other two systems in the State, it can be seen that we seem to spend a little bit more than the total spent by the Board of Governors, although two of their institutions have intercollegiate programs which are practically at zero. We also spend a little bit more than the SIU system. The U. of I. is not included in the report, he said, and one of the reasons is that in the RAMP documents the University of Illinois in past years has not been listing any appropriated funds. In future years they may include some.

Dr. Brim then referred to Table 3-A (Non-Appropriated Support for Intercollegiate Athletics), which shows that we spend quite a bit more from non-appropriated funds than from appropriated, about two and one-half times more.

These funds come from all kinds of sources, he said, and he was not able to get a good breakdown especially by sport. These non-appropriated amounts have gone up rather substantially over the years - from about \$1.5 million in FY79 to almost \$3.4 million in FY82. Some of this is because of added conference income, conference related income from gate receipts, student fees, etc.

The usual question which comes up, Dr. Brim continued, is how much is spent and whether it is appropriate. He said he could not answer the question, and he thinks if a vote were taken, or if individuals just wrote down a figure without hearing what others think, we would come up with slightly different figures as to an appropriate amount for an institution such as one of ours to spend for intercollegiate athletics. Our institutions spend roughly 1% of their appropriated funds on intercollegiate athletics, and about 2% of our total expenditures. He said he has been assured by individuals on the campuses that some members of our own conferences spend quite a bit more than we do, and we also know that when you get into big time athletics, the amount of money which is spent is very substantial. What does all this mean? Dr. Brim said he thinks the answer to that question is really up to the Board. Is it interested in pursuing this further, or does the Board think that this report, plus whatever the Hastert Committee comes out with in terms of conclusions, is sufficient. Does the Board want other information? He said he realizes that this does not answer the questions raised by Regent Henriksen in terms of what are appropriate levels of student fees. That usually is a decision made by the students when they vote, by the institutions when they present certain proposals to students for a vote, and then when the proposals are brought to the Board. In past years this Board has made the decision even though it might not have come up with the same figures unless the presidents recommended it and the students voted for it. The Board made the decision that a certain amount of money for student fees is appropriate. This is something which the staff cannot really help, Dr. Brim said, except tell the Board a little bit about what certain numbers are; and it is then up to the Board to determine where the emphasis should be, what is the right amount and what is not.

Dr. Matsler thanked Dr. Brim for the report. Staff has no recommendations to make the Board.

Mr. Parker said he hoped that the Board would be provided copies of the report of the Hastert Committee when it is published.

Ms. Orchowski, noting Tables 3 and 3-A for ISU, said these show a decrease in state support dollars for the athletic program and yet we have a significant increase in non-appropriated support - which is student fees. She said she would like to know if the state is proposing that there is going to be a phase out of state dollars and that student fees will be compensating the budget cut.

Dr. Brim said he could not give a definite answer as to what the state is proposing. He said that ISU and NIU have made decisions in the relatively recent past, largely because of budget crunches, that some changes had to be made. In some cases they decided to phase out a number of sports. Some of the phase-outs occurred just this past summer and are not reflected in today's report. Consequently if a similar study were done next year we would see quite a difference in terms of sports being offered. He said he believes that NIU dropped 8 and ISU dropped some a year or so ago. Part of that has been, in his opinion, because of the financial bind from state appropriations and their priorities. They said we just cannot put that much money from state

appropriations into intercollegiate athletics with all the other needs. So they reduced it. Why the non-appropriated funds went up, Dr. Brim said, he could not say, except that some of that may be due to added gate receipts, changes in fees, student enrollments, etc. All of these things could be factors.

Mr. Gayles asked if we know how much of non-appropriated money is derived from student fees themselves. Dr. Brim said he did not have the figures, but it is a fairly sizable amount. Mr. Gayles noted that Dr. Brim had said that a number of sports had been cut, but we are still working with the same base figure in non-appropriated funds, and he thinks this is a little alarming.

Mr. Murray said he would like to play devil's advocate for a moment. We are apparently graduating about 60% of our scholarship athletes. We can see the dollars that we are spending. What would happen, he asked, if all the schools in the Mid America Conference decided they would not have full rides anymore, no scholarships, and just compete against one another? They would have the same basic programs which they now have, but without the funding of the scholarships. They would take the athletes that come to their schools without great recruiting campaigns. Mr. Murray said this has a sort of logical appeal to him. Student fees would no longer be used to fund the athletic scholarships. He suspects the competition would still be roughly the same. What would be wrong with adopting that type of a policy on a conference basis, he asked?

President Monat said he believes Mr. Murray's assumption that the competition would be roughly the same was in error. He believes the competition would be dramatically changed in terms of the institution's ability to attract and maintain generally competitive athletes. We do play teams other than those in the conference, he noted. Mr. Murray said he realizes that, but suppose we changed that and just played conference opponents. The President said he thinks it would be a lower level of competition, it just would not be the same. What would happen, asked Mr. Murray? Dr. Monat said gate receipts would go down drastically, and TV revenue would disappear. But if all of this were discounted, Mr. Murray said, how would Northern for example end up financially? In terms of appropriated funds, about the same, the President said, because appropriated funds by and large are used to pay salaries.

Mr. Murray said he would be interested in knowing how many of the letter persons graduate. He presumes these are the people who come on a scholarship initially. President Monat said not all athletes carry scholarships. Mr. Murray said he thought the figure in the report was for scholarship athletes, but perhaps that is not true. He said he was sure it hadn't changed - the first couple of months there is a big attrition in students, in athletes, etc., but after they get letters, how many of those tend to graduate? Dr. Monat said he did not have that information. Mr. Pembroke said he would speculate about two-thirds.

Ms. Burns said Dr. Brim had reported that our universities spend roughly 1 - 2% of their funds on athletics. She would like to know what percentage of FTE students actually take part in intercollegiate athletics. Would it be about the same percentage? She thinks it would be interesting to know that number. President Monat said he thinks it would be about the same roughly. Dr. Brim referred to page 32 of the report where 507 athletes are listed for ISU. He said he does not know what the undergrad FTE is, but he would assume that we are talking about 16-17,000, since graduate students rarely participate in intercollegiate athletics. That particular year, Dr. Watkins said, ISU's enroll-

ment was 19,500 (head count), of which 2100 were graduate students. He said he could not reduce that down to FTE. So, Dr. Brim said, we are talking about roughly 3%, and he would think that NIU would be about the same. But Dr. Watkins said if we add the number of young men and women on any campus with a reasonably full athletic program who are involved in some way through band, cheerleading, song-leading, that number could easily double. They are involved in a different way, but they are still involved. Can we justify this expense by saying that we are permitting young people who otherwise might not go to college an opportunity to get a degree, Mr. Murray inquired? Dr. Monat said he thinks in some instances that happens.

Mr. Gayles said there is a follow-up question. How many of those students that we go out and recruit and to whom we give scholarships actually graduate? How many lose or forfeit their scholarships? We see these figures and statistics, and we think these are the people who finish from freshman year to senior year, but yet there is a drop-out there. Dr. Monat said his guess would be that in terms of the students who come to NIU as freshmen and ultimately graduate, there would be a higher percentage of student athletes graduating than regular students. Dr. Watkins said he thinks that is fairly true at all universities. That is probably because they have the scholarships and they are getting some assistance, Mr. Murray suggested. President Watkins said the grant-in-aid recipient, if that individual is a person of real need (and many are), he does not have as good a deal as a student with need who gets an ISSC or Pell Grant. The monetary value is restricted by the definition of grant-in-aid. These people are not eligible for other aid beyond this. It's not as easy a thing as it might look. Sometimes you will find that a student athlete actually makes a monetary sacrifice.

Referring to the data relative to the percent of athletes enrolled during fall semesters 1975, 1976 and 1977 who earned a degree, Mrs. Fitzpatrick asked if it were correct that these were not just scholarship recipients. Dr. Brim said these figures supposedly would include some that did not receive scholarships, adding that it is his understanding that the Hastert Committee did not get these figures. One thing we have to be a little bit careful about in terms of drop-out or graduation rates, he said, is that typically now the undergraduate is more apt to drop out for a short time or change schools, particularly if he is a pre-professional student. Also, if we would go a few years longer and then go back to that same group we would probably find that more of them did graduate. It is rather rare for more than 50% of the students to graduate from most institutions within the typical four years. Dr. Brim said according to testimony given to the Hastert Committee, the rates of graduation for athletes is as good or better than the usual rate for non-athletes in practically every school in the State.

Ms. Orchowski said she thought the tables were interesting in that they show a significant difference in the actual monetary allocations to women's sports and to men's sports. At ISU and NIU we are talking about a \$900,000 difference, and a \$60,000 difference at Sangamon State. She said she thinks this is something that needs to be looked into a little bit more.

President Monat said there is a very simple reason for the difference. Support is based upon participation in terms of the scholarships, certainly. And there are federal guidelines, Title IX, which are followed very, very faithfully. Ms. Burns asked what is the status of Title IX. She said she knows it has been challenged but does not believe that the status has changed. Dr. Monat said

there have been two circuit court decisions in different circuits and they both disagree with each other, so really nothing has changed.

Chairman Murray said he detected from today's discussion that everyone probably found the report to be about as he did - reassuring in some respects that we are not spending more than we are and that we are compatible with other institutions in the State and the country. His own decision is that the amount that we are spending is realistic and we are getting good programs for the amount of investment. There probably is not a big desire to change this. He said he found the report well done and kind of fascinating, and he wonders if we might continue the report on some sort of a yearly or bi-yearly basis, just as an information item.

Mr. Gayles said he would like to see incorporated into the report more of the philosophies expressed by Mr. Henriksen. Mr. Murray asked what he understood those to be. To look more at the aesthetics, Mr. Gayles said, the programs themselves underneath the facade of the black and white issue, the politics, and the possible "back-dooriness" of how the programs are set up and established. Personally, Mr. Gayles said, he would like to see a closer look at how we as institutions treat our athletes and the care we give them until graduation. Perhaps a tracking method would be a solution to that.

Mr. Murray thanked Dr. Brim for the report. He reported that he and Mr. Parker attended a fascinating session at the recent AGB meeting on intercollegiate athletics. The one point that was made very clear is that the athletic programs at universities should not be sold on the basis of providing jobs in professional sports. The figure for football, for instance, is way below 1% of all the football players who ever reach the pro ranks. It was stressed that we must not justify our programs or try and sell student athletes on professional careers arising out of participation at colleges.

RECURRING INSTITUTIONAL MATTERS

Illinois State University - President's Report

Before presenting his Report to the Board, President Watkins said he would like to thank Dr. Leon Boothe and the other vice presidents who handled the affairs of the University so well during his enforced absence for eye surgery. He said he was also grateful to all of the members of the Board and staff for the expressions of concern. He said he appears to be well on the road to recovery from the retinal problem.

The President asked that a typographical error on page 3 of his Report be corrected. Also, on page 13, he asked that the spelling of the name of Edward Andreasen be corrected. Dr. Watkins referred to the request for purchase of the Video Educational Information System, noting that this had been reviewed by the Facilities Committee yesterday, and he had been informed that the committee recommends approval by the Board. Finally, the President said, he would ask that two Resolutions relative to land purchases which had been approved in Executive Session be made a part of his Report.

Information reports were presented on:

Degrees Awarded on August 7, 1982

Headcount of Students, Fall 1982 (On-Campus)

Grants & Contracts (Research, Training, Service)
 Bond Redemptions
 Capital Improvements Projects - Progress Report

The following items were then submitted for action by the Board:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.
3. Land Acquisition

The following Resolutions, as approved in Executive Session, were submitted as part of the President's Report:

RESOLUTION
 AUTHORIZATION FOR LAND ACQUISITION
 ILLINOIS STATE UNIVERSITY

WHEREAS, the Board of Regents has reviewed a campus plan demonstrating the need for expansion of parking facilities; and

WHEREAS, implementation of said plan requires additional land in the central area of the campus; and

WHEREAS, parcels of land are available to the University which would enable the University to expand its parking according to said plan;

THEREFORE BE IT RESOLVED that the Board of Regents of the State of Illinois, acting for and on behalf of Illinois State University, does hereby authorize the President of Illinois State University to take such actions as may be reasonably necessary to obtain merchantable titles to the following described properties from the present owners of said properties by warranty deed conveying the properties to the Board of Regents for and on behalf of the people of the State of Illinois for consideration as shown:

The north 55 feet of the west 100 feet of Lot 6, in Block 1 in the Normal Twenty Third Addition to the Town of Normal, McLean County, Illinois.

302 Normal Avenue, Normal, McLean County, Illinois

Amount of Consideration - \$69,300 (Sixty-Nine Thousand Three Hundred Dollars)

The West 50 feet, East 147 feet of Lot 3 and 4 in Block 2, Twenty Third Addition to the Town of Normal, McLean County, Illinois

404 W. Locust Street, Normal, McLean County, Illinois

Amount of Consideration: \$55,500 (Fifty-Five Thousand
and Five Hundred Dollars)

FURTHER RESOLVED, that Illinois State University is authorized to
expend said specified amount from Parking Reserves.

RESOLUTION
AUTHORIZATION FOR LAND ACQUISITION
ILLINOIS STATE UNIVERSITY

WHEREAS, the Board of Regents has reviewed a campus plan demon-
strating the need for expansion of parking facilities; and

WHEREAS, implementation of said plan requires additional land in
the central area of the campus; and

WHEREAS, parcels of land are available to the University which would
enable the University to expand its parking according to said plan;

THEREFORE BE IT RESOLVED that the Board of Regents of the State
of Illinois, acting for and on behalf of Illinois State University, does
hereby authorize the President of Illinois State University to take such
actions as may be reasonably necessary to obtain merchantable titles
to the following described properties from the present owners of said
properties by warranty deeds conveying the properties to the Board
of Regents for and on behalf of the people of the State of Illinois for
consideration as shown:

Lot 5 in Block 4 in the Normal Twenty Third Addition to
the Town of Normal, McLean County, Illinois.

213 N. University Street, Normal, McLean County, Illinois.

Lot 4 in Block 4 in the Normal Twenty Third Addition to
the Town of Normal, McLean County, Illinois.

215 North University Street, Normal, McLean County, Illinois.

Lot 3 in Block 4 in the Normal Twenty Third Addition to
the Town of Normal, McLean County, Illinois.

217 North University, Normal, McLean County, Illinois.

Amount of Consideration - \$310,000 (Three Hundred and Ten
Thousand Dollars).

FURTHER RESOLVED, that Illinois State University is authorized to
expend said specified amount from Student Center Funds.

Mr. Parker moved for approval of the Report of the President of Illinois State
University, as amended. The motion was seconded by Ms. Orchowski, and it
carried unanimously.

Sangamon State University - President's Report

President Lacy said Sangamon State is pleased again this year to welcome as a graduate student the former Student Regent from Illinois State University - Steve Henriksen who is in the legislative internship program. Dr. Lacy said interns who come to the SSU campus are an extraordinary group, and anyone who has an opportunity to come to campus to meet them will see that a good measure of the future leadership of the public sector of Illinois will very likely come from one of these fine students.

The President distributed copies of an Addendum to the Faculty and Administrative Employees Appendix to his Report (Associate Dean/IES), noting that he is recommending the appointment of Leroy A. Jordan as Associate Dean of the Innovative and Experimental Studies Cluster. Dean Jordan has been with the university for a good many years and has directed the Applied Study Program. He has a strong background in the public affairs arena, and brings some strong, although not traditional, credentials to the deanship.

Information reports were presented on:

- Enrollments for Fall 1982
- Degrees Awarded Summer 1982
- Reporting of a Gift
- Grants and Contracts
- Contracts with Visiting Performers
- Capital Improvement Projects

The following items were then submitted for action by the Board:

1. Personnel transactions for faculty, administrative and civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

Mr. Riss moved for approval of the Report of the President of Sangamon State University, as amended. The motion was seconded by Mr. Gayles, and it carried unanimously.

Northern Illinois University - President's Report

President Monat, taking note of the reported retirement of Dr. Brim, said that before joining the Central Office Staff, Chuck was on the staff at Northern Illinois University, so their relationship goes back a good many years. Dr. Monat said Dr. Brim will be missed very much by the Board and certainly by the university staff who have worked with him.

The President distributed copies of an Addendum to the Purchases Appendix (Color Camera System).

Information reports were submitted on:

- Undergraduate Admissions for Spring 1983
- Undergraduate Admissions for Fall 1983
- Enrollment by Headcount, Fall Semester, 1982
- Degrees Granted, August 1982
- Grants and Contracts (Research, Institutes, and Studies)

Gifts to Northern Illinois University
International and Special Programs Expenditures

The following items were then presented for action by the Board.

1. Personnel transactions for faculty and other employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A collective bargaining agreement with the American Federation of State, County and Municipal Employees (AFSCME) representing food service and maintenance employees at the Lorado Taft Campus. The two-year agreement, effective August 15, 1982 through August 15, 1984, provides for wage negotiations with such changes to be effective on or after January 1, 1983 and August 15, 1983.
3. A list of purchases for the month, as appended to the President's Report.

Mr. Parker moved for approval of the Report of the President of Northern Illinois University, as amended. The motion was seconded by Ms. Orchowski and it carried unanimously.

Mr. Murray announced that the next meeting of the Board of Regents will be held on December 9, 1982, in Chicago, and he noted that Dr. Matsler is making arrangements to hold the meeting at the Conrad Hilton, although it had been suggested that he also explore the Westin Hotel facilities.

There being no further business to come before the Board, on motion duly made and seconded, the meeting was declared adjourned. The next regularly scheduled meeting of the Board will be held in Chicago, Illinois, on December 9, 1982.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
The Conrad Hilton, Chicago, Illinois

December 9, 1982

The regularly scheduled meeting of the Board of Regents convened at 9:00 a.m. on December 9, 1982 in the Waldorf Room of The Conrad Hilton, Chicago, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Mr. Jerome R. Bender	Ms. Denise Orchowski
Ms. Carol K. Burns	Mr. D. Brewster Parker
Mrs. Clara S. Fitzpatrick	Dr. Harry L. Wellbank
Mr. Montel Gayles	Mr. David E. Murray, Chairman

Mr. James L. Wright entered the meeting after the conclusion of the Executive Session.

Not present for the meeting were Mr. L. Milton McClure and Mr. Harold Riss.

Also present were:

Dr. Alex B. Lacy, President, Sangamon State University
Dr. William R. Monat, President, Northern Illinois University
Dr. Lloyd I. Watkins, President, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Representing the Joint University Advisory Committee were: (ISU) Dr. Virginia Crafts, Dr. Thomas Eimermann, Mr. Leon Toepke and Dr. George Tuttle; (NIU) Mr. Joe Koch, Mr. James E. Lankford, Dr. Annette Lefkowitz, Dr. Tony Scaperlanda and Dr. Jerry D. Meyer; (SSU) Ms. Irene Allsop, Dr. George Gruendel, Mr. Jack VanDerSlik and Ms. Cindy Stephenson.

Others in attendance included staff from the Regency Universities and the Central Office of the Board; Mr. James M. Winning, Legal Counsel to the Board; and representatives of the student bodies and the news media.

Ms. Burns moved that the Board recess to meet in Executive Session. The motion was seconded by Dr. Wellbank, and it carried unanimously.

The Board reconvened in public meeting at 10:00 a.m. Mr. Wright entered the meeting at this time.

Mr. Murray reported that in Executive Session the Board authorized Northern Illinois University to institute litigation against the publisher of the yearbook for violation of contract. Also discussed were the positions of Presidents, other administrative positions and salaries. Mr. Murray noted that in this regard the Board only wishes that it had money available to go along with its wishes.

MINUTES OF OCTOBER 21, 1982

The Chairman directed the attention of the Board to the minutes of the meeting held on October 21, 1982 and asked if there were any additions or corrections to be proposed. There being none, on motion by Ms. Burns, seconded by Mr. Parker, the minutes were unanimously approved as submitted.

CHAIRMAN'S ITEMS

Mr. Murray asked President Lacy to present to the Board the newly chosen Student Regent representing Sangamon State University, Ms. Janine Toman.

Dr. Lacy said he was pleased to introduce Ms. Toman who is a graduate student at SSU, having completed her undergraduate work at the University of Illinois in Urbana where she was very active in a number of things including the racketball team, the Faculty-Student Senate and other activities. Ms. Toman was a member of the National Honor Society in her high school at Western Springs.

Mr. Murray administered the oath of office to Ms. Toman and welcomed her to the Board.

REPORTS TO THE BOARD

Board of Higher Education Meeting

Ms. Burns reported that among the items acted upon by the Board of Higher Education at its last meeting was approval of new units of instruction, research and public service for public universities. Included were the MFA in Theater Arts and the long-awaited Ph.D. in Biological Sciences at Northern Illinois University; and a new administrative unit at Illinois State, the Department of Military Science. The BHE also had some discussion about the FY84 budget and the current budgetary situation of the State. She said she would not go into the details of this discussion inasmuch as Dr. Matsler would take up this matter at the appropriate time in the meeting today.

Joint Facilities/Finance Committee Meeting

Mrs. Fitzpatrick reported that the Finance and Facilities Committees met jointly on Wednesday afternoon and considered three items: the recreation facility at Northern Illinois University, the Governor's budget recision and the Regency System's response to that, and the University Guidelines 1982. This latter item will be presented to the Board for action in January, she advised.

With regard to the Governor's budget recision, Mrs. Fitzpatrick said, a Resolution has been prepared, which she would read to the Board after some background on this matter was presented by Dr. Matsler.

Dr. Matsler said as probably everyone is aware there has been declared in the State of Illinois a financial situation which has resulted in the Governor recommending a cutback of \$164 million for the current fiscal year. This \$164 million has been allocated by the Governor in such a way that all of higher education in the State will have to provide \$20.4 million. In other words, the Governor and the Legislature have come upon a way by which the \$164 million shortfall can be impounded from appropriations made for this current fiscal year, and higher education's share of the shortfall is \$20.4 million. Of the \$20.4 million

the Regency institutions' share is \$2.4 million - roughly 2% of the General Revenue dollars in the operating budgets and including IBA rentals and retirement for each of the institutions. Dr. Matsler said a breakdown of the amount is for ISU \$938,000+, for NIU \$1.2 million, for SSU \$260,700, and for the Central Office \$12,400. These are the funds which we will not have available for the current fiscal year.

Dr. Matsler said we are also faced with the situation where the Board of Regents has already authorized the institutions to provide a 3% salary increase for faculty and staff effective January 1, 1983. When the Board passed that resolution, he said, we had been assured that there was no problem relative to the resources of the State of Illinois. Now we do have problems. Some of the institutions in the State wanted to go ahead and give the 3% and find the shortfall funds from other available lines, and this was discussed very carefully among the institutions and other systems. All systems have agreed now to recommend to their respective boards a compromise by which the 3% salary increase would be deferred until April 1. However, that is a deferral that is still a little bit up in the air, he said, because we are not quite sure but what there will be another recision. In meeting with the Governor last week, they discussed the possibility of a second recision, and his statement was that he is not sure but what maybe there will be another shortfall. As a matter of fact, Dr. Matsler said, some are saying that the shortfall is not \$164 million as we now have it, but perhaps it could go as high as \$300-\$350 million. We must proceed as though the \$164 million is the shortfall for now, but we cannot be sure but what the "other shoe will drop". Yesterday in the joint meeting of the Finance and Facilities Committees a resolution was prepared for consideration by the Board, he reported.

Mrs. Fitzpatrick then presented the following Resolution to the Board and moved for its adoption:

WHEREAS, the Board of Regents, at its October 21, 1982 meeting, authorized the Regency Universities and the Central Office to grant salary increases averaging not more than 3% to faculty and staff effective on or about January 1, 1983; and

WHEREAS, at the time that authorization was made there was the expectation that all of the funds appropriated by the General Assembly to the Board of Regents would indeed become available as needed; and

WHEREAS, the Governor and the General Assembly have in effect rescinded approximately \$2.4 million in the Board of Regents Fiscal Year 1983 appropriations; now, therefore, be it

RESOLVED that the Board of Regents hereby direct the three institutions and the Central Staff to defer this 3% increase until further consideration by the Board at its March meeting; and be it

FURTHER RESOLVED that wage provisions in the contracts with the various unions agreed upon by the institutions and awaiting approval by the Board of Regents be deferred.

Mr. Bender asked if it was not at the BHE meeting in Mattoon that Dr. Mandeville assured the Board of Higher Education that the funds were available. Dr. Matsler said it was his understanding that the Executive Director of the BHE met with Dr. Mandeville a few days before the November meeting of the Board of Higher Education, and at that time it was thought that the situation was in pretty good shape. Was that before the elections, Mr. Bender asked? Dr. Matsler said he believes that it was. Mr. Bender said it certainly did not take them long to find this out after the election. Mr. Murray noted that Mr. Stevenson had pointed this out throughout his whole election campaign. Mr. Bender said he just thinks it is unfortunate that they said they had the money at that time and then shortly after the election find out that they did not have it.

The motion for adoption of the Resolution was seconded by Mr. Parker.

Mr. Wright said he must raise a couple of questions. He said he thinks right now we are headed down the same road that he has been on with the Chrysler situation. It is rather curious that this is happening now right after the election. We had this 3% increase put together, and now we are saying that it will be March before we can act on it again. These are the kinds of things he does not like, Mr. Wright said. He said he does not like the statement that this will be considered by the Board again in March, and thinks we should say that the increase will be effective in March. That is his personal opinion. Mr. Wright said he understands that the state will have difficulty in finding funds, but sometimes we do find things when we have to. He said he thinks we should be very careful about how we enter into these types of agreements to defer things. He thinks that things are happening that we do not know about. The next thing we know there will be a cut coming forth - that is what he sees in the future in March. Not only will we not get the 3% increase, but we will get a 3% reduction, based upon the fact that they don't have the money.

Mr. Murray said he did not wish to duplicate all the discussion that occurred during the committee meeting on Wednesday, but he would ask how much consideration was given to cutting back some programs in order to protect the salary increases. Are we going to just sidestep that issue and just keep on holding the line? Suppose we get another shot in March or April and get another cut-back? Are we going to keep all the programs, keep all the people, or are we going to start making **some** tough decisions protecting some of the salary increases?

Dr. Matsler said he sympathizes very much with Mr. Wright's comments, but the problem he sees is that this Board cannot very well take action to give money that it does not have. The Legislature and the Governor have agreed that this money should be impounded, so we are probably boxed in on this. With respect to Mr. Murray's question as to whether or not we should be cutting back on programs, Dr. Matsler said he thinks we'll have to cut back on programs, but we want to remember that we are in mid-year and we have contracts with people, and it would appear to him to be a mistake to cut back on programs in mid-year if we can find the funds to protect the positions that we have. Mr. Murray's comments are very appropriate in terms of the new academic year, Dr. Matsler said, and he believes that we are going to have to face this problem in another year. We really should be looking to find ways that we can actually have the money in our appropriations. There is going to have to be a revenue enhancement program, and in his mind we should be

getting behind a push to perhaps increase the income tax very slightly in order to assure the institutions that they can continue to offer programs to the number of students that they have. We must remember that if we drop back on programs we are going to be turning back students, Dr. Matsler said, and he does not think that we want to do that either. We are really caught up in a mid-year adjustment. As to Mr. Wright's suggestion that the Resolution should state that the increase will be effective in March, Dr. Matsler said he would prefer that it state that the increase would be favorably considered with the intention that we would actually provide the 3%. However, if the other shoe should drop and we have fewer dollars, then we would be in very bad shape to have taken action and then have to rescind it.

Mr. Murray said he wishes he were as sure as Dr. Matsler that the state will adopt an increase in the income tax and that there is going to be a nice big increase for higher education. But he just believes that the universities would be well advised to have some contingency plans going for financial exigency before we are right up against the wall. Mr. Murray said he thinks it is misleading to keep promising that there is going to be a big tax increase, and it's time for some real hard planning in order to keep these salary increases viable. He just does not believe that we are going to continue to get more and more money, and it seems pretty obvious that is what the Governor is saying.

Dr. Matsler said in his view our institutions, as well as any of the other institutions in the state, are prepared for a financial exigency if, indeed, it comes. We do have our Board Regulations, we have a procedure to follow. How are the plans of the institutions coming, Mr. Murray inquired? The point is, Dr. Matsler said, that we are not prepared today to say that in case we have fewer dollars we are going to eliminate this program or that program. Doesn't Dr. Matsler think that would be a good idea, Mr. Murray asked? Not at all, Dr. Matsler responded, because if we do that today that would put it on the block for anyone who wants to chop at it - any particular program. Perhaps the presidents could speak to this better than he, Dr. Matsler said, but we will come up with the cutbacks if, indeed, we have to. But the point he is trying to make is that we are not quite ready to say publicly what are the weak programs, what programs are in disfavor; and he does not believe that we should.

With regard to the program issue, Ms. Burns said, at the last meeting of the BHE there was an excellent approach which our Board might duplicate which does not single out programs in the way that the Chairman and Dr. Matsler just referred to, but rather identifies them in terms of shifts in student demand. Some very interesting conclusions came out of that report, she said, and she would like to see the Board duplicate this kind of an approach for our programs and be ready to make those announcements or decisions on a student demand basis when they occur. Ms. Burns said she did not want to go into the whole report, but there is an interesting conclusion in it that states that almost half the programs statewide show an increase in unit costs at the same time the level of resources available to support each program has declined. This might sound unusual, but there are certain reasons for it. She thinks that we should be able to identify these programs and be prepared to make changes.

Mr. Murray said he, for one, would rather see us proceed with the salary increases and scale down programs if we have to. He thinks this would be a lot more honest as far as students are concerned if we do some planning ahead and tell them what programs are going to be cut in a year or two. There would

be a lot less trauma than if we wait right up to March or April and we get another cut and then all of a sudden just announce full-scale cuts. We would also be doing a good job of allocating our resources, Ms. Burns commented, which she thinks is one of the Board's primary goals in this whole exercise.

President Monat said he would offer two observations. One has to do with the analysis done by the BHE staff, and he would point out that that analysis focused only upon majors in programs. For example, he said, there has been a decline in English majors, yet he thinks English departments at universities are busier than they ever were because it is one of the major service departments in any university. We have had enrollment increases that are devastating in English at the same time we have a decline in English majors. The flaw of the BHE study was to focus upon majors, not upon enrollments. Take a look at English, History, Sociology, Mathematics and other departments, the president suggested, where there have been declining majors, and these departments have a greater teaching burden than they have ever had because majors of high student demand in Business and other areas rely upon these service departments to educate their students. So, to focus only upon those programs where there has been a decline in majors really leads us down a path which would be devastating to the integrity of the university, Dr. Monat said. Ms. Burns said she thinks that is a good suggestion, and no one mentioned that at the BHE meeting. President Lacy said he would point out also that the study covered, he believes, only 32 fields of study. It was not at all comprehensive and many of the fields of study that were left out are important ones in the universities. For instance, Medical Technology was not one that they had listed as well as a number of other professional fields. It is not really an adequate look at the total picture on student enrollment and program costs throughout public higher education in the state. Dr. Lacy said he wished the presidents had had an opportunity to speak to this at the BHE meeting, because these points were not covered. Another point which should be made, and he thinks it is true for the most part in our three institutions and in public higher education in the state in general, is that we do believe that roughly the mix of programs we currently have is indeed in the best interest of the state, and it is important to be preserved for the future economic development in this state. Dr. Lacy said the institutions believe we have a key role to play in turning this state around economically. If we start slashing programs very early then we are going to be passing the buck on our responsibility to play a key role in the economic turnaround. Finally, the president said, obviously we have to look at student enrollment as this study did, but that needs to be only one factor among a number of factors in the planning process. There are a number of other factors which need to be balanced when we get down to the final decision-making. He would argue that it is too early for us to be identifying specific programs at this time that we believe are not in the public interest, and that strategically we ought to wait until a little bit later in the budget process before we do that.

President Watkins said he would make one additional observation. Demand is not constant. A program which is very hot at one point can cool off at another when the job possibilities begin to diminish because of the production of majors in that area. We want to be careful that we don't commit the error of dismantling programs that we might wish later we had just because they are maybe currently not as much in favor as something else. There are areas right now that are not as hot as they were two or three years ago, when everyone felt that they would continue being in high demand by students because there would always be jobs out there. President Watkins said he would submit that

the kind of planning which has been suggested must be done and to the best of his knowledge it is being done on the three campuses.

Mr. Murray said that would satisfy him if he is assured that there is something going on. Dr. Watkins said that is why they have as a major university committee one called the Needs and Priorities Committee, and he believes that the other two institutions have the same kinds of things. Planning goes on on an on-going basis, hours and hours are spent in setting priorities and goals and trying to decide which areas need enhancement and which can sustain reductions. The system of quality programming is very much a part of the effort at ISU.

Ms. Burns said she is sorry if her comments were misconstrued, because she does not believe she said anything about slashing programs. What she was talking about was allocation of resources and student demand, and she is sure we have the brain power to improve on the BHE staff report at the Board of Regents level. She found the report a most concrete and helpful one about programming and unit costs and how they shift, and they do shift all the time. Ms. Burns said she thinks it would be very helpful for the Board and all of us to know exactly what the program statuses are in our universities and where we do have to make shifts and changes.

We are doing this all the time, President Monat said. We have in the Regency System the most rigorous, exacting program review process in existence, and we were a pioneer in Illinois in higher education at the state level. That is what program review is all about. Every five years each program is thoroughly examined and these questions are raised in that process - high priority, shifts in demand, reallocation. It is an on-going process and happens day in and day out. It becomes much more urgent now than it has been in the past and so the process itself has become more urgent and more exciting. The universities are not oblivious to the realities. Unfortunately, they are probably more engaged in these realities than the Board. This is their bread and butter, it is their business.

President Watkins added that because of the tautness of funding they do not have the luxury of ignoring shifts in demand, they have to meet them. So, even if they did not agree philosophically (which they do), they would be doing it anyway, simply out of practicality.

Mrs. Fitzpatrick said she thinks it would be worth having the whole Board look at the BHE staff report, and Dr. Matsler said he would see that it is distributed, but he would also say, as pointed out by Dr. Monat, we have pioneered this in a way in which we are aware of these fluctuations and changes in demand. He asked Dr. Groves if he would comment on this for the Board.

Dr. Groves said there are some serious methodological flaws in the BHE staff report, but it also deserves a very substantial analysis at both the institutional and staff levels. He would suggest that it would be an appropriate analysis to be done by staff. He would hate for the Board to look at the report without such an analysis going along with it which would point out the serious flaws he feels are in it, as well as the steps being taken in this direction by our institutions. This would be a useful exercise, and that sort of a report would be helpful.

Mr. Murray said he would like for Staff to do this.

President Monat said all he had been trying to focus on was the incompleteness of the BHE analysis - not that the analysis was wrong, because it did point out one dimension of the shift in demands. What it did not focus on was the other side of that analysis. It just focused on student majors and on that point it was a very useful document. The real bottom line right now, Dr. Lacy added, is whether the programs that we would probably cut from the three institutions are really more valuable to the people of Illinois than programs that might be cut from such departments as the Department of Transportation or the Department of Commerce, or from other parts of state government. The real bottom line is competition for available general revenue dollars between higher education and the various other units of state government. He said there is no doubt in his mind whatsoever that those of our programs which we view as those most likely to be cut are indeed more important to the people of Illinois than many other activities of state government being funded entirely out of general revenue funds. President Lacy said while he agrees with the Chairman he would point out that the states which currently enjoy the recognition of being high technology states - Massachusetts, North Carolina and California - are states which made a commitment and have stayed with the commitment. Sure, they are having to tighten their belts too, but the commitment to higher education is still there. He said he would submit that if Illinois is in fact serious about getting into a leadership position in high technology, the one area in which it really had better not defer maintenance on or cut back on too much is higher education.

Mr. Murray said he did not disagree with this, but surely the presidents are not saying that every program at the university is a high tech program. No, President Watkins responded, what they are saying is that a great many of them are not directly related to high tech but they do provide the basis for those programs which are - they provide the mathematical, grammatical and sociological bases for those programs.

Ms. Burns said she would hope that as we do this exercise, we would keep an eye toward the future and toward arguments that we might make to direct resources in our direction when they are available for redirecting. She would rather not be past-oriented, but rather future-oriented, particularly right now.

President Monat said the Chairman was present at and a part of a conversation which took place at his house about ten days ago with the Director of the Fermi Lab, who was most eloquent in pointing out that at least in terms of the developing quarter - Chicago westward - a critical link in his mind in the future of that part of Illinois are the institutions of higher education, and specifically Northern Illinois University. Yes, Mr. Murray said, and he also indicated that one of the big inducements was perhaps a scientific high school which North Carolina has, and New York also has a couple.

Dr. Virginia Crafts said she had been instructed by the Joint University Advisory Committee to make some remarks about this subject, so she would just like to react to what she has heard this morning. She thinks there is a great appreciation of the supportive comments that have been made by various Regents, and in particular the comments by the presidents in regard to supportive retention of programs in the Regency institutions through on-going, strenuous, extensive and systematic review of programs. It would be her hope that the Board would take note of those comments and give them real consideration. Secondly, the JUAC did discuss the programs that are associated with recent developments in the budgetary situation, and she would like to thank Dr. Brim for joining their group to explain and clarify the current and projected budgetary

situations. JUAC feels that the impact of projected budgetary cuts for higher education, and particularly for the Regency institutions, should be clearly recognized. Cuts in the budget will cause substantial negative effects upon the primary mission of the institution, quality education for students. It will thwart the development of human resources which elected public officials from all parties have emphasized as the basis for long-term recovery within the state. Personally, she would compliment the Board for the very sincere efforts to resolve a very sticky problem. JUAC is aware of the problem also, but is most appreciative of the Board's consideration of it.

Mr. Murray said he had not discussed this with Mr. Wright, but he still feels that what is going to save the American economy is going to be an increase in productivity, and he would challenge the faculties and universities, as he did a year ago, that salary increases are a lot easier to sell if we give some indication that there has been an increase in productivity on the campuses. He said he does not know whether it is happening or not, but it is happening all over American business and industry, and he does not believe that we are exempt. Mr. Murray said he does not know if this means an extra hour of teaching or what, but we are just kidding ourselves if we stick our heads in the sand and say we are immune, just sit back and say we are going to have an increase in the income tax. He said he just does not think that is going to happen, and as close as he feels to higher education and recognizes the need to keep our universities great, we have to be realistic.

The question before the Board for adoption of the Resolution was called for a vote, and the motion carried unanimously.

Dr. Crafts said the Joint University Advisory Committee would like to go on record as strongly concurring with the suggestion made by Dr. Matsler at the November meeting of the Board of Higher Education, that a tax increase be sought as one means of helping to alleviate financial problems in higher education. The JUAC strongly urges the Board to exert every effort in working for a tax increase and enhancement of the financial support for higher education in Illinois.

Mrs. Fitzpatrick continued with her report on the joint meeting of the Finance/Facilities Committee.

The Committees discussed the University Guidelines 1982 at the meeting on Wednesday. She said Mr. Beahringer of the Staff has worked very hard on this matter, and while the matter would not be presented for action by the Board until January, she ask Mr. Beahringer to report briefly to the Board today.

As most people know, Mr. Beahringer said, the Legislative Audit Commission and the universities developed guidelines for the handling of non-appropriated funds, and those guidelines developed in 1977 had a lot of faults. They have now been revised and approved by the Legislative Audit Commission on November 30. The committee discussed many aspects of the Guidelines yesterday, particularly the exception for ISU. The unique situation of Illinois State is not mentioned in the Guidelines as written, but an exception has been formulated which will meet their needs in the bond revenue areas. The committee also discussed the proposal by the LAC that the Board of Higher Education and the universities explore the possibility of eliminating what they call subsidies - retirement, employee benefits in bond revenue areas. The BHE and

the universities are to present a plan to the Legislative Audit Commission by 1985 for the appropriate funding of those benefits, with implementation of the plan by 1990. Mr. Behringer said that the discussion yesterday was that hopefully the Board's sentiment in January would be that the Board feels it is appropriate to continue funding of these benefits from appropriated funds. As Mrs. Fitzpatrick reported, he said, the University Guidelines will be presented to the Board in January for action.

Mr. Winning commented that he thinks the compromise worked out between Mr. Behringer and members of the LAC is the best possible one that could be obtained, and he should be commended for doing an outstanding job. President Watkins said a lot of the work done by Mr. Behringer was on behalf of ISU. The exception was rather difficult to work out and to secure approval of it by the Commission; and Illinois State is very pleased about this.

The other item on the agenda of the joint committee meeting, Mrs. Fitzpatrick continued, was the proposed recreation facility for Northern Illinois University. She called attention to the addendum which had been distributed to members of the Board detailing the action which is being requested of the Board, and moved for approval by the Board. The motion was seconded by Mr. Parker.

Dr. Matsler explained that what is being requested is:

- . approval to employ Kessler, Merci and Associates as architects for an initial contract of \$150,000 which will include preparation of all bid documents, final advertisement and receipt of bids and evaluation of same;
- . approval to proceed in acquiring construction bids;
- . preparation of recommendations to the Board of Regents relative to the construction of the project;
- . approval of Continental Illinois National Bank and Trust Company of Chicago as manager and underwriter of the bond offer;
- . authorization for requesting bond ratings;
- . authorization for the preparation of draft documents and the initiation of other related activities necessary in preparation for a bond offering;
- . directive to engage bond legal counsel on the recommendation of both James Winning, Legal Counsel of the Board, and the Continental Bank, with authorization to commence necessary legal activities related to the construction and financing of the project;
- . preparation of a summary report on financing to be presented at the January or February meeting, which shall include drafts of all offering documents, bond ratings, market analysis, disclosures and amended schedule.

Mr. Murray asked Ms. Burns if, as chairman of the Facilities Committee, she had anything to add.

Ms. Burns said she thinks everyone at the meeting yesterday tried to come out of the meeting with two assurances: that the numbers, figures and data relative to the project have been thoughtfully and accurately collected, and that the project was still wanted by the students. She said she believes that everyone was assured of that, and the conclusion was to support the project.

Mr. Murray noted that if this is approved today and then the Board decides in January or February not to go ahead with it, we will have wasted \$150,000. President Monat said he would not term it a waste, but rather an investment in a future decision.

Mr. Murray asked Mr. Gayles how he assessed the student desire for the project. Mr. Gayles said at the last Board meeting he asked for enough time to go back to the student body for a reaction as to whether the results of the earlier referendum were still valid and in effect. The Student Association which represents the campus population has given wholehearted approval to the project. This is something that is primarily funded by student fee dollars, Mr. Gayles pointed out, and student opinion is that this is a good bargain.

President Monat added that he would like to read into the record the text of a memorandum which he had received from Jim Corbett, President of the Student Association:

As you are aware, there has been strong student support for the proposed recreation facility since discussion on the facility first began.

Since that time, students at Northern have consistently demonstrated their support for the facility. Over two years ago, the student body passed a referendum assessing themselves twenty dollars per semester to pay for the recreation facility. Since then, the Student Association Recreation Committee has been involved in many matters relating to the facility such as its design and the allocation of space to various activities. Most recently, at its meeting of November 21, 1982, the Student Association Senate voiced its support for the facility by overwhelmingly passing a resolution extending the validity of the two year old referendum through the current fiscal year. However, the Senate attached a rider to the resolution stating that it would have no effect until the fee assessed students for usage of the racquetball/handball and tennis courts was removed from the User Fee proposed for the facility. SARC also unanimously voted to reject any facility usage fee for students.

As a result of these actions, the student user fee was removed from the proposal. In another show of support for the facility the S.A. and SARC have vowed to work with the administration in developing alternate funding sources to account for the loss of revenue caused by removal of the student users fee. With the removal of that fee there now exists no barrier to wholehearted student support for construction of the recreation facility.

As has long been recognized by students, there exists today, more so than ever before, the need for a facility offering comprehensive open recreation on campus. The actions of SARC, the S.A. Senate,

and the entire student body, along with the growing interest in physical fitness, clearly demonstrate that the students of NIU wholeheartedly support the construction of the recreation facility.

I ask that you convey this message to the Board of Regents.

What does this provide for part-timers, Mr. Murray asked? Is the fee to be pro-rated? Yes, the President responded.

Mr. Murray asked the President if it bothers NIU at all to announce this project at the same time the Governor is cutting back. Dr. Monat said there is a matter of sensitivity, but as he explained to the committee yesterday, they have to look at NIU not just next year and the year after, but what is going to be 30 - 50 years from now. In his judgment students are thinking in that time frame. We are all concerned about student recruitment and retention over the next half century. Dr. Monat said in their judgment the facility is needed, and he wishes they had it now. If the Board authorizes the university to move down this path today, and the reports that come back in January or February with respect to bids and with respect to financing lead to the conclusion that the project cannot proceed, then he would not recommend to the Board that the project proceed.

Ms. Burns said she thinks the university has used very good sense in waiting for the bond market rates to come down, and they will continue to do so. She thinks a strong point in our favor is taking very great care to plan this project for the appropriate time. There has been some element of good sense involved in the planning. It has been almost three years since this was first discussed.

The question before the Board for approval of the NIU recreation facility project was called for a vote, and the motion carried unanimously.

President Monat expressed his personal appreciation and that of the university to the Facilities Committee for its patience and assistance over the past three years, and to Mr. Beahringer and other Board staff who worked closely with the institution to make today's action a reality.

As far as need is concerned, Mr. Murray said, he thinks this is long overdue; and he hopes we are not making a mistake in the amount of dollars. There is a reason why the bond market is coming down, he noted, and that is because dollars are more precious. But, let's all hope that we are doing the right thing.

Mrs. Fitzpatrick reported that the Merit Board did meet last week, and while she was unable to be present, Ms. Marsha Murray of the Staff did attend and furnished her with a report on the meeting, which she would like the Board to hear.

Ms. Murray said that on a substantive level, the Merit Board has a joint benefits resolution which covers all civil service employees. That resolution is merely advisory to the Board of Regents and the other systems. The Merit Board did revise its policy so as to allow the use of earned vacation during probationary periods. In January Staff will be bringing to the Board an amendment to our Board Regulations which would allow - if the Board chooses - the incorporation of that change as an employee benefit.

In a related matter, Ms. Murray reported, the State Universities Civil Service System has an advisory committee, the membership of which is on an elected basis by the employees who are civil service status. The representative from Sangamon State, Ms. Jane Lauterbach, has announced that she will be resigning from her position at the university, and Ms. Murray said she would simply like for the record to reflect that Ms. Lauterbach was an able representative of the civil service employees of SSU.

President Lacy added that Ms. Lauterbach was indeed an extraordinary representative for all employees of the institution and did an exceptional job of representing us on that committee. She resigned to join her husband in private business, and was a major loss to the university.

Personnel Committee

Dr. Wellbank, chair of the committee, said he would defer his report until the Executive Director's Report was made to the Board.

Joint University Advisory Committee

Dr. Virginia Crafts, chair, said she was pleased to introduce Ms. Cindy Stephenson as a new student JUAC member from Sangamon State University.

At the meeting on Wednesday, Dr. Crafts reported, the Joint University Advisory Committee discussed the possibility that, as was done in the Spring of 1982, there might be in the Spring of 1983 some sort of a plan to have a get-together for the Board, Staff, JUAC and possibly other invited persons. The Committee recognizes that there are financial constraints which would impose limits on such a meeting, but they would like to present some ideas to the Board as to the nature of such a gathering should the Board be willing to support it. With this in mind an ad hoc committee has been formed to develop some program alternatives which the Committee will then review with Board staff and, hopefully, then bring the ideas to the Board. The ad hoc committee is composed of Irene Allsop from SSU, George Tuttle from ISU, and Annette Lefkowitz from NIU, who will serve as chair of the committee.

State Universities Retirement System

Mr. Bender said he merely wished to thank members of the Joint University Advisory Committee for the superior job they did on the issues paper relating to the State Universities Retirement System. Mr. Hoffmeister, Executive Director of SURS, has requested permission to make a copy of the paper available to all employers covered by the system, and he understands that the employers will then distribute it to their employees. This issues paper has been most helpful, Mr. Bender said. Mr. Murray said he would agree that it was a very good paper.

EXECUTIVE DIRECTOR'S REPORT NO. 136

Dr. Matsler reported to the Board that a few weeks ago he had the pleasure of visiting with Mr. Charles Shuman, a former member of the Board. Mr. Shuman is in good health and expressed his regret at not being on the Board anymore, but asked that his greetings be extended to everyone. Dr. Matsler said he also has had an opportunity to talk with Jim Patterson by telephone, and he also sent his regards to the Board.

Section I - Legislative Report

Referring to the Congressional elections, Dr. Matsler said it is the consensus of most observers of Congress generally that there will be no great changes in the coming year with respect to the attitudes of Congress toward higher education. There will be some, but not a lot. With respect to the Illinois General Assembly, as is pointed out in the report there will be a new kind of legislature in the coming years, with the new single member House districts. The report also indicates a summary of some of the changes which will occur in the leadership which will have some effect on the way the General Assembly operates.

At the federal level, Dr. Matsler said, it appears that the tuition tax credit issue is dead for this year, as well as the balanced budget amendment. The jobs training bill is still being developed and the results of that are not available and will not be for a while. The Pell-Nickles bill is a very interesting one which would direct the institutions to determine whether or not recipients of Pell grants are maintaining a C average. Many institutions, of course, already have this provision in their own rules and regulations.

Dr. Matsler reported that President Watkins was recently elected to a three year term on the board of directors of the American Association of State Colleges and Universities, and additionally, Dr. Monat will serve as chairman of the AASCU Committee on State Relations, Dr. Lacy chairs the Committee on Upper Level Colleges and Universities, while he will serve as chairman of the Federal Relations Committee.

With reference to the Pell-Nickles bill, President Watkins said Senator Claiborne Pell has been an acknowledged leader in higher education and funding for it in the House and Senate, and when you oppose something on which he has put his name, you do not do it lightly. However, Dr. Watkins said, he did write to Senator Pell because of a hidden possibility in the bill which disturbs him a great deal. The President said he believes that every institution has designed a system of academic progress or grade necessities for a student to stay off probation. In other words, every university of which he is aware will eventually separate a student if the student continues to do badly. Those are institutional policies. His concern with the bill includes a concern for the massive amount of paperwork, but the most important thing is that Pell grants are intended to most help the disadvantaged students from poor families. Disadvantaged students from poor families frequently come from disadvantaged educational situations where the high school has not adequately been able to prepare these young men and women, and sometimes it takes them a while to get on their feet. Many of them do that and are successful graduates and successful people. But to insist on a C average in the first year, the President said, seems to be counterproductive with regards to the kinds of people that we are trying to mainstream into higher education and better lives in this country. He said he had written Senator Pell suggesting that this is not in the best interest of young men and women coming from disadvantaged backgrounds which Pell grants are designed to help. He urged others to also write to the senator.

What is the rationale for this bill, Mr. Murray inquired? Dr. Watkins said he could not answer that, except to say that in times when there are restricted resources, there may be a feeling that this is one way of cutting down on the number of potential recipients; or maybe there is a rationale which says that

if you are going to take money from the federal government you ought to have a C average. But his point, Dr. Watkins said, is that institutions have in place regulations which assure that students progress so that they can graduate.

Section II - Collective Bargaining Agreements

Dr. Matsler said a number of collective bargaining agreements would appear in the Presidents' Reports later in the meeting, and he would like the record to show that the Board would not be requested to approve these agreements in their entirety, but that the wage provisions in the agreements are being deferred in accordance with the Resolution earlier adopted by the Board.

Illinois State and NIU will be presenting the following contracts, Dr. Matsler advised, and these have been reviewed by Staff:

- (1) Illinois State University, Board of Regents and Fraternal Order of Police (Mackinaw Valley Lodge #67)
- (2) Illinois State University, Board of Regents and International Union of Operating Engineers - Heating Plant Employees (Local Union 399)
- (3) Illinois State University, Board of Regents and International Union of Operating Engineers - Building Mechanics (Local Union 399)
- (4) Northern Illinois University, Board of Regents and International Union of Operating Engineers - Heating Plant Employees (Local Union 399)

Additionally, Dr. Matsler reported, Northern Illinois University will be presenting two AFSCME agreements (DeKalb and Lorado Taft Campuses), and a contract with the Fraternal Order of Police. These three agreements were not received in the Central Office prior to the report deadline and therefore no recommendation can be made.

Mr. Winning noted that the FOP contract at Northern and the agreement covering Building Mechanics at ISU are new contracts, and the Board would be asked to approve the working conditions provisions of the agreements, but defer approval of the wage provisions. The other contracts are wage reopeners, and approval should be deferred.

Section III - Status Report: Student Financial Aid

Dr. Matsler noted that this report had been prepared by Marsha Murray of the Staff to give the Board an understanding of the trends in financial aids which are occurring now.

Ms. Murray said it is important to acknowledge that there has been an increase in total dollars, about 10%, however she would caution optimism about this because even the public tuition increase would have wiped out any beneficial impact of that. In addition we are finding that fewer students are receiving some kind of financial aid, and the gap between the resources available and the cost of higher education has continued to widen. In terms of types and sources of aid, as expected, the federal government's percentage share contribution has declined. The State of Illinois lost \$5 million in direct student financial assistance from the federal government, Ms. Murray reported. Paralleling that, we have a situation in which although constant dollars have remained

the same in terms of the state's contribution to financial aid, indeed that represents the lowest percentage in at least 10 years. At one time the State of Illinois' direct contributions to students represented 40% of the money available to help students. Now it is down to 20%, and Ms. Murray said she assumes we can expect for this to continue to decline. The resources that are available to keep the dollar amounts constant are primarily from the private sector as part of the State Guaranteed Loan Program, and we are finding far more students relying heavily on loans and the loan volume has doubled in the last two years. Although the National Direct Student Loan Program - the federal program - does not represent a significant percentage of aid that is available, Mrs. Murray said because the NDSL default rate seems to attract a great deal of media attention she had included the default rate information for our three institutions in the report.

Given that fact, Mrs. Fitzpatrick said, and the statement that the NDSL may be cut if default rates exceed 25%, and the fact that Sangamon State has exceeded that rate consistently, what will happen? Mrs. Murray said there has certainly been a diminishment of the default rate at Sangamon State due to the responsible and competent effort on the part of Dr. Goins and his staff. There have also been many discussions with the Department of Education, the Central Staff, and others, and she said she feels confident that Dr. Goins is doing everything he can to bring the default rate down. Mrs. Fitzpatrick said she realizes they can use roll-over funds, but is there any threat of discontinuing new funds? Unfortunately, Mrs. Murray said, in an institution that is small and relatively new - just like a revolving credit balance - the amount of money that would be in that pool is much smaller proportionately than it would be at an older school that had a strong revolving fund. She said she knows that President Lacy addressed that issue before a sub-committee in Washington, and perhaps he might want to speak to this at a later time. Mrs. Murray said we do have the figures on the default rate as of July 1982 but they have not been verified and confirmed by the Department of Education and, therefore, she did not feel comfortable including this in the report. She added that there has been no significant increase or decrease at any of our three institutions.

President Lacy noted that two months ago he did go to Washington to testify before the House Education Committee on the question of collection of NDSL's. He said he thinks with the testimony of a number of university presidents and other individuals that the problem was pretty well put on the table. The heart of his testimony was that we did exactly what we believed the legislation intended with the use of these funds. We did make loans to high-risk students. That is what the Congress asked us to do, and therefore Congress could expect a somewhat stronger collection problem in this program than it has in other loan programs from the federal government. Having said that, Dr. Lacy said he would acknowledge that the university is also unhappy with the default rates, and they are doing everything they possibly can to collect these loans. They do have one step which they have not taken, but which they are about to take - take some students to court. That is the only step remaining for them. But the university has made exceptional efforts to collect the money but they believe the expectation that you would create a high-risk program and then not be prepared to take any risk was a false expectation.

Mrs. Murray called attention to the table in the report relative to defaults, noting that this includes a default rate which is a calculation of the Department

of Education and also a "potential rate". What that means is if the institution during that fiscal year had not referred or assigned back to DOE a certain amount of accounts they would have had the higher default rate. Mrs. Murray said she brings this up only because she believes the institutions are finding themselves in a very difficult position. The Auditor General's Office feels that since there a 1/9th matching fund from the State of Illinois into the NDSL program that we are in a sense violative of state law by assigning and referring those loans; and yet that is the single, most dramatic way to keep default rates down, particularly on very old uncollectible loans. As noted in the report, Mrs. Murray said she has suggested that perhaps some legislation be introduced specifically excluding the NDSL from provisions of state law forbidding transfer of funds out of state.

Ms. Orchowski asked if these accounts are just turned over to a collection agency to recoup the money.

Mrs. Murray said there is really a two-step plan. We do have in-house collection at all three campuses and this is done as part of the due diligence requirements of the federal government. At some point, when you can no longer pursue that on a local level, the accounts are turned over to collection agencies - however, that is not the assignment referral about which she has been speaking. That collection effort, as it would be with any other kind of commercial collection, amounts to whatever is collected, a percentage of that remaining as a fee for the collection agency. The assignment referral is just like in regular banking or in a department store. When you have an uncollectible and very old account what you do is simply write it off your books. We have never had any kind of way to do that, and it is a commercially sound way of doing business. As a result, the Department of Education granted us the right to assign or refer those very old uncollectible accounts back to DOE. In some cases they will return to the institution a percentage of collections, in other cases they won't.

Mrs. Murray said that the Illinois State Scholarship Commission which has been at times rather controversial is continuing to do everything it can, she thinks, to remain in the public spotlight. Like all of us, they are facing a gap between resources and need. They are being heavily monitored by all the public and private sectors to make sure that the allocation of those limited resources is fair and goes to students who have high need. The ISSC has made several changes which have been very positive. Unfortunately, at their last meeting on November 22, they announced that although the cutoff date for application for the monetary award program is March 15, the number of applications received has already exceeded their projected number through March 15. While this may not exactly put us into another "shortfall payback position", she said, certainly the Commission at the time they made this announcement indicated that they felt that for second term awards there would be a reduction in awards of up to perhaps \$150.00. We know that they have taken their share of the budget slashing which was discussed earlier this morning, Mrs. Murray said, so all she can say is that we do not know what the impact will be. We do not have any idea from the State Scholarship Commission of how short they will actually be and how it will affect students. But it is certainly a very anxiety-provoking situation again.

Has the Commission alleviated any of its administrative problems, Mr. Gayles asked? Mrs. Murray said from observing the Commission at work, her sense is that the members of ISSC as well as Director Matejka and his staff have

come a long way in being sensitive to some of the administrative ripples that we feel out here in the field. These efforts should be commended. Certainly their formulas and their technical efforts have been much better in the course of this last year than we had seen before. She said she does not know what one does about projections and lack of resources, but she does appreciate the fact that they did announce the problem as soon as it appeared and are making attempts to notify the students that are affected.

Is it a certainty that in the second semester students will have to take a reduction of \$150, Mrs. Fitzpatrick asked? Mrs. Murray said she does not think anyone can say the dollar figure at this time, but at the time of the Commission meeting the best guess was there would be reductions and that they would be no more than \$150 per student. That would not be across-the-board; that is just the maximum they felt they were comfortable discussing. Since then the Commission has taken the same percentage cut that all other agencies have taken.

Will there be some decision made at the next meeting, Mrs. Fitzpatrick asked? There will have to be, Mrs. Murray responded. When is the meeting, Mrs. Fitzpatrick asked? In January, Mrs. Murray said.

Mrs. Fitzpatrick, noting the statement in the report that it is likely that ISSC will continue to request higher appropriations, will support increases in the maximum award, and will continue to wrestle with need priorities, asked what we as representatives of public institutions will do.

Marsha Murray said she would think we would have difficulty saying that an increase in a maximum award benefits us. How likely are we not to support this and give emphasis to the fact that there should be no increase in the maximum award, Mrs. Fitzpatrick asked? That is certainly the public university sector response, Mrs. Murray said, but on the other hand, the Commission and its statutory authority requires a certain maximum award calculated on public tuition vs. private tuition differentials. In all fairness to the private sector we have to admit that there has been an erosion of that gap. Many private institutions are feeling perhaps even more strongly than we do the impact of the federal cutback, state cutback and the fact that the maximum statutory maximum award is no longer sufficient. As resources get limited, people lobby harder, Mrs. Murray commented.

Mrs. Fitzpatrick said she does not see us doing much lobbying, and she thinks we should for the benefit of the institutions and the students in our institutions.

Section IV - Board Meeting Calendar

Dr. Matsler presented the following calendar of Board meetings for 1983 for consideration:

January 20, 1983	Chicago
February 1983	Subject to Call
March 17, 1983	Sangamon State University
April 21, 1983	Northern Illinois University
May 19, 1983	Illinois State University
June 23, 1983	Springfield
July 21, 1983	Sangamon State University

August 1983	Subject to Call
September 22, 1983	Northern Illinois University
October 20, 1983	Illinois State University
November 1983	Subject to Call
December 8, 1983	Chicago

Dr. Matsler noted that the schedule now calls for a meeting to be held in Chicago on January 20, with the February meeting subject to call. If agreeable with the Board, he said, he would propose that the January meeting be cancelled, and a meeting be planned for February 10. The reason for this is that we will be receiving from the Governor's office at the end of January his recommendations for the FY84 level of funding, and we must act on the FY84 tuition rates sometime before the 1st of March so the appropriation bill can be written and submitted to the General Assembly. The BHE, he noted, has recommended a minimum of 10% increase in tuition, and he would like very much to stay at the level of no more than a 10% increase. If the Board agrees to meet in February Staff can present the background materials on tuition, as is done each year. However, he said, this would probably also mean that the Executive Committee would need to meet in January, although he would like to hear from the Presidents on this.

Mr. Murray asked if Dr. Matsler would object to a February meeting being held on the 17th rather than the 10th; and Dr. Matsler said as far as he was concerned this would be agreeable. It would still give Staff sufficient time to prepare the appropriation bill. The consensus of the Board members was that February 17th would be acceptable. Dr. Wellbank asked where the meeting would be held. Mr. Murray noted that Dr. Matsler has been complaining a little about the cost of meeting in Chicago, although attendance is quite good today. Dr. Matsler said the location would be strictly up to the Board, although one difficulty might be securing a meeting place in Chicago at this late date. After a considerable amount of discussion as to the location of the various meetings, Mr. Parker moved for approval of the 1983 calendar of meetings as amended. The motion was seconded by Dr. Wellbank, and it carried unanimously. The calendar as adopted is as follows:

January 20, 1983	Meeting Cancelled
February 17, 1983	Sangamon State University
March 17, 1983	Northern Illinois University
April 21, 1983	Illinois State University
May 19, 1983	Springfield
June 23, 1983	Sangamon State University
July 21, 1983	Northern Illinois University
August 1983	Subject to Call
September 22, 1983	Sangamon State University
October 20, 1983	Illinois State University
November 1983	Subject to Call
December 8, 1983	Chicago

Dr. Matsler said a meeting of the Executive Committee will be scheduled for January 20th, at a time and place to be announced later.

Section V - Report on Economic Development and Higher Education

Dr. Matsler stated that this section of his Report was prepared by Dr. Groves to give the Board somewhat of an idea of what is going on in the area of economic development and the partnership between business and the universities.

Dr. Groves said as the Report notes, there are a lot of actors in this area - so many that the play might be entitled "The Sound and Fury of Economic Development". The Governor and the Mayor of Chicago have both established task forces on high technology. We now have a Commission on Science and High Technology. The Board of Higher Education has a Committee on Economic Development and Higher Education; and, of course, both candidates for Governor as well as other candidates for public office discussed the subject extensively in the last campaign.

The involvement of higher education, Dr. Groves said, is drawn in particularly through the concept of high technology. Where high technology economic development has taken place it has been probably uniquely associated with institutions of higher education, particularly those that have a heavy emphasis upon science and technological research. As noted earlier by President Watkins, those particularly prominent areas of the country where this has taken place are Massachusetts (the belt around Boston), North Carolina (the "research triangle"), California (the Silicon Valley), and also Texas. These areas have had the bulk of high technology development in this country, although it is not a stranger to Illinois. One of the things that has been uncovered by the various task forces is that there is a significant base of high technology industry in the State of Illinois. It is already up and going. Because of the association with higher education in various places, this has focused the attention of people who have directed their concern and consideration to the subject to the role of higher education. The two task forces were chaired by people who were drawn from higher education, and Dr. Groves said it is his understanding that the Commission on Science and High Technology will be co-chaired by Dr. Stanley Ikenberry of the University of Illinois.

Dr. Groves said there are a number of factors to think about in the area of economic development and higher education. One is the process of planning - the whole concept of how you move forward with economic development, particularly high technology economic development. The two task forces have given thought to this, and the Commission is also going to give thought to this. The Committee of the BHE has looked more at broad policy dimensions, things like priorities of engineering education and support for it, priorities for technology programs and occupational programs, the priority for science education in high schools. Another dimension is funding. The Governor's task force recommended \$30 million be spent by the State over three years, but the Governor responded that he was not sure that was feasible. The difficult situation insofar as the state revenue is concerned would suggest that this may be even less than feasible. This is something that must be considered through the appropriations process and also through the budgetary formulation process involving higher education.

Illinois is blessed, Dr. Groves continued, with two national research laboratories, both of them in the Chicago suburban area. One is the Fermi Lab, which is high energy physics, and the other is Argonne National Laboratory, which is more broadly focused.

Dr. Groves concluded his Report by stating that the reason for bringing the matter before the Board at this point was to solicit input from the members of the Board and provide an opportunity for discussions involving the presidents, the universities and the Board as to the sort of response the System and its institutions ought to make on this score. In that regard, Staff will be developing a report to be submitted to the BHE staff, to be combined with the report of its Committee on Economic Development and Higher Education, a report which will uniquely look at the role our institutions can play in this area and the ways in which that could be facilitated. Are there special contributions that our universities can make, given their location and their mix of programs? This is something we will be looking at. Should we be seeking special programmatic and budgetary authorizations to enhance that contribution? Do the current economic circumstances of the State suggest that our aspirations in this regard might be revised downward, or is this the time to push ahead with a particularly strong emphasis? These are all important questions, not just for the universities, but for the Board as well.

Section VI - Grants and Contracts

Northern Illinois University is seeking Board approval of a contract with the U.S. Peace Corps entitled "Training Program for Peace Corps Trainees and Volunteers for Assignment in Honduras". He reported that under authority provided by our Board Regulations the contract was given preliminary approval by the Executive Director because the University had to accept the contract prior to this Board meeting. Consistent with the Board Regulations, Dr. Matsler said, the contract is now being submitted to the Board for final approval.

Mr. Parker moved for approval of the contract. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Section VII - Board of Regents Fund - Status Report

Dr. Matsler reported that as of December 1, 1982 the Board of Regents Fund shows a balance of \$4,451.42. Of this total, \$2,280 represents gifts received and \$2,171.42 reflects interest earned. Staff recommends, he said, that the money be reinvested and that its use be considered at some future date.

Dr. Wellbank moved for approval of the Staff recommendation. The motion was seconded by Mr. Bender, and it carried unanimously.

Section VIII - Dependent Health Insurance - Status Report

Dr. Matsler reported to the Board that as of November 1, 1982, when the initial enrollment period ended, there were 994 dependent units enrolled in the alternative dependent health insurance program, which is almost 50% of those eligible.

Section IX - Administrative Salary Plan Ranges for 1983

Dr. Matsler said Staff is recommending that the current ranges in the Administrative Salary Plan be increased by 3% for 1983, effective January 1, 1983.

Mr. Parker moved for approval of the Staff recommendation. The motion was seconded by Dr. Wellbank.

Dr. Matsler said he would emphasize that Board approval of an increase in the ranges would not provide any money or any percent of increase to any individual. He said that this proposed change is the result of work done by Dr. Wellbank with the staff.

Mr. Murray said while we do not have the money now, if the proposal is approved by the Board and if we do get the money, this is an indication that we are going to adjust salaries upward, recognizing the fact that the brackets are presently too low. Those who would be affected, he said, can take cognizance of the fact that the Board recognizes they are worth more - whether or not we can afford to pay them.

Mr. Gayles asked why we could not have a similar proposal for faculty, and Dr. Matsler explained that there is no salary schedule for faculty. They are given increases on an individual basis.

Mr. Murray suggested for the benefit of those members of the Board who started their service after adoption of the Administrative Salary Plan that Dr. Matsler have a summary description of the Plan prepared for distribution.

The question before the Board was called, and the motion carried unanimously.

Section X - Report Schedule, Calendar Year 1983

Dr. Matsler presented, as an information item, a schedule of reports which is prepared annually to assist the staffs of the universities and the Central Office to coordinate the various intra-system reports which are prepared.

Section XI - Central Office Line Item Transfers

Dr. Matsler asked for approval of the following transfers between FY83 appropriation line items:

<u>From</u>		<u>To</u>	
Contractual Services	\$3,200	Commodities	\$4,300
Equipment	300		
Operation of Automot- ive Equipment	800		
	<u>\$4,300</u>		<u>\$4,300</u>

Ms. Orchowski moved for approval of the line item transfers. The motion was seconded by Mrs. Fitzpatrick, and it carried unanimously.

Section XII - Legal Counsel Report

Mr. Winning said his Report furnishes a summary of matters which involved litigation during the year of 1982, some of which have been resolved and some of which continue. The summary is self-explanatory, he noted, and therefore he would not comment further on it except to furnish a couple of updates. With respect to the matter of Yarger vs. Board of Regents, which was dismissed on a motion of the defendant based upon an investigation which indicated that the statute was not passed in accordance with the constitutional requirements, Mr. Winning pointed out a lawyer in his office went back to the journals of

the legislature and discovered that the act upon which the plaintiffs were relying to establish their case was not properly passed by the General Assembly. He said he believes that the attorney, Ms. Sue Myerscough, took an imaginative initiative in this instance and should be commended. Mr. Murray agreed and directed that the Minutes of the Meeting reflect this.

Mr. Winning also reported that since his Report was prepared the matter of Barbara Ford (EEOC) had been dismissed; and that the Richard Michael Ackley matter had been dismissed by the Court of Claims. With respect to the matter of Continental Telephone Company of Illinois vs. Board of Regents, Mr. Winning advised that our counsel, Doug Brown, filed a motion to dismiss, and received a telephone call from counsel for the plaintiff indicating that they would like to have an extension of time to file an amended complaint because they recognized that some of the elements of the motion to dismiss were sound.

President Watkins commented that when reading the Legal Counsel Report one thing which comes out again and again is that under Jim Winning's leadership the university legal counsels representing the institutions are getting a number of these cases dismissed, or where a case does come to some action, the university is not held to be liable. This indicates that we have very competent legal representation and further that the universities are basically treating people fairly.

RECURRING INSTITUTIONAL MATTERS

Sangamon State University - President's Report

Because President Lacy had been unable to remain for the entire meeting, the Sangamon State University President's Report was presented by Dr. Cullom Davis, Vice President for Academic Affairs.

Dr. Davis distributed copies of an Addendum to the Capital Improvements section of the President's Report (tabulation of bids for the orchestra lift in the PAC).

An information report was presented on Grants and Contracts.

The following items were submitted for action by the Board:

1. Personnel transactions for faculty, administrative and civil service personnel. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Capital Improvement Projects
 - (a) Orchestra Lift - Public Affairs Center Auditorium
A tabulation of bids received was presented with a recommendation that low bids be accepted and contracts awarded as follows:

Montgomery Elevator, Peoria, Illinois, in the amount of \$145,946 for the orchestra lift;

Lawrence Rodgers, Ltd., Springfield, Illinois, in the amount of \$24,845 for the General Work and Alternates A-1 and A-2;

Mansfield Electric, Springfield, Illinois, in the amount of \$4,426 for the Electrical Work and Alternate E-1;

and to establish a construction contingency of \$5,000 for the entire project.

3. Professional and Artistic Contracts

- (a) Murphy, Downey, Wofford, and Richman, Architects
Approval was requested to increase the FY83 contract authorization for consulting services provided by the Master Plan Architect, Murphy, Downey, Wofford, and Richman, Architects, St. Louis, Missouri, from a total of \$3,000 approved by the Board at its meeting on May 20, 1982, by \$6,000 to a revised total not to exceed \$9,000.

Dr. Davis took note of the contract the university has with the Illinois Department of Public Health which calls for their services in the evaluation of the training and testing of emergency medical technicians in Illinois. This is a good example, he said, of the specialized services the public affairs centers can provide.

With respect to the personnel transactions reported, Dr. Davis said he would highlight the fact that a relatively substantial portion of the transactions are ones involving the assignment of incumbent faculty for various staff and administrative services. This is a further example of a point made by President Lacy in the past that in these stringent times they are doing their very best to reassign internally faculty who are available for that sort of activity.

Dr. Davis said he would remind the Board of the master plan review that is underway on the Sangamon State campus this year. It ties interestingly enough and significantly enough in with the economic development report presented by Dr. Groves. One of the major components of the master plan consideration is a feasibility study of the possibility of developing a research park on the campus. Spearheading that study is a distinguished specialist in public administration, Mr. George Esser, who is present at the meeting today. Dr. Davis said Mr. Esser holds a law degree from Harvard, was a Professor of Public Law and Government at the University of North Carolina, has held in his career key advisory and executive assignments with the Ford Foundation, the North Carolina Fund and the Southern Regional Council. Until his recent retirement he was Executive Director and then President of the National Academy of Public Administration. Dr. Davis asked Mr. Esser to make a few remarks to the Board with respect to the early thinking concerning the research park.

Dr. Esser said he had been on the faculty of the University of North Carolina when the research triangle was first a dream, then a feasibility study, and now is a very real part of the economy of North Carolina. The basic idea of any such undertaking, he said, is to attract to a research park at SSU organizations or parts of organizations concerned with governmental research and some of the subsidiary functions, such as publications. We know, he said, that government officials and units, like other elements in our society, are well organized, and while many of them were first in Illinois at the University of Chicago, most of them in the last 30 years have gravitated toward Washington. At this time in our economy, a Washington base is both expensive and not as relevant as it

was a few years ago. Their idea, he said, would be to invite national, regional and state organizations to come to a research park at SSU in which there would be a real support relationship between the organizations located there and the university itself - a mutual relationship in which both would gain. The organizations would gain the support of the university and the state in terms of services, faculty, libraries, and in terms of being in the heartland of the country rather than in Washington. The university would gain from the opportunities for higher education to assist in that research and a market for its students. They are engaged in a feasibility study, Mr. Esser continued, to determine first whether the organizations really see the value of a relationship with a university which has a mandate in public affairs - probably the only one with that kind of a mandate. If there is a critical mass of organizations that would be interested in such a cooperative venture, then the university could proceed with plans for securing commitments and directing facilities in that kind of a research park. Any research park obviously takes time to develop, and President Lacy has secured the leadership of Mr. George Bunn, the President of the Springfield Marine Bank, to head a task force to review that feasibility. The task force will consist of members of the Board of Regents, the Legislature, the Governor's office, individuals from private business and others who are concerned with development of the State as a whole. The idea would be to first document the advantages that locations in Springfield and at SSU would bring the national, regional or state organizations, and then secure the cooperation of the Governor, key legislators and other public officials in Illinois who are members of the governing boards of many of these organizations. Mr. Esser said the types of organizations they are speaking of are those of general purpose such as the National Governors' Conference, the National Conference of State Legislatures, etc. There are at least 25 or more in the general purpose category, and perhaps as many as 300-400 in the functional categories. Non-profit organizations concerned with government research might even be included, and even private organizations which do significant work in government research. The feasibility study will be carried out by the task force. Full information on both what Illinois and SSU can offer and what the market scenes will be and what steps will be necessary to move ahead will be presented to the task force; and the decision to go forward would then be up to the task force. Obviously, if the decision is made to go forward, it would require considerable commitment in time from the Board, the University and the State government.

Mr. Parker asked what dollar amount is involved in this feasibility study. Dr. Davis said the University has engaged Mr. Esser's services for a period of time this winter and spring. He said he is not familiar with the details of the contract, but it is essentially a part-time personal services contract, relatively modest in magnitude, and it brings him here about once a month for a period of about six months to consult with us and to meet with the advisory committee.

Mr. Murray thanked Mr. Esser for his report to the Board.

Dr. Wellbank moved for approval of the Report of the President of Sangamon State University, as amended. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Northern Illinois University - President's Report

President Monat distributed revised copies of an Addendum to his Report with respect to the Recreation Facility project. (Board action on this item is recorded under Reports to the Board, Joint Facilities/Finance Committee.)

Information reports were submitted on:

Status of Undergraduate Admissions for Spring 1983
 Status of Undergraduate Admissions for Fall 1983
 Grants and Contracts (Research, Institutes, and Studies)
 Gifts to Northern Illinois University
 International and Special Programs Expenditures
 M.B.A.-J.D. Joint Degree Program

The following items were then presented for action by the Board:

1. Personnel transactions for faculty and other employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.
3. The University has completed negotiations of Agreements with the American Federation of State, County and Municipal Employees (AFSCME) for building services and food services employees on the DeKalb and Lorado Taft campuses; and with the Fraternal Order of Police Lodge 86 (FOP) for Police Officers I. Board approval was requested for the working conditions contained in the agreements. In accordance with the Resolution adopted earlier in the meeting, action on the wage provisions of the agreements was deferred. Because the agreement with the International Union of Operating Engineers (IUOE) was negotiated only with respect to wages for heating plant employees, no action was taken on this item.
4. Capital Improvement Projects
 - (a) Lincoln Hall - Repair of Sidewalks
Douglas Hall - Repair of Sidewalks
Grant Towers - Repair of Sidewalks
Stevenson Towers - Repair of Sidewalks
 Authorization was requested to replace the deteriorated portions of the concrete sidewalk systems. Development of plans and specifications will be undertaken by university personnel as well as advertising and receiving bids for the projects. There will be no engineering fees charged to the projects. The total estimated budget is \$75,000, payable from Auxiliary Enterprises and Activities - Revenue Bond.
 - (b) Holmes Student Center - Replacement of Air Conditioning System and Correction of Ventilating Deficiencies
Correction of Minor Ventilating Deficiencies in Various Bond Revenue Buildings

The university requested permission to enter into a contract with Energy Management & Engineering, Inc., Lombard, to design and prepare construction documents, advertise and receive bids for the projects identified above. The combined estimated total budget for all projects is \$91,700, payable from Auxiliary Enterprises and Activities - Revenue Bond.

- (c) Lincoln Hall - Waterproofing of Wing Foundation Walls
Grant Towers - Repair and Reset Slate Panels
Stevenson Towers - Repair and Reset Slate Panels
Huskie Stadium - Installation of New Synthetic Floor in Handball Courts

Permission was requested to employ the firm of Kessler, Merci & Associates, Inc., Chicago, to prepare plans and specifications, advertise and receive bids for these four projects. The combined total budget for the projects is estimated at \$120,000, payable from Auxiliary Enterprises and Activities - Revenue Bond.

- (d) Recreation Facility
 (Board action on this item is recorded earlier in the minutes under Reports to the Board - Joint Facilities/Finance Committee.)

Commenting on his Report, President Monat noted a rather significant number of vehicle replacement requests to keep their fleet up to date, and the Board would recall that he had alerted members last month that these requests would be forthcoming.

Dr. Monat said the M.B.A.-J.D. Degree Program is thought to be a major step forward in the College of Law, and next fall the program will be on line.

The President said he wished at this time to acknowledge the assistance given by Dr. Matsler and Dr. Groves in working with the staff of the Board of Higher Education to bring about the approval of the Ph.D. program in Biological Sciences. This was a difficult series of negotiations, he said, and he was pleased that Dr. Wagner and Dr. Wallhaus saw fit to recommend the proposal to the BHE.

Mr. Parker moved for approval of the Report of the President of Northern Illinois University, as amended. The motion was seconded by Mr. Gayles, and it carried unanimously.

Before calling for the ISU President's Report, Chairman Murray said that if the Executive Committee meets in January it would only consider those matters which are absolutely necessary, and no controversial items would be taken up by the Committee. Dr. Monat inquired if room and board rates would be considered as non-controversial. If the increase is anything less than 5%, Dr. Matsler said they would probably not be considered controversial. Mr. Murray also asked that as much advance explanation of items as possible be furnished to the Committee and all members of the Board.

Illinois State University - President's Report

Before presenting his Report to the Board, President Watkins said in accordance with the Resolution adopted earlier by the Board, he would defer seeking Board approval of the Union Agreements with Local 399, International Union of Operat-

ing Engineers and with Lodge 67 of the Fraternal Order of Police.

Information reports were submitted on:

Grants and Contracts (Research, Training, Service)
Bond Redemptions

The following items were presented for action by the Board:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.
3. Capital Improvement Projects
 - (a) Shelbourne Apartment Air Conditioning Replacement Work
Permission was requested to engage the firm of Brown, Davis, Mullins & Associates, Consulting Engineers, of Champaign, IL to prepare bid documents and receive bids for the installation of residential type, electric powered, compressor units and refrigerant coils with temperature control for each apartment unit to replace existing central chilled water system. The estimated cost of the work, including fees and contingencies, is \$350,000, payable from Bond Revenue Series 1970-70A Rehabilitation and Development Reserves.
 - (b) Energy Conservation Retrofit Remodeling of East Campus and West Campus Residence Hall Complexes
Permission was requested to engage the firm of Buchanan, Bellows & Associates, Consulting Engineers, Bloomington, to prepare bid documents and receive bids for the energy conservation retrofit remodeling of the East and West Campus Residence Complexes. Estimated cost, including fees and contingencies, is \$600,000, payable from Bond Revenue Series 1970-70A, Rehabilitation and Development Reserve.
 - (c) Linkins Lounge
Permission was requested to engage the firm of Mills/Lux, Associate Architects, Bloomington, to prepare bid documents and receive bids for remodeling and renovation of Linkins Center Lounge Area. Estimated cost, including fees and contingencies, is \$75,000, payable from Bond Revenue Series 1970-70A, Rehabilitation and Development Reserve.
4. Student Fee Changes for 1983-84
 - (a) Residence Hall Room and Board Rates
No increase recommended.
 - (b) Student Health Service Fee
Permission was requested to increase this fee by \$1.50 per semester for all students registered for 9 or more hours per semester.

- (c) University Apartments
No increase recommended
- (d) Bone Student Center/Braden Auditorium Fee
No increase recommended
- (e) Student Health and Accident Insurance Fee
No increase recommended.
- (f) General Activity Fee
No increase recommended.
- (g) Athletic and Service Fee
No increase recommended.
- (h) Recreational Facilities Fee
No increase recommended.

5. Transcript Fees

Preparation of transcripts will become a function of Computer Services effective July 1, 1983, at which time the cost of a transcript will increase from \$1.00 to \$3.00.

6. New Union Agreement

Approval was requested of the working conditions provisions only of an Agreement by and between Illinois State University and Local 399, International Union of Operating Engineers, for the period January 1, 1983 through August 31, 1983. This agreement is in behalf of 17 Building Mechanics in the University's Residence Halls.

Mr. Parker moved for approval of the Report of the President of Illinois State University, as amended. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Mr. Bender said he had just learned today that the terms of three of our Board members are expiring, and he wonders if there is any procedure or process we can follow to insure that they are reappointed. Mr. Murray said he would suggest that individuals contact the Governor's office, their State Representative and State Senator. The members whose terms will expire in January are Ms. Burns, Mr. Parker and Dr. Wellbank, Dr. Matsler noted, and he would hope that all will be reappointed. However, the statutes provide that they continue to serve until replacements are named or they are reappointed. Mr. Murray said he feels all three individuals are invaluable as members of the Board and he is doing everything he can to see that they are reappointed.

There being no further business before the Board, on motion duly made and seconded, the meeting was declared adjourned. The next regularly scheduled meeting of the Board will be held on February 17, 1983, at Sangamon State University.

David E. Murray, Chairman

Franklin G. Matsler, Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Sangamon State University - Springfield, Illinois

February 17, 1983

The regularly scheduled meeting of the Board of Regents convened at 9:00 a.m. on February 17, 1983 in Conference Room G of the Public Affairs Center at Sangamon State University, Springfield, Illinois. Mr. David E. Murray, Chairman presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Mr. Jerome R. Bender	Ms. Denise Orchowski
Ms. Carol K. Burns	Mr. D. Brewster Parker
Mrs. Clara S. Fitzpatrick	Mr. Harold Riss
Mr. Montel Gayles	Ms. Janine Toman
Mr. Milton McClure	Dr. Harry L. Wellbank
Mr. David E. Murray, Chairman	

Mr. James L. Wright arrived during the Executive Session of the Board.

Also present were:

Dr. Alex B. Lacy, President, Sangamon State University
Dr. William R. Monat, President, Northern Illinois University
Dr. Lloyd I. Watkins, President, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Present and representing the Joint University Advisory Committee were: (ISU) Dr. Virginia Crafts, Chairman, Dr. Thomas Eimermann, Mr. Leon Toepke, Dr. George Tuttle; (NIU) Mr. Joe Koch, Dr. James E. Lankford, Dr. Annette Lefkowitz, Dr. Tony Scaperlanda, Dr. Jerry D. Meyer; (SSU) Ms. Sue Bussone, Dr. George Gruendel, Dr. Jack VanDerSlik, and Ms. Cindy Stephenson.

Others in attendance included staff from the Regency Universities and the Central Office of the Board; Mr. James M. Winning, Legal Counsel to the Board; and representatives of the student bodies and the news media.

Mr. Parker moved that the Board recess to meet in Executive Session for the purpose of discussing personnel matters and litigation. The motion was seconded by Mr. Gayles, and it carried unanimously.

The Board reconvened in public meeting at 10:00 a.m.

The Chairman reported that in Executive Session the Board considered matters relating to the awarding of honorary degrees, personnel matters, pending litigation, and personnel matters at Sangamon State resulting from the financial reorganization cutbacks.

MINUTES OF DECEMBER 9, 1982 MEETING

The Chairman directed the attention of the Board to the minutes of the meeting held on December 9, 1982, and he asked if there were any additions or corrections to be proposed. He added that the motion would also include the minutes of the meeting of the Executive Committee held on January 20, 1983.

Mr. Parker moved for approval of the minutes of the meeting held on December 9, and for the minutes of the meeting of the Executive Committee on January 20. The motion was seconded by Ms. Burns, and it carried unanimously.

Ms. Burns said her recollection was that the Staff was to distribute to all members of the Board a copy of the BHE staff report on shifts in student demand, and she asked if this has been done. Dr. Matsler said Staff had suggested that it do an analysis of the BHE report before distributing the copies. What is the timetable for this, Ms. Burns inquired? Dr. Groves said it was the thinking of the Staff that this should take place to serve as background information for the academic planning review this year. The analysis is finished and will be mailed out very quickly now.

CHAIRMAN'S ITEMS

Mr. Murray said at this time he would like to formally appoint Janine Toman to serve on the Program and Finance Committees of the Board. All of the committees are now complete, he noted.

REPORTS TO THE BOARD

Finance Committee

Mrs. Fitzpatrick reported that the Finance Committee met on Wednesday afternoon, and the bulk of its discussions pertained to items included in the Report of the Executive Director. For this reason she said she would defer any report until the items were reached on the agenda.

Joint University Advisory Committee

Dr. Crafts said on behalf of JUAC she would like to express appreciation to Linda Andrejek from ISU and Irene Allsop from SSU for their helpful contributions while members of the Committee. JUAC wishes them well in their future endeavors. She reported that Bob Clement is serving as a substitute for Ms. Allsop at today's meeting. Dr. Crafts commented that a second member of the Joint University Advisory Committee has just been lost to "Jaws". The members who were terminated contributed substantially to the operation of the Committee, and they are dismayed to lose them in this way.

Dr. Crafts reported that the Committee met last evening and again this morning. Among the items discussed was the projected retreat which, it has now been determined, will be held at ISU in April. President Watkins has indicated that he would accommodate this if the needed space arrangements can be made. Participating in the retreat, she said, will be members of the Board, the Executive Director and certain members of his staff, the Presidents, JUAC members, staff from the universities, and others by invitation. A keynote speaker will be invited to focus on quality education in higher education generally and in Illinois particularly.

Dr. Crafts advised that at yesterday's meeting, the Committee had some good interaction with members of the Board Staff, Dr. Floyd, Dr. Brim and Mr. Adams. The Committee thanks Mr. Adams for his most informative presentation on the legislative picture and financial legislation. The JUAC also discussed the problems associated with funding for Regency institutions, including tuition charges. The Committee also wishes to indicate its strong, continued interest in achieving sound funding of the retirement system. In addition, JUAC requested BOR Staff assistance in investigating the various retirement models and related legislative models which are used in various institutions of higher education in numerous states, so that such information might be used in updating Illinois retirement models. Dr. Crafts advised that Dr. Brim had updated the Committee on the present situation concerning insurance bidding.

Finally, Dr. Crafts said, JUAC wishes to express its appreciation to Chairman Murray for the strong position he exhibited at the January meeting of the Board of Higher Education in support of increasing taxes to be used to improve education.

Mr. Murray thanked Dr. Crafts for the Committee report.

Relative to the Committee membership from Northern Illinois University, Mr. Gayles asked why there are no student memberships on the Committee. Dr. Crafts said they had discussed some of those concerns this morning, and she advised Mr. Gayles that it is left to each institution to determine how they will have their JUAC component made up. In the case of some institutions, they have more representation on their Senate bodies than in others, and therefore they may feel that they do not need to have a student representative on JUAC as much as other institutions. This is taken care of at the institutional level. President Monat added that several years ago the issue came to the University Council, because it is the UC which determines the composition of NIU representation on JUAC. At that time the Council did have an operating staff representative but did not have a student. There are a limited number of members that a university can have, and in the case of NIU, the appropriate place for these decisions to be made would be at the University Council.

Board of Higher Education Meeting

Mr. Murray reported that the highlight of the January meeting of the Board of Higher Education was the adoption of a resolution to encourage the Governor and the Legislature to increase state revenues and to increase funding to education and higher education in particular. That apparently was unique for the Board of Higher Education, because it had never adopted that kind of a policy prior to that time. A lively discussion took place, and in the course of the meeting it was decided to ask for a private meeting of the board and the Governor or, rather, a separate meeting. Members of the BHE did meet with the Governor, and the results of that meeting were reported at the February meeting of the BHE - and it was a very dismal report, Mr. Murray advised. While he is not sure that he has all of the figures correct, his recollection is that even if the tax increase went through, the State has overspent to the tune of something like \$450-600 million. We are not in very good shape, and even if the proposed tax proposals are enacted, it simply would fund us to the funding level recommended for FY83. At any rate, Mr. Murray said, after that meeting with the Governor, Dr. Wagner made the statement that it appears that higher education is never going to be the same, and we have to prepare ourselves for cutbacks

which may even involve closing of institutions. Mr. Murray said he found that a little surprising. In view of the projected enrollment declines, Dr. Wagner cast a negative attitude on expansion in higher education and certainly indicated that the Board of Higher Education would be studying cutbacks that may be substantial.

Also at the February meeting of the BHE, Mr. Murray reported, a report was received from the Committee on Higher Education and Economic Development. That report was interesting and led to further discussions involving the joint committee between the Board of Education and the IBHE on the various qualities of secondary education in Illinois and how that impacts upon higher education. Mr. Murray said he was rather outspoken about what he considers to be the inferior quality of our secondary education system and how much that increases costs and problems for higher education. Not everyone agreed with him on this matter, he noted.

Dr. Matsler said this might be an appropriate time to report to the Board on one of the actions of the Finance Committee yesterday relative to support for higher education. He said Mrs. Fitzpatrick does have a resolution to present to the Board, but before this is done, he said he would like to comment on some of the statements made by a few people relative to giant cutbacks in higher education. Illinois, he said, is a very wealthy state, probably about the third or fourth richest state in the United States, if it is compared on a per capita income basis. Illinois has the third or fourth largest population, it has continually been a wealthy state, it has a diversified industry as well as farming. Dr. Matsler said when he hears statements made about the possibilities of tremendous cutbacks or the disestablishment of an institution, he thinks this would not be fair to the people of Illinois were this to happen. He said he would rather see us work very hard toward some tax increase if we really do need it, and work on a positive basis. He said he is really disappointed that some of these comments have been made because he just does not think that they are warranted at this time. He has great faith in this State and he is sure that the economy will be turning around. Whether we are talking about a college within a large university, or whether you are talking about a college or university, he does not think that this is the time to discuss disestablishmentarianism.

Dr. Matsler said he would hope that the resolution to be presented by Mrs. Fitzpatrick, if approved, would indeed show that the Board of Regents is behind support for higher education.

Mrs. Fitzpatrick then presented the following Resolution for consideration by the Board:

WHEREAS, higher education and other public services in Illinois have lost ground in comparison with other states in the Union with respect to the quality of services and the support of programs; and

WHEREAS, both the Governor and members of the Legislature have recognized the need for increased tax revenues; now, therefore, be it

RESOLVED that the Board of Regents support the Governor's recommendations to increase the State's revenue through an adjustment of the various existing state taxes and the enactment of fair and equitable new taxes.

Mrs. Fitzpatrick advised the Board that the Finance Committee voted unanimously to recommend approval of the Resolution by the Board. She then moved for adoption of the Resolution, and the motion was seconded by Mr. Gayles.

Mr. Gayles said he supports adoption of the Resolution and would like to read to the Board a letter addressed to Chairman Murray by Jim Corbett, President of the NIU Student Association. The letter advised Mr. Murray that on February 6th the NIU Student Association Senate passed a resolution stating that it supports an increase in the state's personal and corporate income taxes. The SA supports the increase for the dual purposes of generally shoring up state finances and particularly for increasing funding to higher education. The SA advised Mr. Murray that they are well aware of the courageous stance he took at the BHE meeting in January when he advocated increasing the state income tax, and they urge the Board of Regents to display that same courage over the next weeks by using every means available to ensure the passage of a tax package of the type proposed by the Governor. It is their hope that when the Board acts on the tuition increases for next year, such action will reflect a strong commitment to increasing the state income tax. With no increases in income taxes and in funding for higher education, many citizens of the state will be denied access to a quality public post-secondary education. It is imperative that students, faculty, administrators and governing boards work together for higher education during the current financial crisis. Mr. Corbett advised the Chairman that if there is any way in which students at NIU can contribute to the common cause, he should not hesitate to contact the SA.

Ms. Orchowski and Ms. Toman also reported that students at ISU and SSU are united in support of the stance taken by Chairman Murray at the BHE meeting, and in support of the Governor's recommendations for tax increases.

Presidents Monat and Watkins reported that the councils representing the various constituencies on their campuses have also passed resolutions in support of the Governor's proposals.

Dr. George Tuttle of JUAC also reported that the Academic Senate at ISU also is on record in support of Mr. Murray's stand before the BHE meeting.

Mr. Murray said he had not intended to initiate all of these comments. He made his statement at the BHE meeting and would not repeat it today. He said he views with real dismay that in Illinois higher education has slipped so much percentage wise in monies given to higher education, from both the state and federal governments. He said he considers members of the Board to be trustees of the universities and we all have the obligation to do the best job we can to make sure that the assets under our trusteeship are maintained and that the status of higher education is maintained. Obviously, when salaries are slipping and we are in jeopardy of losing good people, and when we are not maintaining our libraries and our buildings, we are not really doing a very good job as trustees.

Mr. Murray said he is happy to support the adequate funding of higher educa-

tion, but he wants to use the same opportunity to exhort - as he has done in the past - faculty and administrations that things are not going to be the same as they have been in the past. We are facing projections of decreased enrollments in Illinois (according to the Breneman report) of perhaps 20-25% over the next five years. This is what Dr. Wagner is saying. Mr. Murray said he disagrees with Dr. Matsler to some extent because he really thinks that higher education is no different than other segments of the economy. While he is not suggesting cutbacks in salaries, he certainly would suggest that we must do what we can to be more productive, just as the UAW workers are turning out a better quality automobile in the same amount of time. We can all do a better job, and that is why he is encouraged by what he hears from SSU - despite the projected cutbacks there are some attitudes of new cooperation and new productivity. Higher education is not immune, and we cannot just sit back and hope for an increase in income taxes so that we can continue exactly what we are now doing.

Mr. Murray said this has to be a cooperative effort. Those who are not involved as professionals in the system feel strongly about doing what we can to make sure that the institutions are adequately funded and that they are as fine as they possibly can be. So, he said, let's all work on this project together because it will certainly be easier to put forth a product that we are proud of, and we will know that there is the kind of spirit on the campuses which justifies what the rest of us are doing on behalf of increased money for education.

President Lacy noted that the three senates at Sangamon State had also passed resolutions similar to those noted by the other presidents. As to Mr. Murray's comments, the President said he believes that what legislators are saying to us is that while their minds are not closed to the question of new revenue and they understand our needs, we must understand exactly what Mr. Murray said. We are asking legislators in many cases to make the toughest political decision of their legislative careers. And they are not prepared to make those decisions unless we can demonstrate that we no longer have waste in higher education and that we are making our best effort with the dollars that we have available to us. Dr. Lacy said he believes that we have reached a point in these last several years of very thin funding where we now do not have difficulty demonstrating that there is no more fat in higher education. Mrs. Fitzpatrick's Resolution is a very important one, he said, and the timing element today is also important early in this legislative session. None of us underestimates the difficulty of getting a tax bill of this magnitude passed, the President said, and he thinks it will take the very best efforts of students, faculty and staff of all of our institutions, as well as trustees and other interested people in other state programs, to achieve the results that we must have.

Chairman Murray said he thought we would be far more effective in encouraging members of the legislature if we can demonstrate a positive commitment of some type from the campuses which will be in the nature of more productivity.

President Watkins said he believes we all agree that the state in which we all live is a better one because we do have geographically and programmatically diverse systems of state universities. This has been extremely important in the economic development of the State, and we need to play increasing roles as the years go on in terms of the type of society which is evolving in Illinois. He believes the State values the state universities because they are an inherently important part of it because we produce education and people who are skilled in

the work that they do. We need to emphasize the important role that our universities play in the quality of life in the State. He would submit that if these universities were absent, greatly weakened, or diminished in their programmatic strength, the quality of life in Illinois would not be as good as it is today and certainly would not develop in the future. That is the case we can make. Statistics well bear out that we are good stewards of our public monies, and we must continue to be so, but we must never lose sight of the fact that we do contribute to the quality of life. Absent universities, the quality of life in Illinois would not be satisfactory.

Mr. Murray said he did not wish to belabor this matter much longer, but he would like to pass on what a state representative said to him: if faculty would spend 8 hours on the campus a day, just as people do in regular jobs, he would support the increase. This is indicative of the feeling that we will be up against. Somehow, most representatives and taxpayers feel that in the universities faculty teach only 1 or 2 courses a week and spend most of their time at home. When we ask taxpayers for more money, Mr. Murray said, somehow we must work on our image from that standpoint.

President Watkins said we should be open to any suggestions as to how we best might convey the truth of the work that we do to the public. He thinks most of us work awfully hard.

President Lacy said in the case of SSU and also the U. of I. and other campuses, we do indeed have hard quantified data and the working hours of faculty members. He suggested it might be interesting if, at the next meeting of the Board, Dr. Munkirs or someone else presented a summary of that data to the Board. This comes in the form of faculty effort reports which are filed each year, and the public might be surprised at the number of hours these reports reflect the faculty working for the State of Illinois.

Mr. Murray said this should be presented and publicized any way it can be.

Ms. Burns commented that the Chairman's comments were good ones, and she had heard the presidents saying that there might be some common misperception about productivity in higher education in Illinois. We would all do well, she said, to exert a strong effort to correct those misperceptions, rather than not really talk about them and to continue to let legislators and others think that productivity has in fact not improved. She said she is sure that there are some facts that we can probably hear which would help with this problem.

Mr. Wright noted that we have unemployment in the State right around 700,000; we have workers whose unemployment compensation has run out, with no prospect for jobs. He thinks that it would behoove faculty and staff of the universities to pay serious attention to what has been said here today. He said he serves on a committee with the Governor and labor groups in the State who will work for a tax increase. However, he does not want to lobby for that on the basis of a wage increase for faculty and other employees of the universities, because the workers out there just don't understand that. They are going to talk about a planned program, out of which will come wage increases, etc., and that is the way he presents it to the workers. Mr. Wright said he talks with people in union halls and other places, and they tell him that he is on the Board of Regents and is promoting a tax increase and faculty all get big fat increases. His response is that faculty don't make much more than workers at General Motors, if they would work on Saturday. When it comes

to lobbying members of the legislature in Springfield, Mr. Wright said, we must remember they are politicians and they only deal with what the voters in their districts talk to them about. Voters are negative, and are becoming negative about higher education. Any kind of a program that can be put forth to say that faculty and staff are going to get an increase but that they are also going to increase production is what is needed. We are all smart enough, he said, to know how to improve our image of what we are doing in the educational institutions. Mr. Wright said he agrees that we have a tough fight here, and although it may appear strange, he does support the tax increase.

Mr. McClure noted that it has always been difficult to quantify the subjective, and that is what we are asking our presidents to do. There is a general misconception among the general public. They think bankers work from 9:00 to 3:00, and judges from 10:00 to 12:00 and from 2:00 to 3:00. He cited the instance of one judge in his area who has docket calls at 8:30 in the morning, and the general public learns very quickly that he is in his office before that. Perhaps this is something that we are talking about. Many comments have been made about the fine State that we have, Mr. McClure said, and he also believes that we have a very fine public educational system at the post-secondary level. However, we would be remiss if we didn't mention the fact that we have a chief executive and members of the legislature who are willing to take a strong stance at a tough time on issues like this.

Mr. Murray said he would agree, but he knows from talking with representatives that when they went back to their districts they not only did not find much support for the Governor's strong stand, they did not engender much support themselves. So, the fight is going to be a tough one.

The question before the Board for adoption of the Resolution as presented by Mrs. Fitzpatrick was called for a vote, and the motion carried unanimously.

Before calling for the Executive Director's Report, the Chairman said he had been requested by Mr. Wright to recognize two individuals from Sangamon State who wished to address the Board about the changes or the reorganization difficulties there. He said Darryl Thomas and Ron Ettinger would be recognized when the Sangamon State University President's Report was under consideration.

EXECUTIVE DIRECTOR'S REPORT NO. 137

Section I - Annual Report - Board of Regents

Dr. Matsler said he would not go through this Report in great detail, but rather would simply highlight some of the activities contained in the outline.

With respect to federal and state matters, the report contains some of the changes in the leadership of the State Legislature relative to higher education, and also some changes at the federal level. The Board might be interested to know that last week, Dr. Monat, Dr. Watkins and he were in Washington, and can report that they believe federal support for the coming year will be fairly equal to support for last year in spite of the administration's proposal to cut back support in considerable amounts. There appears to be a lot of resistance in Congress to any changes at this time. Dr. Matsler said we still do not know what can be expected in the way of ISSC awards because this still has to be worked out in the Legislature.

The Regency System, Dr. Matsler continued, has collectively over 10 million gross square feet of space in residential and non-residential buildings, and the report points out the sad shape that our physical facilities are in.

Other activities reported on include Revenue Shortfall and Budgetary Adjustments, Personnel Matters (both civil service and faculty and staff), Retirement Funding, New and Expanded Programmatic Needs, University Guidelines - Legislative Audit Commission.

Section II - FY83 Contingency Reserves for Higher Education Appropriations

This section of the EDR, Dr. Matsler said, is rather pertinent to some of the earlier discussions, and summarizes what commonly has been called "Jaws I", or the recession which the Governor and the Legislature have imposed for FY83. The table shows that the 2% contingency reserve for all of higher education amounts to a little over \$20 million. The Regency System's share of this amount is \$2.4 million which must be given up from the budgets for the current year: at ISU, \$938.2 thousand; at NIU \$1.2 million; at Sangamon State \$260.7 thousand; and in the Central Office \$12.4 thousand. This is quite an adjustment in the budgets for the current fiscal year.

Section III - FY84 Operating Appropriations - Summary of IBHE Recommendations

In September of 1982, Dr. Matsler said, the Board of Regents approved the FY84 operating appropriations request for the Regency System in the amount of \$169.4 million. The Board of Higher Education has now recommended to the Governor a total operating budget for the Regency System in the amount of \$162.9 million, an increase of 10.1% over fiscal 1983, and this is the level at which our appropriations bill will be written. Tables in the report provide a breakdown of the BHE recommendations by institution, and also some information on what happened in the other systems in higher education.

Section IV - FY84 Capital Appropriations Requests - Summary of IBHE Recommendations

The Board of Regents approved capital appropriations requests for the three institutions in a total amount of \$26,837,600 for FY84. The Board of Higher Education has now recommended to the Governor a capital request for the three Regency universities in the amount of \$11,375,600: \$815,000 for Sangamon State, \$3,357,600 for Northern Illinois, and \$7,202,200 for Illinois State. The Board of Higher Education has developed FY84 priority lists for capital projects, and it will be noted that our institutions have fared rather well in that of the total dollars recommended for the first 16 projects, about half of these are for Board of Regents' projects.

Section V - University Guidelines 1982

The Board will recall, Dr. Matsler said, that in December Staff presented the University Guidelines 1982 to the joint meeting of the Facilities and Finance Committees and to the Board as a whole. These guidelines will replace those adopted in 1977 by the Legislative Audit Commission and all of the senior public higher education systems in the State. Staff is now recommending for adoption by the Board the following Resolution pertaining to the Legislative Audit Commission's University Guidelines 1982:

BE IT RESOLVED by the Board of Regents of Regency Universities that the Legislative Audit Commission's University Guidelines 1982 be adopted as operating policy of the Board of Regents and its universities with respect to matters contained therein; and be it

FURTHER RESOLVED that the Guidelines Exception, adopted by the Legislative Audit Commission on November 30, 1982 pertaining to retention of capital reserves for revenue bond entities be adopted as operating policy for Illinois State University; and be it

FURTHER RESOLVED that implementation of the Guidelines be accomplished no later than June 30, 1983; and be it

FURTHER RESOLVED that the action of the Board of Regents on May 19, 1977, adopting guidelines and definitions with respect to handling of locally held funds, be rescinded; and be it

FURTHER RESOLVED that the university foundations, alumni associations and athletic associations which support functions of the Regency Universities be encouraged to adopt the provisions of Section VI of the University Guidelines 1982 as their respective operating policies; and be it

FURTHER RESOLVED that this Resolution remain in effect until modified or rescinded by the Board of Regents.

Generally speaking, Dr. Matsler said, these guidelines are good ones, although there are still some problems which are not resolved. There is push on the part of some on the LAC and in the Auditor General's office to discontinue general revenue support for employees who work in bond revenue and auxiliary enterprise areas. If this support were to be withdrawn, Dr. Matsler said, it would mean literally millions of dollars which students in the state would have to provide out of their own pockets. So, he said, he thinks it important that we continue to follow the existing policy in this matter.

Ms. Burns moved for adoption of the Resolution as recommended by Staff. The motion was seconded by Mr. McClure.

President Watkins asked where we stand with respect to the questions which remain unresolved relative to payment of fringe benefits for our bond revenue employees. Mr. Murray advised that this was discussed in the meeting of the Audit Committee this morning and it was decided that a separate Resolution should be presented to the Board on the matter.

The question before the Board for adoption of the Resolution pertaining to the University Guidelines 1982 was called for a vote, and the motion carried unanimously.

Mr. McClure said as a member of the Audit Committee he thinks it should be clearly understood that if general revenue funding of benefits for bond revenue employees were to be eliminated - and there have been efforts legislatively and otherwise to eliminate this funding - it would mean that students in the state would have to pay about \$8 million extra just for the same services they have today.

Mr. McClure then moved that the Board of Regents encourage a continuation of the present policy of funding fringe benefits for auxiliary enterprise employees from appropriated funds. The motion was seconded by Ms. Burns.

President Lacy said as a point of clarification he would suggest that the motion should not simply encourage but state that it is this Board's interpretation of these Guidelines that that is the case.

Mr. McClure pointed out that this is not in the Guidelines. We are not interpreting what is there, but simply stating our position for subsequent discussion under the terms of the Guidelines. He asked Mr. Beahringer if he wished to comment on this. If the Board goes on record as stated, Mr. Beahringer said, our position can be transmitted to the Legislative Audit Commission. He said the Guidelines say we are to study, in conjunction with the Board of Higher Education, a plan for the appropriate funding of fringe benefits costs for group insurance and retirement contributions applicable to the auxiliary enterprise operations. The plan will provide for the elimination of the payment of these fringe benefits from appropriated funds or for the enactment of legislation setting forth the specific source of funds. If the motion is adopted we will be on record as saying that we feel the way to go is through appropriated funds, Mr. Beahringer noted.

The question before the Board was called for a vote, and the motion carried unanimously.

Section VI - Tuition for 1983-84

Dr. Matsler said he would first state that he had a Staff recommendation prepared for the Board that tuition be increased from the present level to about \$900, for fulltime undergraduates. As this matter had developed over the past few months, he said, Staff had expected a statement from the Governor which would give some idea as to how much support the Governor and the Legislature would be providing higher education for the coming year. This has not been received, he noted, and yesterday in the discussions of the Finance Committee it was felt that we would be better off simply to make no decision on the level of tuition at this time, and authorize the Executive Director to prepare the appropriations bill at the Board of Higher Education level, which would reflect a 10% increase in tuition for 1983-84.

Ms. Burns moved that the Board authorize the Executive Director to prepare the appropriations bill for FY84 at the Board of Higher Education level. The motion was seconded by Mr. McClure.

President Monat said in the meeting of the Finance Committee yesterday, the presidents were very concerned that action on tuition not be postponed indefinitely. Going much beyond the March meeting in setting tuition levels creates almost an impossible administrative problem on the campuses, he said.

Ms. Burns asked if Dr. Matsler thought the Governor would be on record by the time the Board meets again in March. Dr. Matsler said he could not guarantee what the specifics would be, but he is confident that we will know a lot more than we do today. However, he does agree with the presidents that this decision cannot be deferred for ever and ever.

Mr. McClure said he is a little concerned that the rather short time spent by the Board on this matter today might be misinterpreted. He said he thinks that the record should state that the vast majority of the meeting of the Finance Committee yesterday was devoted to discussion of the tuition issue, with very substantial input from the student Regents, which everyone found very helpful. Mr. McClure said he did not want anyone to be misled in believing that because this discussion today took only a few minutes that it is not something that has not been considered very, very thoroughly.

The question before the Board was called for a vote and the motion carried unanimously.

Section VII - Board Regulation: Telephone Conference Meetings

Dr. Matsler presented for first reading a new Board Regulation which would provide a means whereby public business can be transacted during periods when it is impractical to convene a quorum in person. The proposal is applicable to meetings of the full Board, the Executive Committee or other Committees of the Board.

Dr. Matsler noted that the Attorney General has given some guidelines on this, and what is being proposed is a way in which telephone conferences can be held. Press would be notified and would be able to listen to both sides of the telephone conversations.

Dr. Matsler said there is one strong caveat, and he would hope that we would always abide by it - that controversial matters or very complicated matters would not be discussed by such a conference call.

The proposed Regulation will be presented for action by the Board in March.

Section VIII - Board Regulation Amendment: Civil Service Employees Vacation Usage During Probation

Dr. Matsler advised that the State Universities Civil Service System Merit Board recently amended the Uniform Benefits Resolution to allow use of earned vacation during probationary periods. Our current Board Regulations allow vacation usage only for "good cause". Since some classifications will now require a 12-month probationary period rather than 6 months, it is felt that the use of earned vacation should be allowed.

The proposed amendment, Dr. Matsler said, is non-controversial and one that actually has been recommended by the Merit Board, and Staff recommends Board approval of the amendment.

Mrs. Fitzpatrick moved for approval of the Staff recommendation. The motion was seconded by Mr. Parker, and it carried unanimously.

Section IX - Programs

Dr. Matsler advised that Illinois State University is proposing a Sequence in Industrial Accounting within the Major in Accounting. Northern Illinois University is seeking approval to change the degree designation for completion of 30 semester hours of graduate work beyond the masters degree in two education fields from Certificate of Advanced Study to Educational Specialist.

These are curricular decisions, Dr. Matsler said, and normally the Board does not go into these in much detail, however, this is the way that any changes can be promulgated, and Staff thought it appropriate to bring these to the Board for approval. Staff recommends approval of both requests.

Dr. Wellbank moved for approval of the Staff recommendation. The motion was seconded by Mrs. Fitzpatrick.

Mr. McClure said the request for approval of the Sequence in Industrial Accounting states that it should be noted by deleting some accounting courses that students graduating with the Industrial Accounting Sequence will not be prepared to sit for the CPA examination. He wonders what, if any, information the university may be going to set forth other than the bulletin to perhaps warn these students that they will not be eligible to take such examinations.

President Watkins said these students would be counseled when they go into this sequence that the intent of the sequence is to prepare them for quite another type of career, a career in Industrial Accounting. He said he thinks they will know, as people who now major in Accounting know, what they must have to prepare to sit for the CPA exams. There is nothing that would prohibit a student who desired to prepare him or herself for the CPA exam from extending the period of study in order to include those courses. However, he said, it is incumbent upon the university to let the students know quite clearly when they move into the sequence that it prepares them for work as an industrial accountant.

Mr. McClure noted that the program statement also sets forth the catalog copy which states that you have three fields of accounting, two of which have certification through exams or otherwise, while the new one proposed does not. He said he wonders if perhaps in the catalog it might be mentioned that X number of additional hours taken in conjunction with the Industrial Accounting program might qualify a student to sit for the CPA exam. Both President Watkins and Provost Boothe agreed that would be included in the catalog.

Mr. McClure said the program statement for the change in degree designation at Northern stated that there are four other CAS degrees. His recollection was that the university was going to change some of them in the future, but one was not going to be changed. Why is that, he asked?

Dr. LaTourette, Provost at NIU, said this is a follow-up to the program reviews which were presented to the College of Education last year. In that review process and recommendations that derived from it, there were 4 other CAS's in Education which are now being reviewed in terms of consolidating three into one, and the fourth one which was in Physical Education was placed on probation with the explicit instructions that the degree program and its curriculum should be reexamined to determine whether or not this would be a viable degree for the future. The Department has completed that examination, he said, and has recommended the deletion of that CAS in Physical Education. Therefore, of the four that are not mentioned here, three will be consolidated in the future into one degree with a change in title to Educational Specialist, and the fourth will be deleted. They will all be a part of the Academic Plan presented to the Board at the March meeting.

The question before the Board was called for a vote, and the motion carried unanimously.

Section X - Grants and Contracts

Dr. Matsler advised that Northern Illinois University is seeking Board approval of a contract with the U.S. Department of Education for a model Special Education program.

Staff has evaluated the request and considers this activity to be consistent with the scope and mission of NIU, and recommends approval by the Board.

Mr. Parker moved for approval of the Staff recommendation. The motion was seconded by Ms. Burns, and it carried unanimously.

Section XI - Option of Early Retirement Without Penalty - Percentage Limitation

Dr. Matsler said the limitations being proposed on the use of an early retirement option would, in effect, simply continue the limitations currently in force. Staff recommends the following:

1. For the period June 1, 1982 through June 1983 the maximum number of employees who may use this option shall be limited to 15% of the number of employees eligible for the program.
2. Beginning with FY84 (July 1, 1983 through June 30, 1984), the maximum number of employees who may use this option within any one fiscal year shall be 15% of the number of employees eligible for the program during the period.
3. The 15% limitation shall apply to each of the Regency Universities and to the Central Office.

Ms. Burns moved for approval of the Staff recommendations. The motion was seconded by Mr. Wright, and it carried unanimously.

Section XII - Semi-Annual Report of Investments

Dr. Matsler presented for the information of the Board a summary of investments as required by the Bond resolutions authorizing the University Facilities Revenue Bonds Series 1970-70A, of Illinois State University.

Section XIII - Revised 1983 Board Meeting Calendar

In December the Board meeting calendar was revised to replace the January meeting with a February meeting, and these revisions necessitated changes in the locations of subsequent meetings. Dr. Matsler presented the revised calendar for 1983:

January 1983	Subject to Call
February 17, 1983	Sangamon State University
March 17, 1983	Northern Illinois University
April 21, 1983	Illinois State University
May 19, 1983	Sangamon State University
June 23, 1983	Springfield
July 21, 1983	Northern Illinois University
August 1983	Subject to Call

September 22, 1983
 October 20, 1983
 November 1983
 December 8, 1983

Illinois State University
 Sangamon State University
 Subject to Call
 Northern Illinois University

Dr. Matsler noted that the Board had indicated a desire to meet in Chicago in December, and he would be willing to make this change if the members of the Board still want to do this.

Mr. Parker moved for approval of the calendar of meetings as proposed. The motion was seconded by Ms. Burns.

Mr. Gayles noted the 17th of March falls during Spring break at NIU, and it has been some time since the Board last met on that campus. He asked if it would be possible for the March meeting to be held at NIU on the 24th rather than on the 17th of the month. He said he understands that a number of schedules would have to be changed, but he asked the Board to keep in mind the importance of having student input during such a key time on campus.

Why is it that students cannot be present on the 17th, Mr. Murray asked.

Unfortunately, Mr. Gayles said, a great number of students would be sunning on a beach in Florida - although this would not include himself.

Mr. Bender noted that he has a meeting of SURS on the 24th of March in Chicago. President Watkins said he appreciates Mr. Gayles' concerns, but he must point out that at ISU, as at other universities, they primarily build a great deal of their budgets around the announced dates of Board meetings. For example, he said, they have accommodated Board meeting dates in setting meetings of the Academic Senate and other groups, and he would encourage that the schedule as presented be maintained. Both Dr. Wellbank and Mr. McClure said the change might present problems for them as well.

Ms. Burns asked if the matter of tuition would be considered by the Board in March, and Dr. Matsler responded affirmatively. Then, Ms. Burns said, maybe we should come up with some third option so that students can be present when the Board takes up this matter. That is a good point, Dr. Matsler said, and perhaps he could make the tuition report to be included in the EDR available to the presidents, so that those persons who wished to examine it could do so.

President Monat noted also that the law school dedication will run from March 17 through March 19, and they are hoping obviously that members of the Board would be able to participate in some of the activities.

Ms. Toman noted that Sangamon State would also be on Spring break, but she and Cindy Stephenson are rearranging their personal schedules to accommodate the Board meeting. Personally, she added, she would like to be able to attend the meeting without having to miss classes, and she knows she speaks also for other students who will be there.

After further discussion, the question before the Board was called for a vote, and the motion carried. Mr. Gayles recorded a Nay vote.

Mr. Winning said he had been requested by the Board to secure bids from firms to act as bond counsel on the recreation facility at Northern Illinois University. This has been done, he said, and by a substantial amount the bid of Chapman and Cutler is the lowest bid received. Mr. Winning said he was requesting authority from the Board to award the contract to the lowest responsible bidder, Chapman and Cutler, if the recreation facility project proceeds.

Mr. McClure moved for approval of the request by Legal Counsel. The motion was seconded by Ms. Orchowski.

Mr. Murray asked if it would be appropriate to tell the Board what the bids were. Mr. Winning reported that there were three potential bidders, one of whom he disqualified because that firm is also representing the plaintiff in the Continental Telephone Company suit against NIU. Of the other two, the higher bid was \$20,000, while Chapman and Cutler's bid was \$10,800. He noted that in previous bond issues, bond counsel fees have been in the neighborhood of \$25,000, so by taking bids we have realized quite a savings.

RECURRING INSTITUTIONAL MATTERS

Sangamon State University - President's Report

President Lacy submitted information reports on:

Grants and Contracts
Purchases (Contracts with Visiting Performers)
Capital Improvement Projects

The following item was submitted for action by the Board:

1. Personnel transactions for faculty, administration and civil service personnel. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

Dr. Lacy noted that there had been placed at each Board member's place at the table two publications. One is a series of articles on water resources in Illinois, and the other a report edited by Frank Kopecky, Director of the Center for Legal Studies and Dr. Wilkins on current Illinois legal issues.

Noting the contract with Lorin Hollander for performances in October, Dr. Lacy advised that this will be the first use of a concert grand piano which has been given to the university and funded by a \$25,000 gift from Mr. Paul Barker in memory of his brother, Robert Barker.

With respect to the capital project for construction of an orchestra lift on the front stage of the Auditorium, this will be funded entirely by gift monies to the extent of more than \$200,000, the President reported, a very substantial gift to the University. Dr. Lacy reported that two additional gifts had been received - \$10,000 from Coca-Cola Company in support of the University's athletic program, and \$12,000 from the Bunn Capital Corporation in support of the University's public relations programs.

President Lacy said although a lengthy written report would be furnished to the Board in the near future, he would report orally today on the leadership identification program which was run during the fall and early winter in the community colleges of the state. During the course of the project they visited all 52 community college campuses in the state. Forty-five community colleges have agreed to participate in the program to help identify young leadership for the public sector in Illinois in the future. Thirty-seven of the colleges have completed all arrangements on how they would select students who would participate in the program and how they would conduct the program on the campus. Eight additional community colleges have indicated that they intend to participate in the program and are awaiting the next meeting of their board of trustees to approve the arrangements. Dr. Lacy said they are very pleased that 45 of the 52 colleges have been able to respond this rapidly to the program which they believe will be very important to the future of the state. The Board will recall, he said, that the program involves each community college identifying on its campus during the end of its freshman year students that faculty believe have the most outstanding potential for public service, and give those students extra attention during the course of their sophomore year, with the idea being that at the end of that year they would then come into one of the baccalaureate programs in the public affairs areas at SSU. A second phase of the project involves also the identification of public service leadership potential among high school students, with the idea that extra attention would be given to those students near the end of their junior year and during the course of their senior year.

Since community college districts in the state are based on high school boundaries the President continued, and our community colleges already have strong relationships with high schools, it makes the community college faculty and administration a strong pivot for this type of program. He said they are delighted that the program has come together as fast as it has and in addition to these responses from the colleges, they also have had lengthy conversations about the program with the community college faculty association and have received their support for the program. They have also begun the first efforts of achieving the necessary funding to make the program possible, since it is not likely in the near future that they will be able to achieve sufficient state funding to support the effort.

The President took special note of the recommendations for appointment of James Nighswander as an Associate Professor in the Educational Administration area; and of George Stone to serve as Director of Development/Alumni Affairs. This latter appointment will pull together several functions that had been handled by different people in the past. One half of Mr. Stone's salary will be paid under contract with the Sangamon State University Foundation, and he will then also serve as the Executive Secretary to the Foundation.

Dr. Lacy said he would like to bring to the attention of the Board the separations of Otis Bolden as Executive Assistant to the President and Affirmative Action Officer; Catherin Huther as Director of Communications in University Relations; and Gail Lutz as Director of University Relations. These actions are being brought to the Board, the President said, as a part of the general budget cut that they have had to take. In each case they represent very serious decisions and mean the separation from employment of very important and responsible people in the administration of the University, people who have served the Board and the University well for a number of years. The general budget decisions

which he has discussed with Board members individually and on campus at some length have been very tough decisions, and they have brought the University to the point that he does not now hesitate to say to the Board that they simply no longer have fat in the institution. They are now at a point where it is no longer at all accurate, fair or meaningful for anyone to refer to the university as an overfunded, rich institution compared to others across the state. The bottom line is that in the last 5 years they have taken a cut of \$1.4 million in the base, and that is significant.

Reference was made earlier to the loss of one of the JUAC members who was a member of the staff at Sangamon State. Ms. Irene Allsop served well on the campus for 8 years and was a representative to the Civil Service Employees Advisory Committee. However, she was in a category which has a very limited number of employees, and although she had 8 years of seniority, she simply did not have bumping rights. Dr. Lacy said they have had some sad and serious decisions in the past few weeks. They have done everything they could to see to it that as those decisions were made the essential functions of the university are going to be maintained as well as they possibly can maintain them with the remaining workforce. But 10% of the non-faculty workforce has been let go, and the institution has been through a very serious recession.

As pointed out by President Lacy, Mr. Murray said, when we talk about cutting administration it is easy in the abstract, but when the cuts are affiliated with people, it is very painful. The Board has interacted with the people affected by these cuts and regrets the necessity for these painful decisions.

The Chairman then recognized Darryl Thomas.

Mr. Thomas said he is a member of the Science Department and also a member and chairperson of the Black Caucus at Sangamon State University, as well as a member of the UPI faculty union. He said he was speaking for the black faculty, staff and students who compose the Black Caucus and who are concerned about the status of affirmative action at Sangamon State. They believe that the school has made some great strides in that direction but also think there is still a lot of work that needs to be done. On January 27th, Mr. Thomas said, the Black Caucus passed a resolution which was distributed to the university community, copies of which were distributed to the Board.

There is no doubt in our minds that Sangamon State University can ill afford to abolish the position of Affirmative Action Officer, nor can the university community benefit from the decision to move that position elsewhere in the institution to be carried out in "some different way." Such a decision is not only against the overall spirit of affirmative action, but it is also irreconcilable with the strong position taken by the Faculty Senate on how affirmative action should operate in an academic environment. This decision likewise retards the University's purported strong efforts to practice in a spirit, as well as in deed, those affirmative acts which give truth to rhetoric. The tasks yet to be done in the area of affirmative action at the University are many, indeed.

Perhaps the most blatant example of the continuing need for a full-time functioning Affirmative Action Officer is the decision to eliminate that position when there is still so much work to be done.

The function of affirmative action in this institution means more than recruiting and formulating grievance procedures. It also has to do with fair and equal employment, equity in pay, career advancement, firings, negative tenure decisions, meeting minority students needs, and other "neutral" ways of getting rid of minority students, staff and faculty. It is still a fact of life that minority students, employees, faculty and candidates for employment continue to experience overt and covert discriminatory practices at the University.

We cannot overemphasize the need for affirmative action input in all aspects of university life and this is particularly crucial during this period of financial retrenchment. To suggest that the duties of a full-time Affirmative Action Officer can be substituted by handing over affirmative action plans, rules and regulations to a "pool" of persons, or someone therefrom, is, in effect, to destroy affirmative action monitoring.

The elimination of the primary position charged with monitoring discriminatory practices at Sangamon State is not sound personnel policy and the decision is a disgrace to progressive educational policy.

Mr. Thomas said they implore the Board, President Lacy and the administration to come up with an effective plan to continue affirmative action at the university and also identify, not just orally, but in writing, some type of plan to continue monitoring affirmative action. They also implore the Board and the university administration to come up with ways to at least identify how blacks, women and minorities have fared in recent cuts in this administration. As a member of the black faculty, he said, he is concerned because he knows that a number of black faculty members are coming up for tenure in the next two or three years and if they do not have an affirmative action process on hand they could find themselves receiving pink slips.

Mr. Murray said that many members of the Board had questions of Dr. Lacy on this issue and he has answered them, but perhaps he would wish to respond to Mr. Thomas's statement also.

President Lacy said he appreciated receiving the statement from the Black Caucus a few days ago. As to the description in the statement of the affirmative action work still to be done at the university, he fully agrees with this. He would like to add that the decision to do away with the position, one-half time of which has been devoted to affirmative action in the past, is in no way a decision to do away with the affirmative action program of the institution. The intent is to continue to pursue the program as effectively and progressively as they possibly can. There is a strong consensus for the program across the campus, much stronger than it has been in the past. He said he expects division heads, all search committees, and all of the supervisors of the university to take very seriously that affirmative action program. Dr. Lacy said he need not remind everyone that the affirmative action program has been one of the central programs of his administration, and he does not intend to back away from the affirmative action commitment of the institution. He said he would disagree with the statement from the Black Caucus where it refers to overt and covert discriminatory practices at the university. If there are such practices at the university, those people who are aware of them have a responsibility to bring them to the attention of the administration. When they are brought to the attention of the

administration, with or without a half-time affirmative action officer, every ounce of strength in the university will be used to deal with such overt or covert discrimination. The President said he would urge the Caucus or any of its members to bring any matter in that category to his attention, to Mr. Bolden's attention while he is still on the payroll, or to the attention of any division head so that the matter can be dealt with.

Mr. Murray said he assumes that the Caucus would like a statement from the President and a written affirmative action policy as to how this position will be handled in the future.

President Lacy said as he has stated on campus and to the Board in Executive Session, his intention is to ask the Director of Personnel to take the responsibility of affirmative action officer for the institution. Additionally at this time on campus they are looking into the possibility that she might be assisted in that responsibility by a member of the faculty who would be released part-time to assist in carrying out the affirmative action policies and procedures of the institution. They have not yet had the time to assess the resources available in the faculty or reach a conclusion about that possibility, but clearly there are a number of members of the faculty who have the experience and capability to perform that role. Fortunately, Dr. Lacy said, the Director of Personnel also has the experience and capability to serve the institution well as affirmative action officer. He added that it is his intention to have Ms. Carey, the Director of Personnel, in her capacity of affirmative action officer, to report directly to the President in that capacity.

Mr. Thomas noted that the Director of Personnel deals mostly with civil service employees, and he asked how this person can be involved with faculty and administrators. Will that create a problem for the person at some future date?

Dr. Lacy said the question of conflict of interest has been discussed with the Merit Board at some length, and the response received from Mr. Ingerski, Executive Director, was that not only does he not see this as a conflict of interest, but he sees it as a pattern that he would like to see develop in the public institutions across the state. He would like to see other institutions begin to take the step of integrating the affirmative action responsibility in the personnel office. Dr. Lacy said he too is much concerned about the workload of the employees in the personnel office, and that is one of the reasons they will take the step of looking at the possibility that a faculty member might have released time from teaching to assist in that office. The personnel office is a very hard pressed office and it is pursuing a number of goals, ones that are difficult, in areas like retention, training, etc. It is not different from other offices in the university in that respect. He is asking a number of offices, particularly after this recession, to take on additional responsibilities at a time when they cannot be given the necessary resources which in past years they would have been given to carry out the responsibilities. The President said he will watch the workload as carefully as he possibly can.

Mr. Murray said he could assure Mr. Thomas that the Board will from time to time be asking how the situation is working out, and he would assume that Mr. Thomas would not hesitate to let the Board know about anything in this area.

Mrs. Fitzpatrick said that since she was the one to commend Sangamon State for its affirmative action efforts, she would now be the one to condemn it, without faint praise. For the record, she said, she would read the affirmative

action efforts of the institution so far: there are 38 professors, none of whom is black; there are 87 associate professors, 4 of whom are black and one of whom is also serving as an administrator; there are 68 assistant professors, 8 of whom are black; 95 tenured faculty, two of whom are black; 9 instructors, one of whom is black; 16 new positions last year, one of whom is black. None of this, Mrs. Fitzpatrick said, reaches 12%, and she would like this to be on record so that we do monitor the watchdog.

Ms. Burns asked if the job description for the Personnel Officer would be rewritten to reflect the affirmative action responsibilities, and also if there is still an affirmative action plan in writing.

Dr. Lacy said they will be rewriting the position description. The plan will not be rewritten. The affirmative action plan of the institution will remain as it is. It is subject to periodic review, and it will be reviewed, but it will not be rewritten as a result of this decision. The new job description and other changes which are necessitated by the decision will be brought to the Board for action at the March meeting.

Mr. Murray thanked Mr. Thomas for bringing his concerns to the Board in a very responsible statement in a very responsible manner.

The Chairman then recognized Professor Ettinger.

Mr. Ettinger thanked the Board for allowing Mr. Thomas and himself to speak today. The particular problem brought to the Board by Mr. Thomas is primarily due to a financial crisis, he said, and he appreciates the position taken by the Board, as well as the antidisestablishmentarianism position taken by the Executive Director. This particular problem makes it even more important, he said, for us to take a look at the fiscal crisis and the efforts that we need to make. Mr. Ettinger said he represents the University Professionals of Illinois, which is a chapter of the AFT on the Sangamon State campus, and Dr. Thomas is also a member of the group. They have already distributed through the mail an endorsement, in essence, of the Black Caucus position, and he would ask the members of the Board to refer to this again and redouble their efforts to keep the university out of this financial crisis. On campus they will do their best to increase productivity. These kinds of crises are driven by the financial situation and we can make mistakes in a crisis like this. Mr. Ettinger said he thinks that a mistake has been made. He would hope that the Board would spend some time on this specific problem brought by the Black Caucus, knowing that their position has the endorsement of the UPI. He would hope that the Board would join them in their lobbying effort at the State House and see if we cannot make a better day for higher education.

Mr. Murray thanked Mr. Ettinger for his statement.

Ms. Orchowski then moved for approval of the Report of the President of Sangamon State University, including transactions during the month of January. The motion was seconded by Ms. Toman, and it carried, with Mrs. Fitzpatrick voting Nay.

Northern Illinois University - President's Report

Before presenting his Report, President Monat reported on the events which are being planned in conjunction with the dedication of the Law School in March.

Information reports were submitted on:

Status of Undergraduate Admissions for Summer 1983
and for Fall 1983
Grants and Contracts (Research, Institutes, and Studies)
Gifts to Northern Illinois University

The following items were presented for action by the Board:

1. Personnel transactions for faculty and other employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.
3. Capital Improvement Projects
 - (a) Grant Towers - Repair of Tower Perimeter Columns
Permission was requested to employ the firm of Raths, Raths & Johnson, Inc., Willowbrook, to analyze the extent of distress of each column using the services of material technologists and metallurgists. Based on their findings recommendations will be made as to which columns require immediate repair, the extent of the repair and a budget to complete the work. Fees for the analysis and report will not exceed \$35,000.
 - (b) Grant Towers - Exterior Soffit Repair
Permission was requested to employ the firm of Raths, Raths & Johnson, Inc., Willowbrook, to inspect each panel for structural attachment and for surface deterioration to determine which precast panels need replacement. Fees for the project will not exceed \$7,000.
 - (c) Holmes Student Center - Tuckpointing and Caulking the Tower and the Remainder of the Building
Permission was requested to prepare plans and specifications, advertise and receive bids for tuckpointing and caulking of the tower and the remainder of the building. No engineering fees will be charged to this project.
 - (d) Stevenson Towers Complex - Replacement of Windows in Dining Room
Permission was requested to prepare plans and specifications, advertise and receive bids for replacement of the windows and the repair of the plaster ceiling below. No engineering fees will be charged to this project.
 - (e) Holmes Student Center - Renovation of Elevators
Permission was requested to prepare plans and specifications, advertise and receive bids for renovation of the three passenger elevators. No engineering fees will be charged to the project.

(f) Recreation Facility

The University recommended the amendment of the agreement with the architectural firm of Kessler, Merci & Associates, Inc., to provide for an architectural fee of 5% of the construction cost budget. If the project does not proceed beyond bidding, the architect will receive the flat fee of \$150,000 authorized by the Board in December 1982. If authorization is given by the Board for the construction of the recreation facility, the architect would be entitled to a 5% fee for the total project. Credit would be given for all fees paid up to that point and 20% of the fee would be reserved for the construction phase of the project.

It was also recommended that the architects be reimbursed for the printing of the construction documents.

(g) Remodeling of Huskie Stadium (University Box Component)

A tabulation of bids received for the project was presented with a recommendation that the low bids be accepted and contracts awarded as follows:

General Construction

Flagg Construction, Rochelle, IL	\$105,111.00
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Electrical Construction

Mascal Electric, Inc., DeKalb, IL	\$ 11,200.00
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It was recommended that the total budget for the project be established as follows:

Construction Contracts	\$116,311.00
Architect/Engineering Fee	10,468.00
Allowance for Reimbursables, Additional architectural services and on-site observation	10,000.00
Contingency	7,221.00
Total Project Budget	<u>\$144,000.00</u>

(h) Steam Line to Connect East and West Heating Plants

A tabulation of bids received for the project was presented with a recommendation that the low bids be accepted and contracts awarded as follows:

General Construction

Mike Long Construction, DeKalb, IL	\$717,000.00
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Electrical Construction

Manning Electric, Inc., Rochelle, IL	\$ 61,800.00
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Plumbing

G's R Plumbing & Heating, DeKalb, IL	\$ 48,043.00
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Heating

Carlson Park Mech., Rockford, IL	\$236,384.00
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It was recommended that the budget for the project be established as follows:

Construction Contracts	\$1,064,995.00
A/E Fee	73,485.00
Contingency	323,520.00 *
Allowance for additional engineering services, reimbursables and on-site supervision	38,000.00
Total Project Budget	<u>\$1,500,000.00</u>

*The recommended project contingency includes funds for an extension of a new steam service to Douglas Hall. With the concurrence of the Board the University proposes to a) solicit prices for the Douglas Hall work from the respective contractors and to undertake that work via change orders providing the cost is considered to be reasonable by the project engineer, the University, the Board's Central Staff and the Capital Development Board, or b) if the prices are not considered acceptable, the University would direct the engineer to finalize plans and specifications and solicit bids for the Douglas Hall steam line connection to the primary distribution system.

President Monat called attention to the project for Remodeling of Huskie Stadium (University Box Component), noting that this project has come to the attention of the Board on several occasions. In March of 1981, he said, a new budget was prepared because the original bidding exceeded the project budget. The estimated budget for this component was \$185,388 and the project has come in now at \$144,000, about \$40,000 under budget.

Ms. Burns observed that in the report on Status of Undergraduate Admissions for Fall 1983, it is stated that the total number of applications is down by 12%, but yet NIU has accepted a greater number of students by over 200. Does this mean our standards are staying the same, or what does this mean?

The President said applications are down slightly and acceptances are up slightly, but they have not changed admission standards one bit. Ms. Burns said 12% would seem to be more than a "slight" drop; however, she was just curious about this. Dr. LaTourette said there appears to be a reduction in the number of multiple applications in the state, and most institutions are down somewhere between 7% to 15%.

Ms. Burns inquired into the reason for the two studies for the repair of the tower perimeter columns and for exterior soffit repair at Grant Towers. Vice President Smith said the way these are constructed really takes expert opinion, and that needs to be done beforehand. Visual observation does not give them any type of conclusive evidence as to what needs to be done. Can't the university architect make this determination, Ms. Burns asked? Not in this type of construction, Dr. Smith said. We are talking about steel, how much of it might have lost its strength, what rust has done, erosion, a moving of the columns might have occurred and is not visible. They do not have this kind of expertise on campus, he said.

Referring to the Remodeling of Huskie Stadium (University Box Component), Ms. Burns asked if someone could refresh her memory as to why we have held this project so long.

President Monat said it was held because when it was first bid the results of the bidding were way over budget. They went back to the drawing board and redesigned the project. It was put out for bids and these are the results of that bidding experience.

Is this a stadium club for the university, Mr. McClure inquired?

No, the President said. There is a university box and those who have been there, particularly when it is raining, are fully aware that it leaks. Right now it is an open box. The plan is to enclose it. It will not be posh. Practically every university stadium that he has been in has a facility like this, Dr. Monat said. Mr. McClure commented that \$144,000 would buy an awful lot of blankets and umbrellas. Ms. Burns noted that Mr. McClure was not present on the Board for earlier discussions of this project, but her recollection was that it was narrowly approved by the Board.

Mr. Murray asked for a brief review of the whole Huskie Stadium project. Dr. Monat said there were several pieces to this project. One was a major improvement in the Press Box, and that has been largely settled. The bleacher project was a part of the stadium size expansion. That was in two phases to meet the requirements of the NCAA with respect to stadium size for qualification as a division one football program. A significant part of the total project had to do with expansion of the stadium - the bleacher projects. Today's recommendation has to do with the University Box part of the project.

Are student monies going toward this, Ms. Toman asked?

No, the President said, this is part of the project construction fund that was created when they refinanced their outstanding indebtedness in 1978. This portion of the project was a part of the whole project when it was first brought to the Board in January of 1980.

Well, Mr. Murray noted, indirectly the bonds are being paid from a variety of sources, including student fees. Yes, the President said, but the \$6,000,000 project construction fund was a result of the refinancing. Where would this money go if it were not used for this, Mr. McClure asked? The window for the project construction fund is closed, the President said. It was a three-year window, and it is closed, and this is the last project to be recommended out of that fund..

What are we getting in this project, Ms. Burns asked? The construction of an enclosed university box, Dr. Monat said, right where the existing university box is, right in front of and below the press box. Mr. Murray said he assumes that it will have glass and heat? It will have radiant heat, the President said.

Dr. Matsler said these questions had been debated in Staff, and for that reason he had a chronology prepared. The Board would remember, he said, that there was a split vote on this project in the Facilities Committee, but when it was brought to the Board, it was approved. While the Board could now turn around and say it does not want to approve the project, Dr. Matsler said he suspects that really should have been done quite a while back rather than now.

President Monat said he would remind the Board that all three student Regents voted for this project in the Facilities Committee. That's correct, Mr. Murray said, and other members of the Committee voted against it, although they all

supported the project on the floor.

Mr. Murray said he was going to put the President right in the gun sights. When we are asking for an income tax increase and crying poverty in our universities, is he still willing to endorse this wholeheartedly and ask the Board to approve this? Dr. Monat said the Chairman was asking for a subjective emotional commitment. That's right, Mr. Murray said. Would the university unravel with out this, Dr. Monat asked? Of course not. Does he think that in the long run it would be a valuable addition to the facilities? Yes, he does. Are there more important tasks ahead of us? Yes, there are, Dr. Monat said.

But is this the right thing to do in February of 1983, Ms. Burns inquired? The Board will have to answer that question, the President said. It comes to the Board now because this is when the planning process reaches its culmination. And it would not be in his Report to the Board if he was not willing to recommend it.

Mr. Murray asked Mr. Winning if any special vote needed to be taken if the Board wished to disapprove this now. No, Mr. Winning advised, the Board can change its mind.

Mr. Murray inquired if anyone wished to move that this be separated from the President's Report. There was no motion.

Mr. McClure, following up on Ms. Burns' earlier comment, said this discussion should at least let the Presidents and their staffs know that in these times the Board is going to look very carefully at non-essential capital improvements. He said he is inclined to go along with this project because apparently his predecessors on the Board felt it was a good idea, although it was a close vote. However, in the future when money is tight he thinks there may be more important places to spend it.

President Monat said he must agree with Mr. McClure. In his five years as President and participating in Board meetings, he has been impressed with how carefully the Board does scrutinize projects, particularly through the Facilities Committee. As a matter of fact, he said, it is unfortunate that there was not a committee meeting yesterday because many of these issues could have been thrashed out there. The Facilities Committee plays an extraordinary and useful role in this whole area, and this particular project had gone to the committee three or four times in one phase or another.

Referring to the proposed recreation facility, Mr. Gayles said the Board would recall that some three and a half months ago, when questions were raised about the validity of the referendum held two and a half years ago, he brought to the Board a statement of reaffirmation from the student government at NIU at that time backing the validity of the referendum. Since that point in time they have had within their constitution 5% of the student body questioning that referendum, and a new referendum will be held on campus. Mr. Gayles said in March he will bring the results of the new referendum to the Board. He said he wants this to be as objective and upfront as possible, and he believes they will have a big turnout. From his own personal standpoint, Mr. Gayles said he believes in the recreation facility and the good things it can provide.

Mr. McClure and Mr. Murray said they would encourage the NIU students to turn out en masse for the referendum.

After further discussion of the University Box project, President Monat said if the Board should so wish it could defer action on the project at this time.

Mr. Murray said he did not detect a desire to do that. He just thinks that it is, in a way, a highly visible extravagance. It is not a lot of money in terms of budgets, but it is a policy matter that each of us is going to have to live with. Ms. Burns agreed, adding that the timing is not as good as it could be, particularly the month before we consider tuition levels.

Mr. McClure then moved that the Report of the President of Northern Illinois University, as amended, be approved, including the portion pertaining to the University Box project, and transactions acted on by the Executive Committee in January. The motion was seconded by Mr. Wright, and it carried unanimously.

Illinois State University - President's Report

President Watkins presented information reports on:

Purchases (Professional & Artistic Contracts, and Contracts with
Visiting Performers)
Capital Improvement Projects
Grants and Contracts (Research, Training, Service)
Bond Redemptions

The following items were submitted to the Board for action:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.

President Watkins took special note of changes in assignment listed in his Report. Dr. Carmen Richardson has decided to go back to full-time teaching, and Dr. Clayton Thomas has made the same decision. They will be missed. They are fine people and the university is glad that they will continue in teaching capacities.

The President said that earlier in Executive Session he reported his nomination of two outstanding figures in American education for honorary degrees at Illinois State. Now, he would ask that the Board approve the granting of an honorary degree by ISU at its May commencement to Mr. Allan Ostar, the President of the American Association of State College and Universities, in which capacity he has served since 1965. Also recommended to receive an honorary degree is Dr. James Fisher, an alumnus of the university, former staff member at ISU, and now President of the Council for the Advancement and Support of Education. These two outstanding leaders deserve the thanks of all of us and ISU is honored to present them to the Board as candidates for honorary degrees. The President asked that this request be made a part of his President's Report.

Ms. Orchowski said in both the January and February Reports, she noticed the ISU Entertainment Committee has reported on concerts which have been held, and she asked why the Board requests an update on these since there are no appropriated funds involved.

It used to be, Dr. Matsler said, that the institutions came to the Board for approval of these items. The Board does control all appropriated funds, but also locally funds. The Board is the manager of all funds. However, because these concerns do not involve appropriated funds and also because lead time is often quite short, it was felt that the Presidents should make these decisions and then report them to the Board for information.

Mrs. Fitzpatrick inquired if President Watkins planned to fill the position that Dr. Richardson is leaving. Dr. Watkins advised they do not plan to fill the position, they plan to absorb it in the area of the Provost's Office. They feel this can be handled without additional staff members being appointed in that area, and is part of their attempt to reduce administrative costs as well.

Ms. Orchowski moved for approval of the Report of the President of Illinois State University, as amended, and including transactions acted upon by the Executive Committee in January. The motion was seconded by Ms. Toman, and it carried unanimously.

There being no further business to come before the Board, on motion duly made and seconded, the meeting was declared adjourned. The next regularly scheduled meeting of the Board of Regents will be held on March 17, 1983 at Northern Illinois University, DeKalb, Illinois.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Northern Illinois University - DeKalb, Illinois

March 17, 1983

The regularly scheduled meeting of the Board of Regents convened at 9:00 a.m. on March 17, 1983 in the Sky Room of the Holmes Student Center at Northern Illinois University, DeKalb, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Mr. Jerome R. Bender	Mr. D. Brewster Parker
Mrs. Clara S. Fitzpatrick	Mr. Harold Riss
Mr. Montel Gayles	Ms. Janine Toman
Mr. L. Milton McClure	Dr. Harry L. Wellbank
Ms. Denise Orchowski	Mr. David E. Murray, Chairman

Ms. Carol K. Burns and Mr. James L. Wright were not present for the meeting.

Also present were:

Dr. Alex B. Lacy, President, Sangamon State University
Dr. William R. Monat, President, Northern Illinois University
Dr. Lloyd I. Watkins, President, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

In attendance from the Joint University Advisory Committee were: (ISU) Dr. Virginia Crafts, chairperson, Dr. Thomas Eimermann, Mr. Leon Toepke and Dr. George Tuttle; (NIU) Mr. Joe Koch, Dr. James E. Lankford, Dr. Tony Scaperlanda and Dr. Jerry D. Meyer; (SSU) Dr. Jack VanDer Slik.

Others present included staff from the Regency Universities and the Central Office of the Board; Mr. James M. Winning, Legal Counsel to the Board; and representatives of the student bodies and the news media.

Mr. Gayles moved that the Board recess to meet in Executive Session for the purpose of discussing matters in litigation. The motion was seconded by Dr. Wellbank, and it carried unanimously.

The Board reconvened in public meeting at 10:00 a.m.

MINUTES OF FEBRUARY 17, 1983

The Chairman directed the attention of the Board to the minutes of the meeting held on February 17 and asked if there were any additions or corrections to be proposed. Dr. Matsler noted that on page 28 of the minutes the date of the next scheduled meeting should read March 17, rather than May 17. On motion by Dr. Wellbank, seconded by Ms. Toman, the minutes were approved as corrected.

The Chairman said he had received a request that the Board depart from the printed Agenda in order that the institutional reports might be presented early in the meeting. He said this would allow President Watkins to be excused from the meeting and leave for Tampa, Florida, where Illinois State University is competing in the NCAA basketball tournament, after winning the Missouri Valley Conference. Mr. Murray asked Dr. Watkins to convey the congratulations of the Board to the team and coaches and also the hope that they will be successful in the game tonight against Ohio University.

President Watkins thanked the Board and added that in accepting the congratulations on behalf of Coach Donnewald and the men's basketball team, he must also note that ISU is one of the few universities in the country which also has a women's champion team. The women's team, he said, won the championship of the Gateway Collegiate Athletic Conference, and they too have qualified for an automatic bid to the NCAA's women's tournament and will compete against Kansas State University on Saturday. So, the President said, both teams are advancing and the university is very proud of them.

What does this mean in terms of financial return, Mr. Murray inquired? The President said he really could not say what the women's team participation would mean in terms of revenue, since this is one of the very first of the NCAA tournaments for women. There is not much of a history on this. As far as the men's team is concerned, Dr. Watkins said he has been told that if they survive the first round, it could mean something in the neighborhood of a quarter of a million dollars which would be paid to their conference, to be split among members on a predetermined basis, such as is done in all conferences. He said he does not know where this will come down finally, but it will be expenses plus a good deal more if the team survives the first round.

President Watkins said that before presenting his Report to the Board he would note that he had placed at each member's place at the table a copy of an article which appeared in the Sunday Pantagraph. He said ISU took very seriously the comments and advice from the Chairman at the last meeting, and has instituted a series of articles to explain the critically important work of university professors to the public. He said everyone in higher education knows that America's professors are agents of change, they are creators of knowledge, and guardians of our civilized traditions. It is not unfair to say that no profession in America is more important to the country than being a professor in a college or university. It is further true, as pointed out, that many people have a misperception of what people in college and university work do, a misperception very similar, he supposes, to the misperception of a minister - that the only thing a minister does is to preach an hour or two on Sunday.

Participating in the discussion for this first article, Dr. Watkins said, were Arlan Richardson, a Professor of Chemistry, and a renowned authority on the chemistry of aging; John Cragan, one of the most innovative communication professors in the country; Julian Dawson, an outstanding concert pianist and co-conductor of the Bloomington-Normal Symphony; and Bill Linneman, a Professor of English who has made quite a name for himself as an authority on American humor.

Mr. Murray said he appreciates what has been done with this article, and the President has also sent him several pieces of correspondence indicating

what has been done by way of public relations on this subject since the last meeting of the Board. He said he has also received several very informative letters, particularly from people at ISU, concerning productivity. Mr. Murray said he believes the university is on the right track with the series of articles.

Dr. Watkins said he and Mr. Godfrey had a very productive luncheon meeting with the news editor and the editorial page editor of the Pantagraph about other stories which will appear in the paper, including a series on the interaction of ISU faculty with the business community in the Bloomington-Normal area. He added that he had been told recently by the Executive Director of the ACI about the importance of the work that ISU professors are doing with them in market surveys and all sorts of things which they feel are critical for the economic development of the area.

Mr. Murray said he feels there is no question but that misinformation or the lack of information contributes to reckless criticism about the universities. These are the kinds of stories that we must get across to the public.

RECURRING INSTITUTIONAL MATTERS

Illinois State University - President's Report

Information reports were presented on:

Grants and Contracts (Research, Training, Service)

The following items were submitted for action by the Board:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.

Mr. Parker moved for approval of the Report of the President of Illinois State University. The motion was seconded by Ms. Orchowski.

Mr. Parker asked President Watkins if he could comment on the wide discrepancies between the bids received on some of the items in the Purchases Section of his Report. He said he was just amazed that some of the bids were about 300% above the low bid. He asked the President if he thinks accepting the low bid will get the job done that we need.

Dr. Watkins said he, too, had noted some of these disparities. All of the bids are based, he said, on a very strict set of specifications. The university does check into the reliability of people who are proposing to perform a service for the university, he noted, and he would not accept or bring to the board a bid if it was felt that the individual or the company was incapable of performing the service. The institution is convinced that what they are asking to be done can be done legitimately at the low bid price.

Mr. Parker said he was glad to hear this.

The question before the Board was called for a vote and the motion carried unanimously.

President Watkins thanked the Board for the courtesy of being allowed to present his Report early on the Agenda. He said when he left the meeting Provost Leon Boothe would be available to speak for him.

The Board returned to the regular Agenda.

CHAIRMAN'S ITEMS

The Chairman said he had received requests from several individuals to address the Board. He recognized Ms. Nancy Mack to speak to the Board.

Ms. Mack advised that she was speaking as Vice Chair of the Committee for Quality Education and also as a student at Northern Illinois University. Some of the priorities of the university, she said, have been vaguely presented to the students. They realize that there are budget cuts that will be made at the university, but they do wonder where the cuts will be made and why. Ms. Mack said that tuition is being raised, the library is only 60 percent completed and now is too small to accommodate the needs of the student population, classes are being cut in essential areas, and student referenda concerning fee increases are being ignored. At the same time a glass president's box costing \$144,000 is being built, law school tuition is being lowered, the athletic program has become a top priority, and a recreation center may be built costing students \$1.70 a credit hour even though a student referendum voted against the facility by a three to one margin.

It appears, Ms. Mack said, that the administration's main commitment is to the athletic program and the law school while the rest of the university is in deep trouble. Students want the Board to recognize their concerns. The priorities of the university must be reassessed before the quality of their education deteriorates any further. It is really important, she said, that all of the Regents take into consideration how the students feel about what is going on, particularly now when there are so many financial problems. All of the students are scared and wondering if they will be able to come back next semester. She said what she would really like to ask is that when these monetary decisions come to the Board they be publicly announced in advance so that the students will have the chance to give some input about how they feel.

Mr. Murray said Ms. Mack and other students should always feel free to bring any of their concerns to the Board through their student representative, Mr. Gayles. Mr. Gayles said he feels that it is important that students do occasionally come to speak to the Board, because sometimes the Board may get only one small perspective, and it is essential that it hear the counter-opinions also. The students do care about their education, and it is good to see this.

Mr. Murray said the Board does appreciate the concerns expressed by Ms. Mack. The members try to do the best job they can, although this may not always be apparent to students or faculty or anyone, as a matter of fact.

Mrs. Fitzpatrick asked if the Committee for Quality Education is a permanent group on campus, and Ms. Mack said it is a nationally recognized organization.

President Monat said he would like to point out that in terms of the athletic program, the appropriated budget this year is less than what it was last year.

Also, he said, in a very tight budgetary year as we have had this year, the funds allocated to the academic affairs division of the university were over a million dollars more than they were last year, despite the fact that there was no increase in an effective way in the university budget this year. Dr. Monat said he thinks the university is sensitive to and aware of the problems cited by Ms. Mack. There is no question but that there has been an increase in the burden in terms of what the faculty does. The student/faculty ratio has increased. There is no question that as more students have available fewer sections of classes in impacted areas, sometimes difficult decisions have to be made with respect to who is admitted to major in a subject. These are conditions that no one is happy about, but these conditions will continue until there is a realization on the part of the State of Illinois that more revenue needs to go to support the state universities. The 2% budget reduction that the institution had to accommodate mid-year had a dilatory impact on the quality of education on the campus, the President said. He said it is almost simplistic to say that many of these problems can be handled with more money, but the fact is that this is true. The library is crowded. Ms. Mack is correct. When the library was initially designed some 15 years ago, it was initially designed to be a third larger. The institution now has in the planning process as part of the capital budget development, a project which will be recommended to complete the library, to add the one-third that was dropped at the time the library was initially constructed. However, there is a process which must be observed, and sometimes it is very frustrating to students as well as to everyone else.

Chairman Murray said he would add a further comment to Ms. Mack and the students she represents. Unfortunately, this Board does not levy taxes. This has to be done by the legislature and through the leadership of the Governor. There is, he pointed out, at least one legislator from this area who, he had just read in the Northern Star, has said that he will not support an income tax increase. He would urge the students to go home and talk to their parents, talk to other voters, and urge their legislators to change their minds, encourage them to appropriate more money, because there is not much we can do about getting more money. It has to come from above. Once we have the money then it is our responsibility to try and spend it wisely. But it is very difficult for the Board to face problems that simply require more money. The Board is on record as supporting the taxes and state revenues for education, and it will continue to support that. Students must concentrate their efforts right now on those people and convince the legislators that they won't be thrown out of office if they support an income tax increase. That is the message that must be gotten across.

The Chairman then recognized Mr. Ed Gallagher, Speaker of the NIU Student Association Senate.

Mr. Gallagher said he appears on behalf of the SA Senate, as a student at NIU and as a citizen of the State of Illinois, a concerned citizen who also pays taxes. The subject of his address is what is referred to in the minutes of the last Board meeting as the university box component - more popularly referred to on campus as the imperial box. He said he was amazed when he heard the news of the construction of this project. It is no secret that the state universities are facing tough economic times. The fiscal crisis is evident to the students at NIU. Financial aid has been drastically reduced, forcing students to leave the university. Library hours have been reduced, forcing students

to compete for a less-than-sufficient supply of research materials. Large sections of classes have been cut, forcing students to prolong their college careers. The faculty is burdened with over-crowded classes and students are denied the personal attention that professors would otherwise be able to offer. The buildings on campus are plagued with leaky roofs and poor lighting.

Mr. Gallagher said everyone is being asked to make sacrifices. Families are asked to increase support to their sons' and daughters' education. Students are asked to tolerate shorter library hours and over-crowded classes. The faculty is asked to accept increased workloads. The crisis demands that the citizens of Illinois sacrifice more of their valuable income. Almost everyone is making sacrifices except the NIU administration. It is ironic that the glass enclosure of the president's box be undertaken at a time when the university is faced with a fiscal crisis that may demand financial exigency be implemented.

Students face substantial tuition and fee increases, Mr. Gallagher said. There are cost centers that demand fee increases. However, the construction of this glass enclosure will have a tremendous effect on students' willingness to tolerate future fee increases. The atmosphere is becoming tense. The construction of the president's box is creating a sense of exploitation among the students and giving the NIU administration an elitist reputation. In order to preserve a satisfactory atmosphere at NIU, he said, it is important that future construction projects of this nature be avoided. Capital instruction is important, however, it would be wiser to apply the \$144,000 to the renovation of the Huskie Stadium racquetball courts or the repair of leaking roofs.

Mr. Gallagher said he does not pay as much taxes as a lot of people, but he does pay his taxes, and it seems to him that if we are going to be going to the legislature and asking for a tax increase, we will have to present to them symbols of the way that the money is being spent. He thinks the fact that we need money at the university would not be effectively expressed when we are building something that is unnecessary, expensive and extravagant. Not only is this going to create a terrible impression in the minds of the taxpayers, but also a terrible impression in the minds of students.

Mr. Gallagher said State Senator Patrick Welch is opposed to the tax increase, and he ran on a campaign saying there was going to be no tax increase. How can we expect anyone to increase their taxes when this is an example of the way money is being spent. What he finds more ironic is that the project is being considered at a time when the possibility of declaring a financial exigency is being examined. He said he realizes that there are rules and regulations concerning how this money can be spent, but it just seems to him that there are other ways to rechannel the money. There are people in the State who are suffering from poverty, they are unable to feed their children. Mr. Gallagher said he thinks that this is a blatant act of selfishness, and he would hope that the Board would reconsider the construction and use the money more wisely in other areas of the campus.

President Monat said he would remind the Board that the project at issue was approved by the Board three years ago in March of 1980. What the Board did last month was to accept construction bids on the project. This is not tax money, it is not really money of the State of Illinois in the legal and technical sense. One can have a perfectly legitimate quarrel, and indeed there are

people who do question this particular project, the President said, but he thinks it is necessary to make very clear what the money is, where it comes from and for what it can be used. Could it have been used for other purposes? Of course it could have been. It was the judgment of the university three years ago - in fact it goes back further than that - that in the long run for university development purposes this kind of facility made sense. They plan to sell half of the seats, Dr. Monat said, in the university box; and according to their estimates (and they are conservative estimates) in six years the funds expended will have been returned to the university and to the university foundation to be used directly to support critical academic areas in the university. That is the reason the box was proposed in the first instance, the President said. While they do not have enough experience in terms of external fund raising to make even an educated guess concerning what the facility will help yield in terms of external support, he said, they do know that the funds raised by selling seats in the box will return the investment in less than six years; and that investment, unlike the funds from the project construction fund, will be put directly into support of academic programs at the university which cannot be done with bond revenue funds.

Chairman Murray said he was glad to hear the President report on this. He would say to Mr. Gallagher and others who share his feelings and his criticisms that if the money had been general revenue money for university teaching, or other appropriations, he is sure that the Board would not have approved of it. The Board did have considerable reluctance in approving the project, he noted, and all he could say is that it would not have been done if it were general revenue money. But it has been done and we are going to live with it, he said, and he is confident that the judgment will look better in the future than it does right now.

The Chairman then recognized Dr. Margaret Schmid to address the Board. Dr. Schmid asked that she be recognized later in the meeting when the matter of salary increases was being considered.

REPORTS TO THE BOARD

Facilities Committee

Mr. Riss reported that the committee met on Wednesday afternoon, and the only matters considered were those capital improvement projects contained in the Report of the President for Northern Illinois University, the proposed recreation facility at NIU, and ratification of emergency repairs to the granite panels on Holmes Student Center.

President Monat passed out an Addendum to his Report which explained the damage to the granite panels on the exterior of the Center and the action taken to repair them. The panels have moved and create a potential danger to passersby. The Committee recommends that the Board ratify the emergency repairs in the amount of \$10,500.

Mr. Riss said the committee reviewed all of the projects requested for approval in the NIU Report, and contracts for the Anderson Hall Gymnasium roof repair will be awarded in two phases because funding will come from FY83 and FY84 sources. Energy conservation controls will be installed in Anderson Hall as recommended by the consulting firm that recently completed an energy survey on the NIU campus.

President Monat also explained to the committee the need for repairs to Parking Lot "L" and the Williston Hall Service Drive, and deterioration of these areas requires resurfacing. Also considered was the resurfacing of College Avenue, Castle Drive and Gilbert Drive; and for the first time Student Busing revenues will be used to pay a portion of the cost of resurfacing because the bus traffic has been partially responsible for the deterioration.

Mr. Riss said the Facilities Committee recommended approval of all the projects in the NIU Report.

There was also a considerable amount of discussion of the proposed recreation facility. No action, however, is recommended on this by the Committee. Mr. Riss said he understands that President Monat will speak to this project when he presents his Report to the Board.

With respect to the emergency repairs at Holmes Student Center, President Monat advised that initially the institution intended to come in with the proposal to approve a contract for \$10,500 for the repairs. However, just yesterday it was found that there are areas of additional deterioration, so when he presents his Report, he will be recommending that we enter into a contract of up to \$16,000 to take care of the additional repairs.

Program Committee

Mr. Parker, Chairman of the Committee, reported that in yesterday's meeting there was an exchange of thoughts and theories concerning the academic programs of the Regency Universities. This was the annual preliminary discussion of academic plans and program reviews. More specifically, he said, the committee discussed the mission statements of all the universities and the new program at Northern concerning the change in mission allowing for the introduction of an engineering school. Mr. Parker noted that in the Executive Director's Report, there was inadvertently omitted a Staff recommendation for the deletion of the C.A.S. in History at Northern Illinois University. The Board should be aware, he said, that this should be included as a Staff recommendation.

Mr. Parker reported that the Committee, due to time constraints, did not discuss the BHE report entitled "Educational and Economic Ramifications of Shifts in Student Demand". This will be taken up at a later date.

Mr. Parker said that preceding the Committee meeting he assured the university representatives that any program deletion demand would come only in the event of financial exigency or through the program review process. Later in the meeting, he said, he would relay the Committee's decisions when the Executive Director's Report was under consideration.

Mr. Parker said he would like to add that he believes the Committee meeting was an excellent example of the fine use of the committee system which the Board instituted only a few years ago.

Joint University Advisory Committee

Dr. Virginia Crafts, Committee Chairperson, said she would like at this time to recognize one of the JUAC members for whom this will be the last meeting in his current role. George Tuttle, she said, has served as Chair of the

Academic Senate at ISU and by virtue of their guidelines also served on JUAC. Senate elections occur in March at ISU, she said and the new Senate meets in April. George Tuttle has resigned from JUAC to permit a smooth transition in Senate assignments. He has served JUAC faithfully and well, and the Committee recognizes his contributions.

Dr. Crafts said the Committee received a report that possible pending legislation related to the insurance package which BOR employees will receive would, in effect, reduce the quality of fringe benefits. This is distressing news. At their meeting Dr. Floyd distributed a report from the American Association of State Colleges and Universities entitled "Report on the States' Early Retirement", and the Committee thanks her for her initial work in gathering the information requested. This will be on the agenda for their next meeting.

Dr. Crafts said JUAC has mixed reactions in regard to some of the uses of monies in the State. It is good to know that the small raises for faculty held in abeyance for several months may become a reality. On the other hand, they view with great alarm the fact that the retirement system is again being tapped for funds to provide the needed monies. All in all, these situations along with other events in various aspects of state operations point out vividly the need to increase state revenues. The tax increase is sorely needed.

Working with Dr. Groves and Dr. Floyd, Dr. Crafts reported, JUAC has firmed up plans for the retreat to be held at ISU in April. The Committee appreciates the opportunity this will provide for an open, frank and informal discussion of issues and concerns in higher education generally in the Regency System particularly. They are especially pleased that James Furman will not only be the dinner speaker but will also be an integral part of the retreat.

Mr. Gayles said last year he had the opportunity to attend the retreat as President of the Student Association, and this year he would like for consideration be given to inviting some of the student representatives from the campuses so that they can get a broader picture and perspective of what goes on in the educational communities.

Dr. Crafts said this is a recommendation that should be considered by representatives of the Board as well as by JUAC. Mr. Murray asked Dr. Matsler to consider the request and make a decision.

Mr. Murray asked Mr. Bender if he could report to the Board on what the Governor has proposed for the State Universities Retirement System appropriations.

Mr. Bender said he received a letter from Mr. Don Hoffmeister which he would read for the record:

To help balance the FY83 State budget, the Governor has proposed to reduce the FY83 appropriation to the five State funded pension plans by \$90 million. Our portion of this reduction would be \$9.2 million. Inasmuch as the other retirement systems had been funded at the 70% of gross payout level most of the reduction will be from their appropriations. After the \$90 million has been withheld, all of the systems will be funded at the rate of 51% of gross payout for FY83.

Our original FY83 appropriation approved by the General Assembly was at the 70% of gross payout level and amounted to approximately \$56.8 million. Through the use of his reduction veto, the Governor reduced that appropriation to approximately \$51 million. After applying this second reduction, our appropriation for FY83 will be approximately \$41.8 million. If the General Assembly approves this latest reduction, our cash flow for the last three months will be negative by approximately \$2.5 million per month. Thus, it will be necessary to use money in the Harris STIF Account; and thus, reduce or postpone our distribution to the investment managers.

Our fiduciary responsibilities weigh heavily upon us during these days of retrenchment. Those of you who represent other governing boards carry a double burden as you witness the departure of esteemed faculty members and the reduction in programs. May the General Assembly in its wisdom provide the resources so that the Governor can deliver the carrot offered in his Budget message that would restore funding to the retirement systems at a 77.5% level for FY84.

Mr. Bender said the above letter was addressed to all members of the Board of Trustees of the State Universities Retirement System under date of March 7.

Mr. Bender said he recommends that the Board authorize a statement to be sent to the Governor and to each member of the Legislature expressing deep concern about the second and most drastic underfunding of the State Universities Retirement System. Mr. Hoffmeister's letter clearly defines the seriousness of the actuarial liabilities that the participants now face. He would suggest that the statement include the mandate that no further cutbacks be allowed and that the underfunding of the past two years be replaced, and also that until the state's continuing contribution to the fund remains at the minimal gross payout no consideration be given to any social investing in the State of Illinois that might have the slightest element of risk. Mr. Bender said he would also recommend that JUAC consider such a statement as well as Mr. Hoffmeister's letter and that they get this information to every SURS participant and annuitant in our System and urge them to write similar letters.

Mr. Murray asked Mr. Bender if his recommendation was meant as a formal motion. Mr. Bender said he would so move. Would Mr. Bender be willing to sign the letter as the representative of the Board of Regents on the SURS board of trustees, Mr. Murray asked? Mr. Bender said he would not at all mind doing this. The motion was seconded by Mr. Parker, and it carried unanimously.

Mr. Bender said if at all possible he would like to have the letter to present to other members of the board of trustees when they meet in Chicago next week.

EXECUTIVE DIRECTOR'S REPORT NO. 138

Section I - Legislative Report

This month's report is concerned with happenings at the federal level, Dr. Matsler said. By next month staff will have enough information on what is

occurring at the state level to give a full report.

At the federal level, Dr. Matsler said, funding will probably be at about the same level as this year. Although the Administration has proposed considerable changes which would mean a significant cut in financial aids, it is the thought of most people in Washington today that Congress will probably not go along with the proposed changes at least for this coming year, but that probably these cuts may be with us in the following year. The Administration proposals, however, do include some rather interesting changes, some of which he would just quickly highlight for the Board. The Administration is proposing that there will be no funds for the SEOG grants, which do not really affect our institutions as much as the private institutions. There is also a proposal to change the Pell Grants to include a 40% self-help clause. This would mean that a student participating in the Pell Grants program would have to provide 40% in self-help. That self-help is available through work-study programs and loan programs, but it would still mean that there probably will be less government help than there has been in the past. The Administration proposes to increase the work-study programs. Categorical grants would be reduced some, and the President has proposed establishment of a new educational savings account, Dr. Matsler said, which he does not favor. It is a proposal whereby parents would be provided the opportunity to save \$1000 a year. They would be required to pay taxes on that \$1000, but the interest on it would be tax free.

Mr. Gayles said he has heard that the Administration is also planning to dismantle the Education Department, and he wonders what that would do to us as a public institution. The talk in Washington, Dr. Matsler said, is that this will not be done, but rather staff within that department will be reduced. Most people in education object to the elimination of the department, he said, primarily because they fear that they will not have access to the people who administer the various programs in which they are interested.

Section II - University Academic Plans, 1983-1987

This is probably one of the most important items which is brought to the Board, Dr. Matsler said, and he understands that it received a great deal of discussion in the Program Committee on Wednesday, and for that reason he would just ask Dr. Groves to lead us very quickly through the recommendations which Staff has relative to the mission statements and the final recommendations for Board action.

Dr. Groves noted that the Staff recommendations would be found on pages 20-22 of the Executive Director's Report:

With respect the new program proposals and mission changes, Staff recommends:

that the Board approve the proposed expansion of the Northern Illinois University mission to include programming in engineering fields with the understanding that (1) the university will elaborate a ten-year implementation plan for Board consideration by June, 1983, and, (2) that this approval does not constitute authorization of any related new program requests or budgetary requests since these would have to be considered separately when proposed in detail.

With regard to program reviews and follow-up reports of Northern Illinois University, Staff recommends that the Board:

- a. concur with the university's recommendations that the Major in Meteorology be placed on a three year's suspension with no students to be admitted after the Fall 1983 semester and that a review and follow-up report be completed in three years which emphasizes scientific currency of the curriculum and necessary new financial resources.
- b. concur with the university's recommendation that the Masters Degree in Geography be placed on three year's probation during which time it will continue to admit students and that a review and follow-up report be completed in three years' time which emphasizes student research competencies, degree completion, and faculty research productivity.
- c. concur with the university's recommendation that a follow-up report and recommendations be prepared on the need for a Major in the Social Sciences and, if justification exists, the most appropriate curricular structure to be developed.
- d. agree with the university's conclusion that the Latino Studies Minor and the Latin American Studies Minor should be consolidated and request the university to bring in a request for this program action.
- e. concur with the university's intention to study the status of both disciplinary and interdisciplinary minors and to present a follow-up report on this subject including implementation steps within one year's time.
- f. indicate its expectation that the consolidation of the Certificate of Advanced Study and Doctor of Education programs in Elementary Education, Secondary Education, and Curriculum and Supervision into a single Educational Specialist and Doctor of Education program in Curriculum and Instruction will be brought in for Board action in this academic year.
- g. support the university's decision to seek formal action deleting the C.A.S. degrees in Physical Education and Biological Sciences at the June 1983 Board meeting.

Additionally, Dr. Groves said, as indicated earlier by Mr. Parker, Staff felt on review that the C.A.S. in History is another one that ought to be deleted and has recommended that to the Program Committee. That this was not included in the Staff recommendations as they appear in the Executive Director's Report, he noted, is simply inadvertent - it should be included among these recommendations.

Dr. Groves said with respect to program reviews of Illinois State, Staff recommends that the Board:

- a. concur with the university's intention to follow-up on its program review of the Majors in Agriculture and Agribusiness by seeking a clarification of objectives, a revision of the curriculum, and better

faculty coverage of the curriculum; and ask for a follow-up report on progress in this regard in three years.

- b. support the university's recommendation that the masters degree curriculum in Physical Education be reviewed and revised to be more responsive to newer trends in the field and also recommend that it be simplified by downgrading the existing sequences within the degree. This too should be the subject of a progress report in three years.
- c. place the Major in Recreation and Park Administration on a three-year probation (not precluding the admittance of new students) to be followed up with an assessment of whether sufficient progress had been made in strengthening the curriculum and program staffing to warrant program continuation.
- d. concur in the university recommendations with regard to the baccalaureate Major in Dance but request that a follow-up report be presented next year evaluating the appropriateness of seeking accreditation and the implications of such a step for the orientation of the curriculum and for perceived concerns and deficiencies.
- e. place the Major in Environmental Health on a three-year probation (not precluding the admittance of new students) pending meaningful resolution of the curricular, staffing and enrollment problems of the program and a review by external consultants to determine if the program should be maintained, this to be reported upon as a follow-up report in three years.
- f. recommend that the university either consolidate the separate Majors in Home Economics Education and Industrial Education into sequences in the Majors in Home Economics and Technology of Industry respectively or present a rationale in a follow-up report for continuing the existing configuration.

As regards the program reviews of Sangamon State University, Dr. Groves said Staff recommends that the Board:

- a. concur with the university intention to reach a decision on the program status of the masters degree in Gerontology within one year and to reflect this and its rationale in a follow-up report to be presented in next year's academic plan.
- b. direct that the baccalaureate major in Labor Studies be reevaluated within two years in order to determine if there is sufficient curricular and enrollment strength to warrant continuing the program, and present a follow-up report on this evaluation in the academic plan.

Staff also recommends that the Board request all of the universities to present a comprehensive follow-up report to the Board in June 1983 on progress made in implementing the Board directive that campus policies be adopted on the maximum hours departments can require of their undergraduate majors consistent with a four-year baccalaureate. This report should include the policies adopted and further campus plans for implementation.

Finally, Dr. Groves said, Staff recommends that the Board approve the 1983-88 academic plans of Sangamon State University, Illinois State University, and Northern Illinois University as modified by the above Staff recommendations for use in Regency System and University planning activities; and further that the Board commend the universities for their efforts in preparing these documents. It should be understood that such approval does not constitute a blanket endorsement of all of the specifics mentioned in the plans.

Dr. Matsler said Mr. McClure had commented to him that as he went through the Staff recommendations it appears that Staff either concurs or agrees with the universities - although there are some expectations for changes, and he wonders why it is that we all get along so well. He said he would point out to Mr. McClure and others that we have through the years had some disagreements with the institutions and these matters have been brought to the Board for adjudication. However, for most of these matters that are very technical, it is probably better to do this in committee or to do it on the campuses. By the time these matters have gone through the committees, and by the time Dr. Groves and Dr. Floyd have been on campus to work things out, there is a great deal of concurrence, so that when we do go public with the recommendations we make a better case than if there were differences. Dr. Matsler said we like to keep differences to a minimum if at all possible. The Board's Program Committee has helped to do this, thanks to Mr. Parker and others who serve on the committee.

President Monat said lest everything appear to be sweetness and light, he would like to state for the record that while there is no basic disagreement, NIU did not recommend the deletion of the CAS in History. This is a matter that Staff has raised. The institution will be examining the issue, but here is an instance where the Staff in a sense has raised an issue that did not come to the Board from the university, and he thinks that is appropriate as well. Dr. Monat said he would like to make one other observation. He came to NIU first in 1976 as Provost and worked with Dr. Groves and Dr. Floyd in that capacity, as has Dr. LaTourette during his time as Provost. He could say to Mr. McClure that what appears to be a "honeymoon" relationship exists because the Board staff comes to campus and goes over the recommendations on programs. Very often disagreements or misunderstandings are clarified at the staff level even before they get to the Program Committee. This is an on-going process of continuing discussion, continuing examination in which both the Board Staff and the people on campus are very active participants. He believes, he said, that both Dr. Boothe and Dr. Davis would concur in this.

Dr. Groves said he would add that the program review process in the Board of Regents system was begun 9 years ago, it is a very effective one, and one that is frequently identified by people in higher education as being an example of an excellent program review process. It is actively engaged on all campuses, taken very seriously, and the decisions which are reached represent a very significant amount of soul-searching and a significant amount of change. Things are not standing still in this system, they are moving, and he believes that a lot of the reason for that is the process that we go through of looking very carefully, in depth, at each program every five years.

Mr. Parker said it was a kind of revelation to him yesterday how the BHE is able to come in and kind of usurp some of the powers that we, the Board

of Regents have, and since we do have such a good system of program review he did not quite understand how the BHE was able to pick certain programs out from our universities and then ask for their deletion or question their viability.

Dr. Groves said on this score this is good news and bad news. The good news is that the Board of Higher Education which has the statutory authority to review programs has very substantially accepted the program review processes that each of the governing boards has established. They could have on their own simply usurped the whole process under the statutes. But they have not done that. Dr. Groves said he thinks that credit should be given to them in that regard. They have accepted the process that we have elaborated and have substantially gone along with us and worked with us on that. They do, under the statute, have the authority to conclude that programs require further attention and even to conclude that they are educationally and economically unjustified. Those are the words used in the statute. They do not, however, have the authority in the statute to delete programs. That is a governing board authority. But they can recommend and take formal action to find programs to be educationally and economically unjustified. Dr. Groves said we would hope that the spirit of cooperation that has prompted the BHE to accept a vigorous process of program review developed by the systems and the universities would carry through in resorting to a recommendation that things found to be educationally or economically unjustified would only be under the worst circumstances. We are working toward that end. It is a little unsettled in this regard, he said, and they are dealing with different prerogatives, prerogatives that are stated under the statutes. That relationship has yet to be worked out, and perhaps that is the bad news. However, the good news is that they have gone a long way in accepting the process.

Mr. Parker then moved for approval of the Staff recommendations, as amended. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Mr. Murray thanked Dr. Groves for his work on the academic plans and Mr. Parker and other members of the Program Committee for all of the time and effort they have put in on them.

Section III - April 1983 Salary Increases

Dr. Matsler said the Board would recall that in December we had just learned that there would be a 2% recision requiring that a certain amount of funding - \$20 million for all of higher education - would have to be turned back to the Legislature and the Governor. There was uncertainty then that we would be able to provide any of the salary increases which had been promised - a 3% increase to be effective January 1, 1983. That increase was held up and the Board directed everyone to wait until the March meeting of the Board at which time it would be determined whether or not the increases could be given, depending upon the cashflow problems that each of the institutions had.

At this time, Dr. Matsler said, Staff is requesting authorization to grant the 3% increase beginning April 1. Although both ISU and NIU do have enough funding to provide for an extra two months' catchup on the 3%, this will not apply to the annualization.

Dr. Matsler then presented the following Resolution for consideration by the Board:

RESOLVED that the Presidents of the Regency Universities and the Executive Director for the Central Office are hereby authorized to grant salary and wage increases to eligible employees, with such increases averaging 3% on a monthly basis when combined with any increases granted previously during FY1983. These increases are to become effective April 1, 1983 or at the beginning of the pay period nearest that date. Eligible employees are those faculty (including laboratory school faculty at ISU), administrative staff, and civil service employees who were under contract in FY1982, would have been eligible for increases in the summer or fall of 1982 (if such funds had been available for such increases), and are still employed as of April 1, 1983. Temporary employees are not eligible for these increases. Be it

FURTHER RESOLVED that in the event no further rescission is implemented during FY1983 the Presidents and the Executive Director are authorized to grant additional increases averaging no more than 3% per month for up to two months to such eligible employees. Such additional increases shall be in effect for no more than two months during FY1983 and shall not be included in the employees' base salaries nor included in calculating FY1984 salaries.

Mr. Gayles noted that some people on campus are saying that the 3% is calculated on 90% of the base and that the increase actually will be only about 2.7%.

Dr. Matsler said this increase will not be exactly 3% for everyone - it might be a little bit higher or a little bit lower, and there may be some who receive no increase at all because the policy of the Board is that this is based on merit. He noted that 3% is not very much money to decide upon on the basis of merit. He said he would suspect that this will be pretty much an across-the-board increase at about 3%, give or take a tenth of a percent either way.

President Monat noted that Mr. Gayles was correct in saying that this is calculated on a 90% base. The institution is still providing an average 3% increase which means that the university must eat the difference in terms of its base budget between what it gets and what is paid out. They have been doing this for a number of years, he added.

Ms. Orchowski noted that the Resolution states that temporary employees are not eligible for the increase, and she asked if this includes temporary faculty.

Mr. Murray said that under the terms of the Resolution temporary faculty are excluded.

Mr. Riss then moved for adoption of the Resolution as presented. The motion was seconded by Ms. Toman.

Dr. Wellbank proposed an amendment to the Resolution stating that the Executive Director and the three Presidents also be granted a 3% increase effective April 1.

Mr. Riss and Ms. Toman accepted this as a friendly amendment to their motion.

Dr. Matsler said Sangamon State had indicated that there might not be funds available for this, but this amendment would authorize the increase should the funds become available.

The Chairman then recognized Dr. Margaret Schmid to address the Board.

Ms. Schmid said she is sure that everyone is aware of the fact that the different systems in the State are treating this matter differently, and she would be happy to comment on that if anyone would care to hear her opinion. Ms. Schmid then read a prepared statement on behalf of University Professionals of Illinois indicating that they are pleased to see that the Board of Regents is now prepared to provide for almost all of the Board of Regents faculty almost all of the salary increase which by rights they should have received already. She said they are proud of the fact that it is the suit filed by their state organization, the Illinois Federation of Teachers, along with the American Federation of State, County, and Municipal Employees, which is largely responsible for the fact that the Board is now granting the salary increases.

Mr. Murray commented that he does not believe that is necessarily true.

Ms. Schmid continued her statement that that suit created a political climate which made further reductions in operating budgets this year very unlikely, and contributed heavily to Governor Thompson's plans to make up for remaining deficiencies in state revenues in other ways.

However, she said, UPI urges the Board to grant the full faculty salary increase retroactive to January, not February, and to make the retroactive portion of the salary increase available to faculty on all Board of Regents campuses with an accompanying pledge that no faculty position will be placed in jeopardy.

Ms. Schmid said the specific language of the Staff recommendation that "...Presidents and the Executive Director are authorized to grant additional increases" has been carefully drawn to allow inequitable treatment of Board of Regents faculty depending solely on the University at which they find themselves. UPI can find no legitimate academic or professional reasons for making such an invidious distinction. Possible explanations such as inadequate student recruitment efforts or insufficient surveillance of administrative costs do not, they believe, constitute sufficient justification for inequitable treatment of faculty. Such explanations for any differential salary treatment, furthermore, would appear to them to suggest areas in which inquiry might be warranted.

In closing her statement, Ms. Schmid said she would reiterate their pleasure at the fact that the Board of Regents faculty are at long last going to receive salary increases for academic year 1982-83. She would reiterate as well their strong urging that all faculty on all Board of Regents campuses receive the full salary increase retroactive to January.

Mr. Murray thanked Ms. Schmid for her statement. He noted that there was a motion on the floor, and asked if there was further discussion.

The question before the Board was called for a vote, and it carried unanimously.

The Chairman commented that the increase is just a token, but the Board is happy that at least it can give a token increase. He added that he is sorry that it appears that the increase for the President at SSU cannot be given. He said from the comment appearing in Ms. Schmid's letter he thinks she feels that an explanation of inadequate student recruitment does not justify treating Sangamon State differently, and he is not sure that he agrees with that. One of the reasons we had extra money at Northern, he said, was because an unexpected number of students enrolled. At Illinois State it was the weather. He said he thinks that message is fairly clear. If the faculty at Sangamon get involved in marketing and recruitment they might be able to enjoy that kind of a surplus, although he is not saying they have to. But that is where we have to get the salary increases. He noted that the biggest problem at Sangamon State is student enrollments, and if he were on the faculty he would work very hard to see if he couldn't do something about that. At NIU it paid off in salary increases.

Mr. Murray commented that at an AGB meeting he heard at a program that admissions are too important to leave to Admissions, and he believes this is true. Admissions and enrollments have to be carried on by a marketing program of the whole faculty. Everyone on campus should become involved in this.

President Lacy said the theory they have been following at SSU in trying to improve student recruitment is exactly the theory just stated by the Chairman. The faculty has been very active and very supportive in the recruitment effort. There are additional steps that individual faculty members can take and that individual programs can take to be more active in the recruiting process. They are now trying to take those steps, the President said. Obviously, it is important that each faculty member and each program be as active as they possibly can be in recruiting, especially at the graduate level. Dr. Lacy said he thinks, however, that it would be overly simplistic to say that the financial problems at SSU relate exclusively to student recruitment. It is a very big problem and a large element in the whole picture, but there are other elements as well, and they relate to problems that he has brought to this Board before. Those problems still exist. They are problems such as the IBHE's insistence on using an instrument which was not designed to be a budget instrument and make it a budget instrument - the unit cost study instrument. There are other problems relative to the evaluation of cost that also play a strong role in the current financial picture of the institution. However, he said, he fully agrees with what Mr. Murray said about faculty involvement in recruiting, and in many cases they have been very successful in doing that.

Mr. Murray asked what effects the cuts in the University Relations staff will have on recruiting. President Lacy said he thinks they would have to assess that that impact has the potential of being significant. The deletion of University Relations was made with that fully in mind, but they are trying to compensate for the possible negative impact through the use of volunteer professionals in public relations. The project is not yet deep enough to tell them whether it is going to fully compensate for the loss of University Relations, but they are trying to watch this as carefully as they can.

Mr. Murray said he believes that the Board shares his perception that there is a lot of really quality education going on at SSU, if we could just get the message out to the public and to the prospective students.

Section IV - Tuition for 1983-84

Dr. Matsler said Staff had intended to bring in a recommendation for the tuition level for the coming year, but he simply does not know at this time what the level should be. He said Regents had been given a set of tables showing a comparison of the BHE recommendations and the BHE allocation of the Governor's budget for FY84 operations and grants. Table 1, at the very bottom, shows that at the BHE recommended level our appropriation bill has been written to include \$162.9 million in appropriated funds. However, if the Board of Higher Education reduces the budgets to the extent that the Governor has recommended, that figure will go down to \$146 million, which represents a 10% cut, and we would have to provide that much money just to hold our own. He called the attention of the Board to the difference between appropriations from the General Revenue Fund and the Income Fund, noting that if the BHE allocation of the Governor's budget were to prevail, there would have to be more monies coming from the Income Fund through added tuition if we are to hold our own with previous years. Right at this moment that would mean an increase very close to \$500. Dr. Matsler said Staff feels that we simply cannot do this or we will lose students. There will be many, many students who would not be covered by ISSC, and that is the dilemma. So, he said, it is the hope that the Governor and the Legislature will increase taxes sufficiently to cover these losses.

Mr. Gayles asked Dr. Matsler if he could give any indication of the timetable for setting tuition.

Dr. Matsler said he is afraid that it might not be done before June and possibly not even then. It all depends on how fast the Legislature and the Governor act. If they do not act until June, then the Board cannot act until July.

Mr. Murray asked about the appropriation for ISSC under the Governor's budget. Dr. Matsler said ISSC also took a 10% cut.

Mr. Gayles asked how enrollments would be affected if we do not get the tax increase. It is anyone's guess, Dr. Matsler said, but he would suspect that we might lose perhaps 15-20%, but that is purely a guess.

President Monat commented that the material which was distributed on the allocation of the Governor's budget and which assumes that a dramatic increase in tuition will not have an effect on enrollment puts us into an Alice in Wonderland situation. It just is not realistic. This is an artificial allocation. So, Mr. Murray observed, if enrollments drop, obviously the Income Fund has to go up even more.

Ms. Toman commented that she thinks it is important that students realize how effective it would be if they did contact their legislators and emphasize again the position we are in right now. We cannot let up on the push for the income tax increase, and the more times we come out and say this publicly, the better off we will be.

Mr. Bender agreed, adding that he would again emphasize that we have to become a voting constituency, and we are now at the point where we have proven we can do that. Mr. Murray said as much as no one wants a tax increase, no one with any common sense can come up with any other conclusion after reviewing these figures.

Section V - Board Regulation Amendments and Additions: Board Committees

Dr. Matsler said this Section of his Report is presented as a basis for discussion and review of the committee structure of the Board as it now exists, and for codifying this structure in the Board Regulations.

As to the Executive Committee, Dr. Matsler said, it would remain essentially as it now exists, except that it would meet at the request of two or more of the committee members. The Committee is comprised of the Chairman of the Board, the Vice Chairman, one other member of the Board appointed by the Chairman, and the Executive Director (non-voting).

With regard to the Audit Committee, it is recommended that the references to the System Auditor be deleted inasmuch as we do not have one at this time. It is recommended that this Committee consist of the Chairman of the Board who would also serve as Committee Chairman, and two members of the Board selected by the Chairman of the Board. The Executive Director would also serve as an ex officio (non-voting) member of the Committee.

Dr. Matsler said the recommendations relative to the Facilities Committee reflect what we have been doing in the past. This is also true of the Program Committee and the Finance Committee recommendations.

With respect to the recommendations for the Personnel Committee, Dr. Matsler said the subparagraph relative to Membership needs some clarification, and this perhaps can be accomplished by indicating that the Committee shall be comprised of three or more members of the Board (selected by the Chairman of the Board) and the Chairman of the Board (ex officio).

Staff is also recommending, Dr. Matsler said, that the Legislative Review and Coordinating Committee be deleted from the Board Regulations, and that new language be inserted to set forth the Board's policy with regard to participation in legislative matters.

Mrs. Fitzpatrick asked why the Deputy Director for Business Affairs is being eliminated from the membership of the Audit Committee, ex officio. Dr. Matsler said this was just for the sake of consistency. Is Mrs. Fitzpatrick suggesting that the Deputy should serve on the Committee? Mrs. Fitzpatrick said she does not know how the Audit Committee has functioned before, so she does not know whether he is needed or not. Dr. Matsler said he would be glad to discuss this with her if she wished.

Mr. Murray said he would also like open the option of the System Auditor, although not necessarily fill the position, because the reasons for appointing a System Auditor were good ones. He asked Dr. Matsler to reconsider deleting references to the System Auditor, and Dr. Matsler agreed that this would be done.

Mr. Bender, referring to the Board Procedures, Legislative Affairs, asked if Dr. Matsler thought there would be any advantage to having a member of the Board participate in the review of proposed or pending legislation. Dr. Matsler said this activity is very time-consuming, and our Director of Legislative Affairs meets on a frequent basis with representatives from the institutions, particularly when the Legislature is in session. He said he believes a member of the Board

might find that he would be getting into a lot of detail that he might not be interested in. He said what Staff will be doing now that the Legislature is in session is reporting to the Board perhaps every week on what is going on.

Mrs. Fitzpatrick, again referring to the Audit Committee composition, said it appears somewhat inconsistent for the Executive Director to be named to serve ex officio on this Committee and not on others. She thinks there should be some consistency to this. Dr. Matsler said Staff will be reexamining this and furnish a better rationale. Mrs. Fitzpatrick said that would be fine.

Section VI - Board Regulation: Telephone Conference Meetings

Dr. Matsler said the proposed Regulation had been submitted for first reading in February and was recommended for adoption at this time. The Regulation will provide a means whereby public business can be transacted during periods when it is impractical to convene a quorum in person. The proposal is applicable to meetings of the full Board, the Executive Committee, or other Committees of the Board.

Ms. Orchowski moved for approval of the Staff recommendation. The motion was seconded by Mrs. Fitzpatrick, and it carried unanimously.

Section VII - New Programs

Dr. Matsler said Northern Illinois University seeks approval of an Emphasis in Drawing within the B.F.A. Major in Art, and an Emphasis in Educable Mentally Handicapped/Learning Disabilities within the Major in Special Education.

Staff recommends, he said, that the Board approve the Emphasis in Drawing for a two year period which will expire at the end of the 1984-85 academic year.

Staff also recommends that the Board approve the Emphasis in Educable Mentally Handicapped/Learning Disabilities within the Major in Special Education, to be implemented when all necessary approvals have been obtained.

Mr. Parker moved for approval of the Staff recommendations. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Section VIII - Legal Counsel Report

1. ISU Campus Financial Exigency Policies
Mr. Winning reported that the financial exigency policies for Illinois State University, copies of which had been sent to the Board, have been reviewed by counsel and found to be consistent with Board Regulations on the same subject.
2. Co-Paying Agent, 1966 Bond Series, Northern Illinois University
Mr. Winning said that the original bond issue was purchased by Halsey Stuart & Company and under the provisions of the documents the company was to name the paying agents for the bonds. Halsey Stuart & Company designated Chase Manhattan Bank of New York and Continental Illinois National Bank of Chicago as bond paying agents. Last

fall, Mr. Winning said, Continental Illinois National Bank advised Chase Manhattan Bank that it no longer would act as bond co-paying agent for the 1966 Series. Because a substantial number of bond holders reside in the midwest, he said, it seems desirable that the Board of Regents request Halsey Stuart to designate an alternative bond paying agent in Chicago. He indicated that the LaSalle National Bank of Chicago has evidenced an interest to act.

Mr. Winning said he recommends that the Board adopt a resolution directing the Executive Director to request Halsey Stuart & Company to designate an alternative co-paying agent for the November 1966 revenue bond series at Northern Illinois University, located in Chicago, Illinois.

Mr. McClure moved for approval of the recommendation of Legal Counsel. The motion was seconded by Ms. Toman, and it carried unanimously.

3. Northern Illinois University Foundation

Mr. Winning reported that the NIU Foundation is prepared to make a gift to the Board of Regents of the property it acquired from John Boyle. He recommended adoption of the following Resolution:

WHEREAS, the Northern Illinois University Foundation has acquired title to certain land in Ogle County, Illinois, by gift from John G. Boyle of DeKalb, Illinois; and

WHEREAS, the Foundation desires to convey title to said property to the Board of Regents of Regency Universities for the use of Northern Illinois University; and

WHEREAS, the Board desires to accept a gift of said property;

NOW, THEREFORE, BE IT RESOLVED, that

1. The Board of Regents of Regency Universities accepts the gift of the following described real property from the Northern Illinois University Foundation:

That part of the Southwest Quarter and that part of the East Half of Section 21, Township 41 North, Range 2 East of the Third Principal Meridian, Ogle County, Illinois, described as follows: Beginning at the Northeast corner of said Section 21: thence South (bearing assumed for descriptive purposes) along the East line of said Section 2141.48 feet; thence West, at right angle to said East line, 805.48 feet; thence South 19°03'55" West 429.61 feet; thence South 38°18'15" West 2048.73 feet; thence South 34°06'51" West 523.70 feet; thence South 49°52'28" West 436.80 feet; thence South 0°27'19" East 432.63 feet to a point on the South line of said Southwest Quarter that is 165.79 feet Easterly of, as measured along said South line, the Southeast corner of said Southwest Quarter; thence South 89°26'23" West along said South line 649.66 feet to the Easterly line of property conveyed to the

State of Illinois for the right-of-way of Federal Aid Route 412 (State Route 51); thence North 0°29'05" West along said Easterly line 31.08 feet to a Northerly right-of-way line of said Federal Route 412; thence North 79°10'29" West along said Northerly right-of-way line 168.88 feet; thence North 12°04'55" East 246.21 feet; thence North 63°45'22" East 408.29 feet; thence North 52°51'27" East 767.51 feet; thence North 2°10'33" West 509.53 feet; thence North 87°55'05" East 357.29 feet; thence North 40°36'21" East 712.00 feet; thence North 0°05'46" East 216.24 feet; thence North 50°38'40" East 970.44 feet; thence North 0°40'52" West 446.56 feet; thence South 49°31'32" West 150.70 feet; thence North 0°13'05" East 669.46 feet; thence North 34°47'14" East 170.59 feet; thence South 69°34'37" East 485.05 feet; thence North 14°52'33" West 455.88 feet to the North line of said Section 21; thence North 89°29'02" East along said North line 1012.54 feet to the point of beginning, containing 77.924 acres, all in Lynnville Township, Ogle County, Illinois, hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Laws of this State.

2. The Chairman and Secretary of the Board of Regents be and are hereby authorized and directed to execute such instruments and to do such things as are necessary to acquire said property.

Mr. Gayles moved for adoption of the Resolution as recommended by Legal Counsel. The motion was seconded by Ms. Toman, and it carried unanimously.

4. Northern Illinois University - Yearbook Publication Dispute.
Mr. Winning said he had originally recommended that the students be represented by student counsel. However, since that time he has been furnished with a copy of the contract, and since that contract is with the Board of Regents, he now recommends that the action be brought in the name of the Board even though the recovery is for the benefit of the students. Mr. Winning said his recommendation is that the University Counsel proceed through Countryman & Associates to obtain recovery of the liability.

Mr. Parker moved for approval of the recommendation of Legal Counsel. The motion was seconded by Ms. Toman, and it carried unanimously.

Dr. Matsler, referring to the gift of land by Mr. Boyle, said this is a gift that is most appropriate for use by the university, and he for one is very pleased that this has worked out the way it has.

President Monat said he is also pleased about this. He said Mr. Boyle had intended to be present this morning, but he was called out of town. Mr. Boyle has also indicated that he is contemplating another gift to the university, and if that were to materialize, he will be in attendance at another meeting of the Board in the future. The President said Mr. Boyle is a very interesting man and very generous as far as the university is concerned. This particular property could not have come at a more propitious time because just last December the BHE authorized the university to offer the Ph.D. in Biological Sciences, and one of the major fields is in Environmental Biology, and the land will provide a natural research laboratory.

Is this primarily farm land, Mr. Parker asked? President Monat responded that it is natural prairie land. It has never been tilled, and it has a creek running right through the center of it.

Mr. Murray asked the President to convey the thanks of the Board for the gift.

RECURRING INSTITUTIONAL MATTERS

Northern Illinois University - President's Report

President Monat distributed copies of an Addendum to the Capital Improvements Projects section of his Report (Emergency Repairs to Granite Panels on Holmes Student Center), noting that Mr. Riss had touched on this when he reported on the meeting of the Facilities Committee.

Before presenting his Report, the President said that just last week he received a report prepared and distributed by the National Science Board identifying 200 universities in the United States that meet the criteria established by that board as research and development universities. He said he is pleased to report that Northern Illinois University has been identified as one of the 200. There are two other universities in Illinois that are included in the list, the University of Illinois and Southern Illinois University at Carbondale. So, he said, NIU is traveling in very good company in that list and the institution is proud to have been so designated.

The President said he wished to change the item on pages 6 and 7 (Revenue Bond Student Fees) to a matter of information at this time. Discussions on this matter are continuing with Board Staff, he noted, and he would be prepared to bring in a recommendation for action at the April meeting.

The President also called attention to item B.2. in the Purchases Appendix, stating that the successful bidder, E & I Cooperative Service, Inc. had written to the university requesting that they be allowed to withdraw their bid because they themselves had made typographical and arithmetical errors in computing the bid and that they could not deliver on the bid which they used as their quotation. The President said he is requesting authorization to accept the bid of the next lowest bidder, Zirlin Interiors, Chicago, Illinois.

Information reports were submitted on:

- Status of Undergraduate Admissions for Summer, 1983
- Status of Undergraduate Admissions for Fall, 1983
- Grants and Contracts (Research, Institutes, and Studies)
- Gifts to Northern Illinois University
- International and Special Programs Expenditures
- Acquisition of Boyle Land from the NIU Foundation
- Fee Increase for University Health Service
- Revenue Bond Student Fees

The following items were presented for action by the Board:

1. Personnel transactions for faculty and other employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

2. Permission was requested to increase the Graduate Colloquium Fee from \$0.88 per credit hour to \$1.63 per credit hour, effective with the Fall semester, 1983.
3. A list of purchases for the month, as appended to the President's Report.
4. Capital Improvements Projects
 - (a) Anderson Hall - Gymnasium Roof Repair
Permission was requested to prepare plans and specifications, advertise and receive bids for replacement of the roof over the gymnasium located in the north wing of the building. Because of the anticipated project cost and the University's limited funds available, it may be forced to split the funding between FY83 and FY84 funds for the award of the contract. No engineering fees will be charged to this project.
 - (b) Anderson Hall - Energy Conservation Controls
Permission was requested to employ the firm of Servidyne, Inc., Oakbrook, Illinois and Atlanta, Georgia, to design and prepare for bid electrical and steam controls for Anderson Hall pursuant to the energy audit conducted for the University by the firm. The total project cost is estimated at \$37,650, including construction and fees, with a simple payback of \$81,350 (six months with an estimated additional saving of \$40,000 during the next fiscal year).
 - (c) Stevenson Towers North - Remodel Formal Lounge
Permission was requested to prepare plans and specifications, advertise and receive bids for remodeling of the formal lounge for the 1000 students residing in Stevenson Towers North. No architectural fees will be charged to the project. The University will seek the necessary approval from the Board of Higher Education.
 - (d) Resurfacing of Parking Lot "L" and Williston Hall Service Drive
Permission was requested to prepare plans and specifications, advertise and receive bids for the resurfacing of Parking Lot "L" and Williston Hall service drive. No architectural fees will be charged to the project.
 - (e) University Streets - Repair and Resurfacing
Recycling Center - Grading and Surfacing
Permission was requested to prepare plans and specifications, advertise and receive bids for these projects. No engineering fees will be charged to these projects.
 - (f) Emergency Repairs to Granite Panels on Holmes Student Center Center Tower
Permission was requested to expend funds in an amount not to exceed \$16,000 to accomplish emergency repairs to the panels and brickwork.

President Monat said that yesterday the Facilities Committee spent a good deal of time discussing the proposed recreation facility. He said he had indicated to the Board in advance that the university had no intention at this time to recommend that it be allowed to move forward with this project. In the information he had sent out to the Board, he also provided the results of the student referendum which was conducted, in the form of a memorandum he had received from the President of the Student Association. Dr. Monat said it is his feeling - one in which he feels the Facilities Committee concurred - that this is not the appropriate time to proceed to seek approval of the project. Earlier in this meeting, he noted, there was discussion about the uncertainties of state funding, and that we probably will not know until June at the earliest, and possibly as late as September, what the level of funding for higher education will be from the State. Dr. Monat said he could not, therefore, in good conscience recommend a fee increase in the context of a massive tuition increase that is recommended in the Board of Higher Education budget which, he thinks, is an artificial budget - but nonetheless, it is there and it is a number which we have to at least acknowledge as a possible outcome of what is going to happen in the next several months. He and the Facilities Committee felt that given the bidding climate and given the construction climate at this time, the estimate that was provided two years ago by the architects probably is not realistic any longer, and we should try to get more up-to-date information concerning what the probable cost of the project would be before asking the Board to consider the project again. So, President Monat concluded, he would urge the Board not to take any action at this time on the project. He said he probably will not be coming to the Board for this approval again until such time as there is greater clarity with respect to the funding support for higher education in FY84.

Mr. Riss said he thinks we should make clear that we are looking for a less expensive program, and we expect that. As a matter of fact, it was pointed out at the Facilities Committee yesterday, Dr. Monat said, that when they had a very professional estimate provided by the engineers on the steam tunnel replacement, the estimated costs were \$1.7 million. However, when they went to bid, the bid was \$1.2 million, which was about a 30% reduction. If that kind of climate continues, he said, we are looking at a project which will be considerably cheaper.

Mr. Gayles noted with respect to the recreation facility, the Board has been sent the results of the student referendum, and it is within the purview of the Board how it wishes to accept those results.

Mr. Murray asked if Mr. Gayles had any recommendation on this. Mr. Gayles said he believes that student referenda should be given a great deal of weight at the Board level. He said he would suggest that since we are deferring action on this until July or September, that we lean more toward the September date when students will be on campus and able to show their approval or disapproval. Secondly, he would like to suggest that if, indeed, the bids do come in considerably less than we have anticipated, that that figure be brought back to the students. Possibly with a cheaper price tag on the project, their liking for the product will increase a little bit. But right now there is the attitude on campus that even though we would be getting a good deal for the money, they cannot afford to pay for this particular item. He said he wanted to express this not only to fellow Board members, but also to let his student peers know that he is voicing their opinion on this matter, which has grown to be a very controversial one on campus.

Mr. Murray said the record should reflect this, and he would also suggest that the media gets this straight.

President Monat said when Nancy Mack made her statement to the Board, and he concurs with the Board that it was a responsible and balanced statement, he would like to clarify for the record the matter of law school tuition. When the university and the Board negotiated through the Legislature the acquisition of the law school in 1979, we made a commitment at that time that until such time as the law school physically moved from the leased facilities in Glen Ellyn, the tuition would remain at the private law school level which was approximately \$3300 a year. However, it was stipulated at that time - and he takes this almost as a mandate on the university - that that tuition would be reduced over a period of years once the law school moved to campus, using the monies that had been committed to the lease of the facility as a basis for reducing the tuition until it reached a point much closer to the tuition level at the other two state law schools, the U. of I. and SIU-C. Tuition right now for a full-time student is about \$2400. Last week it was reported in the newspapers that SIU approved a tuition increase of 10% at the undergraduate level, but the recommended tuition for the SIU law school is just over \$1000 a year. NIU is \$1400 higher in law school tuition than is SIU, and probably as much as \$900 higher than the University of Illinois.

Mr. Murray asked Dr. Monat if he would be furnishing the Board some additional information on the operational costs of the Holmes Student Center. Yes, Dr. Monat said, there is extensive backup material which the Board does not have, but which Staff of the Board does have. This can be reviewed and information furnished to the Board.

Ms. Orchowski, noted that both student speakers earlier had said that the library is not completed, and she asked the President if he would explain this.

Dr. Monat said when the library was designed some 15 years ago - although it was not completed until 1979 - it was designed to be one third larger than it is. When the realities of funding available through the capital budget had to be adjusted, the size of the library had to be adjusted. Mr. Murray asked if it had not been designed for 30,000 students. At that time they were thinking of 30,000 students on the campus, but when construction started in 1974 or 1975, the available funds really were the cloth to which the size of the library had to be fit, so the one-third was not constructed. At that time, he said, there probably could not have been a persuasive case made to enlarge the library. However, in the last 5 years there is no question that the case developed, because circumstances make that case that the library now is overly crowded not only in terms of seating space for students, but also in terms of stack space. Dr. Monat said one of the reasons NIU is designated as a research and development university is because of the size of the holdings in the library. They have every year increased the acquisitions budget to add to the holdings. As he had mentioned earlier, the President said, they have begun in their internal capital budget planning process a project which will at the appropriate time recommend the completion of the library by increasing by one-third the size of the building.

At the suggestion of the Chairman, President Monat then described all of the functions which would take place on campus in connection with the dedication of the law school.

Ms. Orchowski moved for approval of the Report of the President of Northern Illinois University, as amended. The motion was seconded by Dr. Wellbank and it carried unanimously.

Sangamon State University - President's Report

President Lacy said he is pleased to recommend to the Board today that an honorary doctorate degree be awarded by Sangamon State University this year to Mr. George Hatmaker. Mr. Hatmaker, he said, is a splendid example of the commitment that the business community has made and continues to make in nurturing and developing educational opportunities for future generations of students. His great efforts and work and his continuing and strong devotion and commitment to SSU, its mandate and its programs honor all of us who are involved in higher education, especially in Illinois. Sixteen years ago, the President said, Mr. Hatmaker became the President of the Committee for Higher Education in Central Illinois. It was that committee, working with Dr. Matsler and others, that did the great bulk of the developmental work that led to the legislation establishing Sangamon State University. Once the institution was established, George Hatmaker maintained his very strong interest in it by serving first as President, and then for a number of years as Treasurer of the Sangamon State University Foundation. He still remains a member of the Foundation. Mr. Hatmaker is a native of St. Louis, but spent most of his life in Springfield. He is a graduate of Springfield High School and spent more than 30 years of his professional life as an employee of the Franklin Life Insurance Company, where he finally at the time of his retirement, was Chairman and President of the Board of the Franklin Life Insurance Company and all of its subsidiary companies. George Hatmaker has been an outstanding citizen of Illinois. He has been very active in the Presbyterian Church and served as President of the Illinois Presbyterian Home. He has had many other board and director memberships of corporations in Illinois and remains a very active citizen of the State.

President Lacy asked that item B. of the Purchases Appendix be withdrawn from his Report (Two-Stage 40 mm Image Intensifier System).

Information reports were presented on:

Grants and Contracts

Report of Faculty Receiving More than 100% Salary

The following items were then presented to the Board for action:

1. Approval was requested for the deletion of the Division of University Relations and the transfer of its major administrative units and functions to the Division of Academic Affairs, the Division of Business and Administrative Services, and the President's Office.
2. Personnel transactions for faculty, administrative and civil service personnel. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
3. A list of purchases for the month, as appended to the President's Report.

President Lacy said he had indicated earlier in the meeting that the decision to eliminate University Relations as an administrative unit was a very serious decision, by far the most serious decision relative to meeting the budget demand that has been taken by the institution since he has been there. They have very few options left, the President said, in cutting funds under the existing policy that they have been operating under for the past 3 years - to make cuts that do not have a direct impact on the teaching, research and public service activities of the university, especially the instructional activities of the university. The President said they have now cut a very significant percentage of the total budget out of the university over the last 3 budget periods, and they have cut them in the non-academic arms and functions of the institution. Dr. Lacy said he thinks he now has the obligation, as he makes this recommendation to the Board, to say that they have very little cutting that they can do and still meet all the state laws and regulations and Board Regulations that they must meet in operating as a university of the State.

Dr. Lacy said one of the reasons he makes this recommendation, as painful as it might be, is that these functions are not required by law, they are not required by Board Regulations. Most of the remaining administrative functions in the institution are now simply not a matter of good management or administrative convenience, they are a matter of meeting state law or Board Regulations. In many of the remaining administrative offices that they have to accomplish those purposes, they are only one or two people deep, and they are very thin functions. In deleting University Relations they have deleted the administrative management function for a number of the public relations and public service type functions of the institution. However, they have not eliminated the functions themselves. As stated in his Report, Dr. Lacy said, they are recommending the redistribution of those functions to the academic affairs division of the university and the business and administrative services division. They are able to do this because at the moment they have two very able people to take over the direct administrative responsibilities - Vice President Goins, in the case of some functions, and Professor Mike Lennon who has been publisher of Illinois Issues for other functions. In other words it must be understood that these two people and a number of others are taking on additional responsibilities to make it possible to have this cut. There are some savings here in the FY83 budget, they will be significant savings in the FY84 budget, but the full savings will not be realized until all contracts are over and met in FY85. They are meeting all existing contractual obligations as they take the deletion step.

President Lacy said they hope very much that by the time they initiate the FY85 budget the university may be in a position to once again do a stronger job in the area of public relations as well as in some other areas. In the meantime a group of public relations professionals has agreed to pull themselves together and, with the help of facilities in several businesses in Springfield, to help the institution continue to try to have a healthy public relations function at least until the beginning of the FY85 budget.

Finally, the President said, he would add one comment on the performance of the Director of the Division of University Relations for the past two years. Gail Lutz has done an outstanding job in pulling this division together. In some ways she has been the first Director of the division, although there has been a public relations function for a long time, and a strong one under people like Chris Vlahoplus and Jim Turpin. In particular, he said, Gail Lutz had a

somewhat different responsibility from the previous directors, a broader responsibility. She has performed that in an outstanding fashion, and the fact that he brings this recommendation today is in no way a reflection of a failure on her part to do the job well. She has done it exceedingly well, and it is with deep regret that in spite of her efforts and the efforts of her staff they had to reach this conclusion.

Ms. Toman noted the resignation of the Director of Financial Assistance, and she asked if that position will be filled by another individual or will this be moved to someone else in the course of the administrative structural changes.

President Lacy said this is a very key position at the institution because a very high percentage of their students do receive some form of financial aid. Bob Clement is leaving to take a position with the Illinois State Scholarship Commission and work as a liaison between that Commission and the institutions. The President said they intend to temporarily hold the position open until they know more about the kind of appropriations they will have for FY84. He thinks it is unthinkable that they would not fill it for FY84 because no one at the university has the technical knowledge to do the work as effectively as it needs to be done. They are following a policy in the institution right now on all administrative vacancies of delaying the filling of vacancies until they see what this legislative session is going to produce in the way of a budget. Associate Dean Roach will cover this work until May or June.

Mrs. Fitzpatrick asked if the Office of Public Information was a part of the University Relations Division. It was, the President responded.

What is the difference between "lay off" and "termination", Mrs. Fitzpatrick inquired. Vice President Goins said the term "laid off" was used when there was an actual incumbent in the position. Termination of positions sometimes occurred when there was no incumbent but the policy decision was made that there would be no filling of the position. The position would be terminated. Mrs. Fitzpatrick asked if "lay off" infers that there will be a recall. No, Dr. Goins responded, the use of the term laid off here is not the same as temporary lay off of civil service employees. The distinction between termination and lay off is in the fact that there was an incumbent there who had to be laid off, but when a position is terminated there was not an incumbent. So, Mrs. Fitzpatrick said, this means that at some time the university expects to fill the position of Director of University Relations, Director of Communications, and Affirmative Action Officer. Is that why "laid off" was used. No, Dr. Goins said, relative to all the positions on the list one should make the assumption that it is not the university's intent to fill them again. So, which way is it, asked Mrs. Fitzpatrick? Last month we voted to terminate people in these positions, and now we are saying they are laid off. She really does not understand this. Dr. Goins said he had not prepared this particular section of the Report, but his understanding is that the words "laid off" was used here to connote the fact that there was still an incumbent in the position, and therefore the individual involved was being separated from the university. In the case of termination, it was a position which did not have an incumbent in it, but which was being terminated. He noted that these items are for the information of the Board, they don't require Board action to delete positions, but it did require Board action to terminate the individuals.

Mr. Winning said in the process of job abolition, incumbents in those jobs

that are protected by civil service may be terminated, but if the position is reinstated, they are then subject to recall, priority on recall.

President Lacy said he wished they could furnish a better explanation, but they would check it out and if there is any more significance than has been indicated, they would get back to Mrs. Fitzpatrick.

Ms. Orchowski said she notes that essentially the public safety function is being eliminated. The President said two of the full-time employees are being retained and some of the functions which they continue to carry out relate to public safety. They will no longer be patrolling the campus in the way the other two campuses are patrolled. They will continue to offer things like emergency services. They will continue to worry about and provide administrative services for the general safety of people on campus, but they will no longer be carrying out the kind of police function that we are familiar with at the other two campuses. This too was a difficult decision to make.

Dr. Matsler said one comment might be appropriate at this time. He thinks Board members know what President Lacy have been going through in the last two or three years, particularly this past year. He has had to make up losses, he has had to cut back, he has a list of people that he has had to lay off. He has lived through a very, very difficult time, especially these last two months. Dr. Matsler said he thinks the President has done a good job in providing the essential services. He said he and Mr. Murray sat down with the President, Dr. Munkirs and Dr. Goins a month ago and went over the budget problems that they have, and he thinks he has done a masterful job in protecting the academic programs as best he can and yet meet the cutbacks that have been put on him by the Board of Higher Education, by the funding process itself. Dr. Matsler said he is hopeful that Dr. Lacy has seen the last of the big cuts he will have to deal with, and that we can do something to move ahead at SSU and not cut back any further because they are down to the bare bones now. Dr. Matsler said he is sure that this Board will support him in the months ahead.

Dr. Lacy thanked Dr. Matsler for his remarks. He said he thinks the key message he has for the Board today is that it is important for the Board to understand that the next steps in the institution do basically involve the academic programs, and they simply do not want to have to reach that point. Maybe there is a slight silver lining and that is that he does not see anyway that anyone in this legislative session or later can say that this institution is overfunded. They can clearly demonstrate now that in terms of cost, the institution is in a very reasonable position, and in fact look better than a number of other institutions at the Graduate I level. In administration they certainly now look very healthy in terms of the economy and efficiency arguments.

Mr. Murray asked how much they have cut back in terms of dollars. In terms of dollars it has now been more than 10% of the current general revenue fund dollars in the last three budgets, and they are still facing a recommendation for another cut of \$389,000 next year, the President said. Their general revenue fund is \$12,800,000, and they have already been cut about \$1.5 million really about 12%. Mr. Murray said he would not reiterate what Dr. Matsler said, but he knows this has been a wrenching experience and he sympathizes with those who have been affected by this difficult time.

Mrs. Fitzpatrick said she had one more question - although she had hoped that someone else might raise it. Referring to the changes in assignment listed on page 8 of the Report, she asked why there is no salary increase indicated for the female who is taking on additional responsibilities, and almost a \$250 a month increase for the male taking on additional responsibilities? President Lacy said they have not yet fully looked at the question of salaries relative to the new responsibilities. That one case simply progressed more rapidly than the other cases. It was a clearer case but in effect it got quicker attention because of the mix of activity in it. The decision to allocate the affirmative action function to the Personnel Officer was made a good bit later in the process, he said, and he intends to look at adjustment of salaries across-the-board on all positions when this redistribution is finished. Their capability of doing that is limited, and in general it is his intention to take the limited funding that they do have available and use the great bulk of it to take care of positions at lower income levels, lower salary levels, that are impacted by the reorganization. But also a part of what he intends to look at is the question of the impact of affirmative action on that particular office, so one could view this at the moment as a still unanswered question. Dr. Goins also noted that this change does not take place until August 15.

Ms. Orchowski asked what type of provisions have been made for Associate Dean Roach's absence to the student when she takes over responsibility for the financial assistance position. This is only going to be temporary, Dr. Lacy said. Mr. Homer Butler added that Dean Roach will be taking on the responsibilities but other members will be giving her more assistance in those areas.

Mr. Riss moved for approval of the Report of the President of Sangamon State University, as amended. The motion was seconded by Ms. Toman, and it carried unanimously.

There being no further business before the Board, on motion by Dr. Wellbank, seconded by Ms. Toman, the meeting was declared adjourned. The next regularly scheduled meeting of the Board will be held on April 21, 1983, at Illinois State University, Normal, Illinois.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Illinois State University - Normal, Illinois

April 20, 1983

The rescheduled meeting of the Board of Regents convened at 1:30 p.m. on April 20, 1983 in the Circus Room of the Bone Student Center at Illinois State University, Normal, Illinois. Ms. Carol K. Burns, Vice Chairman, presided in the absence of the Chairman.

The meeting was called to order, roll was called, and the following Regents were present:

Mr. Jerome R. Bender	Ms. Denise Orchowski
Ms. Carol K. Burns	Mr. D. Brewster Parker
Mrs. Clara S. Fitzpatrick	Mr. Harold Riss
Mr. Montel Gayles	Ms. Janine Toman
Mr. L. Milton McClure	Dr. Harry L. Wellbank

Mr. David E. Murray, Chairman, and Mr. James L. Wright were not present for the meeting.

Also present were:

Dr. Alex B. Lacy, President, Sangamon State University
Dr. William R. Monat, President, Northern Illinois University
Dr. Lloyd I. Watkins, President, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

In attendance from the Joint University Advisory Committee were: (ISU) Dr. Virginia Crafts, Chair, Dr. Thomas Eimermann, Ms. Peggy Gerkin, Dr. Robert Ritt, Mr. Leon Toepke; (NIU) Mr. Joe Koch, Dr. James E. Lankford, Dr. Annette Lefkowitz, Mr. Jerry D. Meyer; (SSU) Dr. George Gruendel, Ms. Pam Hammond-McDavid, Ms. Cindy Stephenson, Dr. Jack Van Der Slik.

Others present included staff from the Regency Universities and the Central Office of the Board; Mr. James M. Winning, Legal Counsel to the Board; and representatives of the student bodies and the news media.

Mr. Parker moved that the Board recess to meet in Executive Session for the purpose of discussing personnel and financial matters. The motion was seconded by Ms. Toman, and it carried unanimously.

The Board reconvened in public session at 2:45 p.m.

MINUTES OF MARCH 17, 1983

The Chairman directed the attention of the Board to the minutes of the meeting held on March 17, 1983 and asked if there were additions or corrections to be proposed. There being none, on motion by Mr. Parker, seconded by Ms. Orchowski, the minutes were unanimously approved as submitted.

CHAIRMAN'S ITEMS

Ms. Burns said the only item she had was to extend congratulations to Dr. Leon Boothe who has been selected as the new President of Northern Kentucky University, and on behalf of the Board she congratulated him and commended him for his work while Vice President and Provost at Illinois State University. Personally, she added, it has been a pleasure to work with Dr. Boothe, and she expressed confidence that all Board members share this feeling.

REPORTS TO THE BOARD

Ms. Burns said at this time she would read to the Board the text of a speech which Mr. William Browder, Chairman of the Board of Higher Education, delivered to members of the General Assembly who attended a dinner the night before the BHE meeting. The speech was so clear and so eloquently stated the position of the BHE on the allocation of the Governor's budget that she feels it should be restated in the minutes of our meeting.

The budget which the Board of Higher Education recommended in January to the Governor and to the General Assembly in accordance with the statutes of Illinois calls for one billion, one hundred and thirty-seven million dollars in General Revenue Funds. This is an increase of \$130 million over 1983 appropriations from the General Revenue Fund.

The Governor has reduced our recommended budget by \$237.4 million to a figure which is \$107 million less than fiscal 1983's appropriations. As you know, his budget is based on income expectations without tax increases.

It is our legal obligation to allocate the Governor's budget as he has requested and we will probably do so tomorrow, while reaffirming our budget. The deficiencies resulting from the Governor's budget are so large, building on already existing shortfalls accumulated over the past several years, that we are all now thrust into the realm of major policy decisions.

The people of Illinois must now decide what they want to do with higher education and what they want it to do for them. Time is a critical factor. Under existing circumstances delays will themselves constitute decisions, with serious substantive impacts.

There is no overall law of God or man that I know of which says every person who wants a college education must be given one at State expense. Nor is there an inherent right to attend an institution of higher education of one's choice even when one has the money to pay the full cost of providing that education. It seems to me that the legislature is always free to make new policy -- or reaffirm existing policy -- regarding higher education.

There are numerous options open to the legislature (and the citizens you represent) in these times of financial crisis:

1. Some might take the extreme position and say that we can no longer afford to educate our people with State money - let them go to private schools or to other states-if they want higher education.
2. Others might say that the number of students should be cut down to a total that can be educated with existing or declining State revenues and existing tuition levels. This option would obviously involve major cutbacks in staff, equipment, facilities, buildings, courses, programs, campuses, schools, and probably would necessitate the closing of some colleges and universities. Under this option many students would be denied higher education.
3. Some others might say we should make up the existing shortage of funds by 'taxing' the students instead of all taxpayers. This option would involve enormous increases in tuition and fees, and the number of students surviving would undoubtedly be too few to support existing facilities and programs.
4. A fourth option that might be considered is to propose numerous reductions across the board in programs, faculty and staff members and salaries, and utilize existing facilities without adequate maintenance; don't build anything new; don't remodel anything old; don't get any new equipment - just use what we have. And help meet the costs by raising tuition materially and reducing scholarships materially. In essence, this is virtually the option which our staff has proposed to the Board in its effort to allocate the Governor's budget. It is clear that under this option, as under the first three options, both the quantity and the quality of higher education in Illinois would decline precipitously and the institutions of higher education would no longer be able to serve the people of Illinois as they have in the past.
5. There is a fifth option. The General Assembly could acknowledge that one of Illinois' greatest assets is its fine universities and colleges -- that these schools have made a tremendous contribution to the economic and cultural quality of the life of every citizens of this State, including those who have not matriculated.

The legislators could realize that the best hope for the future progress of Illinois -- economically and culturally -- is grounded in our educational processes. It could be perceived that much of our well being today has come as a direct result of the education and the research and development done at our universities. Transistors, computers, hybrid corn, soybeans, photo-electric cells, sound movies, and countless other medical and technical advancements that we take for granted today would not be available if it were not for the University of Illinois, for example.

I'm sure you are aware that our colleges and universities are being asked and expected to help in the training and retraining of our work force in the much needed economic development of Illinois to help us climb out of this recession. At tomorrow's Board meeting we are being asked to approve several new programs in our community colleges that will train several hundred people for jobs that are currently available. Money for economic development will not be available under the Governor's budget.

In considering this fifth option, you should be aware that in the past few years all of Illinois' universities and colleges have been through the refiner's fire. Fat has been eliminated and efficiency has been improved. Faculty and staff have been reduced. Those of us who have been deeply involved in this process can see the good that has come from it, but we also see that financial resources from the State have been so curtailed in recent years that serious deficiencies have been building up which are beginning to weaken our institutions to the extent that they will be irreparably damaged unless the trend is reversed. For example, faculty salaries have not kept pace with inflation, with industry salaries, or even with the faculty salaries in schools in other surrounding states, for so long that we are losing outstanding people. Such a trend feeds on itself and will be virtually irreversible if it continues any longer. Our equipment is wearing out, our libraries are endangered, new courses in science, engineering, and technology, much in demand today, are more expensive to offer and are therefore being restricted. And we can't get professors in some of these vital areas at present salaries. Utility costs have skyrocketed with no let-up in sight and they have not been fully funded by the State. Inflationary cost increases have amounted to 38 percent since fiscal year 1980. These difficulties have been compounded by another critical trend.

All during this time we have called upon our institutions of higher education in Illinois to serve an increasing number of student! The 750,000 students attending public and private institutions of higher education in Illinois this year represent an increase of 250,000 in the past ten years. Enrollments are up 13.2 percent just since 1980.

What this means is that State support per student in constant dollars has declined to a point that the amount of support in 1983 is only 65 percent of what it was in 1971 -- a drop of over one-third.

In exploring what policies we should follow in dealing with higher education today, let's look at what the General Assembly has said in the past. Under the Statutes of Illinois, the Board of Higher Education is charged with the responsibility 'to recommend to the General Assembly the enactment of such legislation as it deems necessary or desirable to insure the high quality of higher education in this State.' There is an underlying presumption here that the General Assembly's policy is to provide high quality higher education for the people of Illinois.

As citizens of Illinois, responsible under the laws of Illinois for

submitting our higher education budget recommendations to the Governor and General Assembly, we have concluded that the long-standing legislative policy of insuring the high quality of higher education is still valid. We support it wholeheartedly, and therefore feel we must tell you that high quality higher education cannot be insured in fiscal 1984 or thereafter with existing or projected revenues. We believe that our 1984 budget is minimal to prevent further inroads into the quality of higher education. It is not a growth budget.

Therefore, we say to you that we believe we are speaking for the welfare of all of the people of Illinois when we urge you to adhere to your policy of insuring the high quality of higher education in Illinois. This high quality cannot be insured unless revenues allotted to higher education by the State are substantially increased. We don't presume to tell you precisely how to do this, but we do say, for the first time in our history, that we see no possible way of doing it without a tax increase. We stand ready to assist you in any way we can -- and to answer your questions.

Ms. Burns said she could not add a whole lot to Mr. Browder's statement except to say that she believes it sums up very nicely a strong position that the BHE has taken to support not only the Board of Regents, but the other boards in the State whose budgets are not being met also. Ms. Burns said she thinks that the legislators who heard the speech were genuinely impressed and went away perhaps with a little more thoughtful attitude regarding the plight of higher education, so to speak.

Mr. McClure asked Ms. Burns if she felt that constituents should still write to their representatives in the General Assembly. Yes, Ms. Burns responded, and as a matter of fact during the course of the evening several legislators mentioned the fact that they had received piles of mail from students and concerned parents - concerned that perhaps there might not be a place in Illinois higher education for their sons and daughters who have not yet applied and from students who are afraid that they will not be able to finish their programs if the budgets are cut. Therefore, any positions taken to our legislators from our areas would be helpful she is sure.

President Monat said he believes that all of us have in various ways conveyed this message and will continue to do so. In the last week he had the occasion to address a large number of people from off-campus who had come to NIU. One group was the Women's Intercollegiate Athletic banquet, attended by some 300 people, most of them parents who were visiting. Dr. Monat said he spoke much longer than he should have on this issue, saying essentially what Chairman Browder did. He added that you could literally hear a pin drop while he was speaking. Yesterday, he said, they had on the NIU campus the College of Business Board of Visiting Advisors, a small but enormously influential group of business leaders from Northern Illinois. Dr. Monat said he and Chairman Murray delivered the same message and, again, to a very attentive audience.

Ms. Burns noted that at the last meeting they had gone through a short exercise in trying to figure out exactly how great the shortfall was, and it was determined that we would have to close SSU, Governors State, and one other university in order to meet the shortfall. So, we are not talking about

small numbers any more. We are talking about large numbers. When there is a shortfall that is that great, it should be a cause of concern to everyone as it is.

Mr. Gayles said there is an attitude which is prevalent in the State - and he has heard it on the NIU campus as well, that since this is not occurring to us at this particular time, it need not concern us directly so why worry? Tuition does not bother some students, he said, and he does not know if this is an elitist group, but he also does not know what other approach to take. Mr. Gayles said maybe some of them are the elitists who can afford to pay that kind of tuition, but for the public record students cannot afford to pay it. He said if he were not so lucky as to be graduating in three weeks, he knows that he would not be able to afford to come back.

Ms. Burns said she did not want anyone to misconstrue her statement and think that we were recommending the closing of any institutions, because that was just an example used to put a perspective on the extent of the shortfall. Mr. Gayles said his comment was based on an article in one of the campus newspapers. Ms. Burns said the article inferred, she believes, that Chairman Browder recommended closing universities; and for the record, he did not do that.

President Watkins said he was pleased that the Chairman of the BHE publicly noted that we really cannot cut any more. During the last two or three years it has been the sorry duty of the administrations of the Regency Universities and the other universities in the State of Illinois to have to institute cuts simply to try to maintain essential programs. We now find that our salaries are not competitive, that our classes are too large in many areas, that our equipment is worn out or obsolete, and that we cannot meet what we consider our valid educational expectations of a great industrial state. We are being asked, the President said, and will probably be asked in committee on Thursday, what we are doing vis-avis technological advancement, what we are doing in the area of high technology. The answer is the best we can, but it is pretty hard to do that without the state of the art equipment that we need. Dr. Watkins said he, too, has been busy during the past months talking to different groups, hosting coffees for a wide-ranging group of community leaders, and pointing out the impact on the local economy. He said he believes these statements are making an impact, and we would be very unwise to rest on our oars at this time. He said he could tell the Board, and he believes his colleagues will agree, that the time, the indecision, the lack of ability to plan because there are no parameters to use, they do not know what the budget is going to be, is having a very serious effect on morale on all campuses in the State. In the past perhaps they were not aware until July 1 whether the salary increase would be six or seven percent, or whatever, but now we are talking about jobs, talking about programming, things that are so vital, and people do not know how to plan their lives any better than the administrations and the boards know how to plan for the budgetary future. This indecision is one of the really deleterious facts of life which we now face.

Ms. Burns commented that listening to the radio in her car on the way to the meeting, it seems to her that there is a growing support for an increase in taxes in Illinois. She said if it is any comfort, she also heard that the new Mayor of Chicago, Mr. Washington, is in Springfield today pleading his cause for the Board of Education in Chicago which has a shortfall much, much greater than ours. Collectively, she said, she thinks we all should be heard.

President Monat said he had sent copies to the Board of articles and an editorial which appeared in the Rockford Register Star last week, and he thinks it should be acknowledged publicly the strong support the newspaper gave editorially not only to a tax increase, but the absolute necessity of increased support for higher education funding.

President Lacy noted that any way you cut the arithmetic, as was done at the last BHE meeting, or any way you look at the compromises that took place in Springfield among the Republican caucus last week, if higher education keeps the same percentage of the General Revenue Fund that it currently has, we simply cannot afford any additional deterioration in the Governor's position relative to the revenue that it might produce. Further compromises are going to have to be ones that do not cut the gross amount of revenue projected if we are going to be able to break even and have even a small number of new dollars to cover utility bills and other necessary increases for next year. The bulk of the fight is still in front of us, and we are going to have to endure. He thinks what President Watkins said about morale is very important, and that it is critical that the decision be made in the regular session of this legislature and not drag it out as long as the summer session.

Mr. Bender inquired if Mr. Browder's statement had been distributed to all members of the General Assembly. Ms. Burns said she had requested that it be sent, but she would have to check on that.

Mr. Bender commented that Gary Watson from the Rockford Register is a supporter of higher education. He is an NIU graduate. He would ask that a letter be sent to him in appreciation of the editorials he has been running. One other thing he would like to mention, Mr. Bender said, is that to add to the pain of the reduction in monies for higher education, they are also taking \$85 million out of the retirement funds, which in good conscience they should return, at least in the amount taken. He said what higher education is going to get out of any additional revenues is very doubtful. However, Mr. Bender said, the General Assembly is vulnerable to pressure at this point from all kinds of sources on just this subject, and we ought to be in touch with them.

Ms. Burns said she would urge each member of the Board to obtain a list of the appropriate legislators or persons that they think need to hear personally from the members and make our position known. Also, she encouraged members to write to the Governor.

Dr. Matsler said he perhaps would add some comments to this discussion at the time he presented his Report.

There was another item brought up at the BHE meeting, Dr. Matsler said, relative the program review. He said he believes our System is to be commended for having probably as good a system of program review as can be found in the State. Our Program Committee, chaired by Mr. Parker, has done a good job of looking at the mission statements and looking at the program reviews themselves. Three programs at our institutions got some comment from the Board of Higher Education, and the comments were essentially that perhaps the programs were educationally and economically unjustified. We will not agree with all of this, he said, and it is up to the Board of Regents to decide whether or not they are really justified. We may very well be making some changes because of the BHE's suggestions, or they may be changes that we had already

implemented, Dr. Matsler said.

Ms. Toman reported that on Tuesday the Illinois Student Association caucused at the State Capitol, and she would like to commend each of the presidents of the student associations at the Regency Universities for their support and bringing students from all of the campuses to lobby their respective legislators and committees that will be appropriating funds to higher education.

Ms. Burns said she was happy to hear this because is another perspective which legislators need to have.

Joint University Advisory Committee

Dr. Virginia Crafts, Committee Chair, introduced new members of the Joint University Advisory Committee: Pam Hammond-McDavid, a staff member at Sangamon State; Bob Ritt, the new chairperson of the Academic Senate at Illinois State; and Peggy Gerkin, who is also a student member of the Senate at ISU.

Dr. Crafts reported that discussions by JUAC sounded a great deal like those the Board had earlier in terms of finances and tuition, and the Committee is very concerned about this. The students are particularly concerned about the possible tuition hikes that might occur. She said she is sure that the Board probably has some sense of discouragement as the does the Committee. They think the only thing they can do at this point is to hope that the final scenario is a positive one and try to convince the legislators that all of the fat has indeed been cut, and now muscles are pretty bruised and battered.

Once again, she said, the Committee is dismayed and disappointed and disillusioned that the retirement plan has again been attacked to keep the State afloat literally. They are also upset that primarily it was the State employees and the State teachers who were hit hardest by this. They are also upset that there seems to be no plan to replace the funds, and to the Committee this is not wholly responsible.

Finally, Dr. Crafts said, the Committee requests that members be furnished with the agendas for meetings of the Board's committees. They believe that this will increase their understanding of some of the concerns and allow for a more intelligent exchange.

Ms. Burns agreed that this would be an excellent idea, and she would ask Dr. Matsler to see that the Committee members are included on the mailing list.

EXECUTIVE DIRECTOR'S REPORT NO. 139

Section I - Legislative Report

Dr. Matsler said all members of the Board now receive a digest of the bills which Staff is following, some of which will be of more interest to the Regents than others might be. Right at the moment, he said, there have been 3600 bills introduced. The deadline for hearing substantive bills in committee is May 6, he noted, so there will be a few more bills coming up. Given the large Democratic majority in the House and the fact that many of the Democrats

are new members, it is likely that a very large percentage of the bills will pass out of the House, so it will be up to the Senate or the Governor if there is to be any weeding out.

Dr. Matsler said there are at least a dozen bills which could be used as a vehicle for collective bargaining, however, probably the strongest bill is H.B. 1530 which is supported by Speaker Madigan and it is expected that this bill may very well be favorably reported out of the House. The bill now includes higher education.

H.B. 83, introduced by Representative Mulcahey, restricts the use of textbooks written by faculty members. The bill is currently in the Higher Education Committee, and it is unlikely that it will pass. It would affect faculty on our campuses considerably, and we do not believe it is an appropriate bill and have opposed it.

Representative Keane has introduced H.B. 196 which would allow universities to remove federal student loans from their records when they are assigned to the federal government. This is a good bill and stands an excellent chance of passage.

Representative Frederich has introduced H.B. 504 which would eliminate the present requirement that all agencies of government submit quarterly reports regarding non-bid purchases of less than \$5000.

H.B. 700 is an interesting bill sponsored by Representative Ebbesen, which would remove Northern Illinois University from the Board of Regents System. The bill is scheduled to be heard this afternoon in committee, and Dr. Matsler advised that Chairman Murray has written a very strong letter in opposition to the bill. Phil Adams of the Staff will also testify against the bill. Dr. Matsler said he thinks that perhaps the bill will not pass this year, however, one of these years it may and then we will have a new system of systems of higher education in Illinois. This would be long after he has left the scene, President Monat commented.

Dr. Matsler said he has asked Marsha Murray of the Central Staff to testify against another bill which would provide a vote for student Regents. Similar bills have been introduced with respect to the other governing boards, and he understands that they are being opposed by many. Dr. Matsler said he believes there is a split among students as to the desirability of providing student Regents with a vote. However, he has opposed the bill and has notified the Board of this; and unless the Board were to notify him differently, he would continue with that policy.

Mr. Gayles asked if Phil Adams would also speak to this particular bill in committee. Dr. Matsler said Mr. Adams would be present at the meeting, but he had asked Ms. Murray to testify on the bill. Is the Board going to take a stance against the bill, Mr. Gayles asked? In this particular instance, Dr. Matsler said, Staff will be speaking on behalf of the Executive Director or on an individual basis, rather than as a Board policy because the Board has not taken a stance on this particular bill. However, as he indicated before, he has always notified the Board how he intends to testify, and unless he is instructed differently, he will go ahead and do that.

Mr. Gayles acknowledged that there is a split among students, but he would say that the vast majority of students throughout the State favor voting rights for their particular regents or trustees on the governing boards, and he wanted to state this clarification.

Ms. Toman said she has researched this considerably, talking with other student trustees of institutions in the State, and has received both pros and cons on the question. To be objective, she said, among all of the issues that need to be kept in mind before any decision is made either at this Board level or in the Higher Education Committee, is that we need to keep in mind that there are various personalities on all of the governing boards; and while some may feel it is necessary, there are others that would feel it is not necessary. We need to keep in mind, she said, that we sit on a seat in a unique position, and ask whether this might open the floodgates for various other constituencies to seek a place on the boards. Ms. Toman said she recognizes that she and Mr. Gayles are of different opinions on the question, but she is trying to be objective about it. Mr. Gayles said he too is trying to be objective, and Ms. Toman is aware of his arguments. He would ask that the Board not take a stance on this matter at this time, since there are dissenting opinions among the students. However, he said, he wanted the Board to know that students will be watching this bill.

Among the bills introduced in the Senate, Dr. Matsler said, is one supported by Senator Rock which would allow proprietary schools to participate in the ISSC scholarship funds. He said he is afraid that this would be most unfortunate. It may very well cost another \$11 million per year, and perhaps more later. However, it is likely that the bill will pass both the House and Senate.

Senator Davidson is the principal sponsor of our Regency appropriation bill, Dr. Matsler continued, and he will be testifying along with the three Presidents and the Executive Director on Thursday afternoon in Senate Appropriations Committee.

Senator Lemke has introduced a controversial bill which would allow private colleges and universities to receive grants for construction projects, and we are not sure how far this will go, but it is still of some interest to us.

Finally, Dr. Matsler said, as reported in the papers recently, Senator "Pate" Philip has agreed to introduce the Governor's tax bills as he has proposed them. They are very controversial, and it will be some time before the dust settles and we know exactly where we are with respect to appropriations.

Section II - FY84 Operations Appropriations - Board of Higher Education Allocation of the Governor's Budget

Dr. Matsler directed the Board's attention to the tables on pages 7 through 11 of the Executive Director's Report and summarized the 1984 budget requests as they have currently been presented to the Legislature. He noted that the total request, including income derived from a 10% increase in tuition and incremental increases approved by the Board of Higher Education, was \$162.9 million. Using charts prepared by the Central Staff he then projected what might be expected if the Governor's tax package were to be approved by the Legislature and if income from a 25% increase in tuition were to be instituted by the Board of Regents. He stated that unless a larger proportion

of the total general revenue dollars is distributed to higher education, the Regency System would stand to gain perhaps no more than \$2 million.

President Monat commented that the projected income resulting from the tuition increase did not accurately reflect the fact that there would be reduced enrollments due to higher tuition.

President Watkins suggested that perhaps students should look into the bill which would provide scholarships to students in proprietary schools, because this added expense is estimated to total as much as 11 million dollars and it would be taken from the ISSC appropriation.

Section III - Board Regulation Amendments and Additions - Board Committees

Dr. Matsler presented for action the Board Regulations which would formalize the Board Committee structure, and stated that it was the consensus of both Board and staffs of the institutions that the system is working very well. Mrs. Fitzpatrick noted that she thought it had worked very well, and moved for approval of the Regulations as stated in the Executive Director's Report. The motion was seconded by Mr. McClure, and it carried unanimously.

The Regulations read as follows:

- I. BOARD PROCEDURES
- C. BOARD COMMITTEES
 - 1. EXECUTIVE COMMITTEE

- a. Membership.

The Executive Committee shall be comprised of the Chairman of the Board, the Vice-Chairman, and a member of the Board selected by the Chairman of the Board. The Executive Director shall act as a non-voting member of the Committee. The Chairman of the Board shall serve as Chair of the Executive Committee.

- b. Meetings.

The Executive Committee shall meet upon the request of two or more of its members.

- c. Powers and Duties.

The Executive Committee may discuss and act upon all matters pertaining to the Board of Regents and the Regency Universities. It is intended, however, that the Committee will primarily address those routine items which require Board action when such action cannot be delayed until the next full meeting of the Board is convened.

Although the Committee may make final determinations as to matters of the Board of Regents, the full Board may ratify the actions taken by the Committee.

Actions of the Executive Committee shall be reported to the full Board no later than at the next meeting of the Board.

2. AUDIT COMMITTEE

a. Membership.

The Audit Committee shall be comprised of the Chairman of the Board and two members of the Board selected by the Chairman of the Board. The Executive Director shall be a non-voting member of the Committee. The Chairman of the Board shall serve as Chair of the Audit Committee.

b. Duties and Responsibilities.

The Committee shall periodically review the internal control, accounting, and reporting practices of the Universities to assure that the practices provide for proper accountability. Specifically, the Committee shall

- (1) monitor the communications of audit information to external agencies and entities;
- (2) evaluate requests for special compliance or financial audits or investigations and assign such audits or investigations as the Committee deems appropriate;
- (3) review reports, findings, and recommendations and make such recommendations and/or reports to the Board as the Committee deems appropriate; and
- (4) meet annually with the Internal Auditor of each University to receive a written audit plan for the fiscal year, and to discuss any appropriate items.

3. FACILITIES COMMITTEE

a. Membership.

The Facilities Committee shall be comprised of three or more members of the Board selected by the Chairman of the Board. The Chairman of the Board shall act as ex officio member of the Committee. The Chairman of the Board shall designate one member of the Board to serve as Chairman of the Facilities Committee.

b. Meetings.

The Facilities Committee shall meet at the direction of its Chairman.

c. Duties and Responsibilities.

The Facilities Committee shall be responsible for reviewing the

following: capital budgets and requests, long-range development plans, and major capital projects including program statements.

The Facilities Committee shall make recommendations to the Board of Regents.

4. PROGRAM COMMITTEE

a. Membership.

The Program Committee shall be comprised of three or more members of the Board selected by the Chairman of the Board. The Chairman of the Board shall act as an ex officio member of the Committee. The Chairman of the Board shall designate one of the members of the Board to serve as Chairman of the Program Committee.

b. Meetings.

The Program Committee shall meet at the direction of its Chairman.

c. Duties and Responsibilities.

The Program Committee shall be responsible for reviewing the following: academic plans and mission statements, new and improved program requests, existing programs, and policies on tenure and academic rank.

The Program Committee shall make recommendations to the Board of Regents.

5. FINANCE COMMITTEE

a. Membership.

The Finance Committee shall be comprised of three or more members of the Board selected by the Chairman of the Board. The Chairman of the Board shall designate one of the members of the Board to serve as Chairman of the Finance Committee. The Chairman of the Board shall act as an ex officio member of the Committee.

b. Meetings.

The Finance Committee shall meet at the direction of its Chairman.

c. Duties and Responsibilities.

The Finance Committee shall review the following: operational costs and budgets, tuition and fees, and internal budgets.

The Committee shall make recommendations to the Board of Regents.

6. PERSONNEL COMMITTEE

a. Membership.

The Personnel Committee shall be comprised of three or more members of the Board selected by the Chairman of the Board. The Chairman of the Board shall act as an ex officio member of the Committee. The Chairman of the Board shall designate one of the members of the Board to serve as Chairman of the Personnel Committee.

b. Meetings.

The Personnel Committee shall meet at the direction of its Chairman.

c. Duties and Responsibilities.

The Personnel Committee shall coordinate the evaluations of the Executive Director and the Presidents and shall review pay plans, salary schedules and compensation data.

The Committee shall make recommendations to the Board of Regents.

I. BOARD PROCEDURES

D. LEGISLATIVE AFFAIRS (GOVERNMENTAL RELATIONS)

1. POLICY.

In furtherance of its role as the governance body for the Regency System, the Board of Regents is desirous of participating in those legislative matters affecting the Regency universities and Illinois higher education.

a. Review.

Proposed or pending legislation shall be reviewed by the Executive Director, the Director of Legislative Affairs, and a representative from each Regency university selected by the university.

b. Representation.

No person shall take any position on behalf of the Board of Regents in any legislation proposed or pending in the General Assembly without the prior authorization of the Board of Regents or the Executive Director.

c. Report.

The Executive Director shall periodically report to the Board of Regents on the status of pending legislation.

Section IV - Illinois Educational Consortium

Dr. Matsler presented the following Resolution to provide for the election of the Directors of the Illinois Educational Consortium at its annual meeting, with a recommendation that it be adopted by the Board:

BE IT RESOLVED by the Board of Regents in regular meeting assembled:

That Franklin G. Matsler and William R. Monat be and are hereby selected to serve as Directors of the Illinois Educational Consortium; and

That Franklin G. Matsler as Secretary of the Board of Regents be and is hereby authorized to consent and agree to the election of the above-named directors togetherwith two Directors named by each other member of the said Consortium as the act of and on behalf of this Board, and to do so in writing and in lieu of election at a meeting of members.

Mr. Riss moved for adoption of the Resolution. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Mr. Winning noted that the Board had requested Dr. Matsler to ask Halsey Stuart & Company (now Prudential Bache Securities) to designate an alternative bond paying agent in Chicago to replace Continental Illinois National Bank. The request was made and the LaSalle National Bank of Chicago was so named on April 1.

RECURRING INSTITUTIONAL MATTERS

Illinois State University - President's Report

President Watkins reported to the Board that today students on the ISU campus are holding a referendum on whether or not planning and construction of a recreational building should proceed. He said he does not know how the voting might go, but that he intended to abide by the decision of the students which should be known late this evening.

Ms. Burns asked if the President would be bringing a recommendation to the Board at the next meeting, and Dr. Watkins said at this point he did not know. Obviously, he said, if the students vote No, there would be no recommendation made by him.

President Watkins yielded the floor to Ms. Orchowski who introduced to the Board Steve Bedingfield and Tim Houghton, newly elected President and Vice President of the ISU Student Association.

President Watkins introduced Dr. Leon Boothe, Vice President and Provost, who will be leaving ISU shortly to take up his duties as President at Northern Kentucky University.

Dr. Watkins distributed copies of an Addendum to his Report (Changes in Assignment for Dr. Vivian R. Jackson and Dr. JoAnn S. McCarthy). He advised the Board that the Capital Improvement Projects contained in his

Report were being withdrawn in order that the Facilities Committee might review them and make recommendations to the Board.

Information reports were presented on:

Students
Grants and Contracts (Research, Training, Service)

The following items were submitted for action by the Board:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.
3. Renewal of Union Agreements
 - (a) Approval was requested of an Agreement with Local 399, International Union of Operating Engineers, for the period April 1, 1983 through August 31, 1983.
 - (b) Approval was requested of an Agreement with Local 1110, American Federation of State, County and Municipal Employees for the period April 4, 1983 through June 30, 1983.
4. New Union Agreement

Approval was requested of an Agreement with Local 399, International Union of Operating Engineers, for the period April 4, 1983 through August 31, 1983. This Agreement is in behalf of 17 Building Mechanics in the University's Residence Halls. The language is essentially consistent with other Agreements and there are no departures from past practice. The wage settlement is in accordance with Board of Regents guidelines.

Ms. Orchowski moved for approval of the Report of the President of Illinois State University, as amended. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Ms. Orchowski said she would like to commend President Watkins and the University for supporting students in looking to fill the recreation needs at ISU, adding that she and all of the students appreciate the fact that they will abide by the outcome of the referendum.

Dr. Matsler noted that it was not just a matter of abiding by the referendum because the Board would also want to look into the feasibility studies and the fee schedules. President Watkins said if he does have a recommendation to make to the Board all of this would be brought in.

Sangamon State University - President's Report

Before presenting his Report to the Board, President Lacy asked that the name of Robert C. Spencer be deleted from the list of those individuals recommended for sabbatical leaves. Mr. Winning asked that the record show that action on this is continued.

Information reports were submitted on:

Enrollments, April, 1983
Grants and Contracts
Capital Improvement Projects

The following items were then presented for action by the Board:

1. Personnel transactions for faculty, administrative and civil service personnel. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.

Commenting on his Report, Dr. Lacy took note of the recommended appointment of Jerold Gruebel as Executive Director of CONVOCOM, adding that this is the first of several steps which will be recommended over the next few months which will bring into actual service the television consortium composed of Bradley University, Western Illinois University, Blackhawk Community College in Moline and Sangamon State University. The funds for the salary for this position and other costs of CONVOCOM will come from the consortium through a contract for the university to provide the administrative services to the consortium. Bradley is providing the engineering services to the consortium and they expect the first signals to be delivered which will cover almost one-half of the land area of the State beginning this Fall, with the full system in place about 12 months after that. Dr. Lacy said next month he would bring in for action a contract with CONVOCOM for the services which will be provided. The good news about the contract, he said, is that the operating cost of the particular system that has been engineered is a very modest cost compared to the kinds of broadcast systems - the only television transmission systems available to us just a few years ago. The energy cost of the microwave system which they are installing is a very bright picture for their budget next year. They expect within several years to be recovering through tuition charges and other fee costs for services that they deliver through this television system a good bit more than the cost of operating the system.

President Lacy said he would like to note in recommending the sabbaticals the continuing importance that their faculty and the administration attaches to the entire question of faculty development. In the young institution, with decisions which he will ask the Board to make at the May meeting, they will be approaching the 60% mark on tenured faculty. It is a young faculty, an excellent faculty, and one from which they will demand much in the decades to come. Dr. Lacy said he thinks one of the most urgent matters facing the university is how to secure the maximum potential from each of these faculty members. The sabbatical system which has been in operation for a number

of years is an excellent faculty development device and a very important one but they do need other comparable type devices to help develop the faculty to the point where it can be of maximum service to the institution and to the Board in the future. He said he hopes that they will have an opportunity over the course of the next few months, no matter how tight the budget situation may be, to give some attention to additional modes of providing opportunity for development of the faculty.

Mr. Winning said while he thinks the purpose of CONVOCOM is excellent and what they are doing is good, he also thinks that as these hybrids of organizations develop, particularly when they are composed of both public and private agencies, there is going to need to be some legislative or other policy guidelines developed. We have a situation here now where the employee of the university is in fact a contract employee of the group of universities with both public and private companies, and he is enjoying all of the fringe benefits provided by the State, admittedly at the cost of CONVOCOM. He said he has not discussed this with President Lacy, but he does think that there has to be some guidelines developed for these joint organizations, as good as they may be, because there isn't any real legislative pattern.

Ms. Burns asked if Mr. Winning had a recommendation to make to the Board.

No, Mr. Winning responded, but down the line we will need to do something about these sorts of things.

President Lacy said he fully agrees. They are pursuing, he said, policies which they believe the Board of Regents and the Board of Higher Education have endorsed to encourage individual institutions to become more cooperative with each other. That includes patterns of cooperation among the public and private institutions. Sangamon State now has more than a dozen major cooperative efforts with other institutions of higher education, and he believes they have reached the point in the development of these multi-university cooperative projects that they do need to give some attention to the structures by which they are being culminated. He said he thinks that will take not only the attention of this Board but also the understanding of other State agencies. It is interesting to note, Dr. Lacy said, that the CONVOCOM project itself was developed with funds from the HECA program of the BHE. He thinks there can be no question about the project being squarely within the education policy of the State, and yet they do face certain restrictions under existing law and regulations which make these kinds of cooperative efforts somewhat more difficult than they should be.

Ms. Burns asked President Lacy to bring the Board up to date on the status of the research park feasibility study.

The President advised that the advisory committee conducting the research park feasibility study met a few weeks ago and endorsed the initial draft of the study which recommends that the University and the Board proceed to continue to test this matter by making some initial contacts with prospective clients of the research park. The feasibility study outlines how those contacts might take place and a timeframe for the contacts to take place late this Spring and during the Summer. The report acknowledges that the project is a very complex one and it is likely to take a good bit of time for consultation between the university and the prospective clients, most of

which are public associations, have annual meetings, in many cases in the winter, and there are contracts which will have to be adjusted as they make moves from one place to another. But the board enthusiastically endorsed the project and gave some good guidelines to proceed.

Dr. Lacy said in his Report today is the recommendation for the continuation of the contract with the consultant on this project to take him into the next phase of the project. Dr. Esser has done an excellent job in bringing the project through the first phase and they would like to retain his services for the next phase. The President said he would take the Board's approval of the recommendation today as a sign that the Board does not in any way discourage their continuing through the second phase of testing the feasibility of the project. The second phase will be more public and will involve at least the Chairman of the Facilities Committee of the Board, Governor Thompson and others in helping them make some of the contacts that need to be made.

Ms. Burns said she personally feels this is an exciting idea and the President should keep the Board posted on an on-going basis.

Mr. Parker moved for approval of the Report of the President of Sangamon State University, as amended. The motion was seconded by Ms. Toman, and it carried unanimously.

Northern Illinois University - President's Report

President Monat, before presenting his Report to the Board, reported on the series of events which took place to celebrate the dedication of the College of Law.

He also noted that shortly after the dedication, the threat to the continuation of the Law School was removed when Representative Tate, in an exercise of amazingly good judgment, withdrew his bill.

Dr. Monat said he was proud to report to the Board that last week they received word from the American Assembly of the Collegiate Schools of Business that the accounting program at Northern has received accreditation at both the undergraduate and graduate levels by the ACSB. This makes the program one of 29 in the country to receive accreditation at this early stage and it puts Northern in very good company.

President Monat distributed copies of an Addendum to his Report (Holmes Student Center - Tower - Granite and Limestone Panel Repair).

The President, as a part of his Report, recommended to the Board for approval the awarding of its first honorary degree, an honorary degree of Doctor of Science to Dr. Leon M. Lederman, Director of the Fermi National Laboratory. Dr. Lederman is no stranger to the work of science, Dr. Monat noted, having published 170 scholarly papers in the most prestigious journals in the field of physics. Dr. Lederman has received his share of honors and awards. He has received the Ford and Guggenheim Fellowships, the Adams Foundation Fellowship and NSF Fellowships. In 1965 he was awarded the National Medal of Science by President Johnson and the same year he was elected to the National Academy of Sciences. Since 1972, simultaneously with his serving as Director of the Fermi Laboratory, he holds a Higgins Chair of Physics at Columbia University. Last year he was a co-recipient of the

prestigious Wolf Prize in Physics. Dr. Lederman's work in Physics has included landmark research leading to unprecedented discoveries of two fundamental particles. President Monat said it is with pleasure that he brings to the Board the NIU request to award the honorary Doctorate in Science to Dr. Lederman on May 14th.

Information reports were presented on:

Status of Undergraduate Admissions for Summer, 1983
 Status of Undergraduate Admissions for Fall, 1983
 Enrollment by Headcount, Semester II, 1982-83
 Grants and Contracts (Research, Institutes, and Studies)
 Gifts to Northern Illinois University

The following items were submitted for action by the Board:

1. Personnel transactions for faculty and other employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Approval was requested to increase the commencement fee from \$10 to \$15 for undergraduate students, and from \$15 to \$20 for graduate students, effective for August Commencement 1983. The law student commencement fee remains at \$35.
3. Authorization was requested to enter into a contract in an amount not to exceed \$65,000 with the National Center for Higher Education Management Systems to provide a detailed needs assessment of private sector firms with major commitments to high technology. The survey would incorporate not only an assessment of potential for the establishment of cooperative research undertakings, but would also assess the educational and training needs to meet current and future professional manpower requirements of the firms.
4. Approval was requested of Collective Bargaining Agreements with the Fraternal Order of Police, Lodge 86; the American Federation of State, County and Municipal Employees, Local 963 - DeKalb and Lorado Taft campuses; and the International Union of Operating Engineers, Local 399 for wages to be effective April 1, 1983.
5. Permission was requested to proceed with an installment plan for the Spring Semester, 1984, for payment of tuition, fees and room and board. A student would be able to exercise the option to make payments in three installments. Approval was also requested of the following related fees:

Reinstatement fee	\$25.00
Housing Applications (applied to Spring Semester room and board charges)	\$50.00
Service Fee	Up to 1.5% per month on unpaid balance

6. A list of purchases for the month, as appended to the President's Report.

7. Capital Improvement Projects

(a) Lincoln Hall - Center Core Roof Replacement

Authorization was requested to increase the project budget from \$40,000 as originally approved to \$150,000.

(b) Holmes Student Center - Tower - Granite and Limestone Panel Repair or Replacement

Permission was requested to enter into a contract with the firm of Raths, Raths and Johnson, Inc., Willowbrook, to undertake additional investigative work; develop plans and specifications; advertise and receive bids for the repair of the granite and limestone panels. Because the engineering work for the project involves an unusual amount of investigative work prior to the development of plans and specifications, the University recommended a fixed engineering fee of \$30,000, plus the usual provisions for reimbursables and full-time on-site supervision be authorized for this project.

A total preliminary budget for the project has been developed in the amount of \$570,000.

(c) Gabel Hall - Replacement of Roof Over Existing Gym Locker Rooms

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Freeport Industrial Roofing, Freeport, in the amount of \$17,418.

(d) Lincoln Hall - Repair of Sidewalks

Douglas Hall - Repair of Sidewalks

Grant Towers - Repair of Sidewalks

Stevenson Towers - Repair of Sidewalks

Wirtz Hall - Installation of New Sidewalk for North Addition

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Oleson Construction Company, DeKalb, in the amount of \$52,066.

(e) Huskie Stadium - Repainting of Exterior Steel and Wood

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Western Waterproofing, Springfield, in the amount of \$77,400.

(f) Evans Field House - Gymnasium Divider Curtains

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Art Drapery Studios, Skokie, in the amount of \$24,045.00.

(g) Dorland Building - Minor Rehabilitation and Remodeling

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Jim Ward Construction, DeKalb, in the amount of \$17,809.00.

(h) Holmes Student Center - Tuckpointing and Caulking the Tower and the Remainder of the Building

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Midwest Restoration, Paris, in the amount of \$42,500.00.

Referring to the contract with NCHEMS, President Monat said last summer they contracted in a consulting capacity with Dr. Frank Fradin of Argonne National Laboratories to conduct a comprehensive survey in the northwest and east-west research and development quarters in the Chicago metropolitan area. That effort resulted in the development of individual corporate profiles of more than 200 firms, a very precise profile in terms of the research thrust of these firms, product lines, their scientific laboratory capacities, down to the number of Ph.D.'s in Physics, Biology, etc. Northern has entered into a continuing relationship with Fermi Lab, and along these same lines, Dr. Monat said he has had two meetings with Dr. Letterman over the past several months. NIU and Fermi are entering into what he believes will be a very fruitful collaboration leading to joint appointments, particularly in the areas of computer science and physics. They are asking NCHEMS, in a sense, to complete the survey and research that was started last summer to assist the university in assessing the requirements of these firms in the area of high technology and also to assess the potential for engineering education in that part of Northern Illinois.

With respect to the installment plan for payment of tuition, fees and room and board, Dr. Monat said they think that within the next several years it will be increasingly important for parents as well as students to have the opportunity of meeting the cost of higher education on an installment plan rather than having to come up front immediately with the full payment at the beginning of each semester.

Dr. Monat said the contract with Raths, Raths & Johnson was discussed in executive session within the context of potential litigation, and this will enable the firm to undertake additional investigative work on the panel problems in the Holmes Student Center, to develop plans and specifications, and to advertise and receive bids for the repair or replacement of the granite and limestone panels (he asked that the words "or replacement" be added in the action paragraph of the Addendum which was distributed). Dr. Monat said he fears that they will be coming back to the Board in May with recommendations that will involve extensive repair of the structure because of the deterioration that has occurred since the building was constructed some 16 years ago.

In the Purchases section, Dr. Monat said, are a number of computer-related initiatives. All of these matters have been discussed with Board Staff on an extensive basis, and he understands that Staff is fully supportive of these proposals.

Ms. Orchowski moved for approval of the Report of the President of Northern Illinois University, as amended. The motion was seconded by Mr. Gayles.

Mr. Gayles complimented the President and his staff for proposing the installment plan for paying tuition, fees and room and board charges. He said he knows it will save a couple of students from having to complete their academic semester at Con Ed instead of NIU.

Ms. Burns commented that this does show a real responsiveness to student needs in the current economic conditions, and it is a super idea. She said she would also compliment the university on the accreditation of their accounting programs. This is a real honor.

The question before the Board was called for a vote, and the motion carried unanimously.

There being no further business before the Board, on motion by Dr. Wellbank, seconded by Ms. Toman, the meeting was declared adjourned. The next regularly scheduled meeting of the Board of Regents will be held at Sangamon State University on May 19, 1983.

Carol K. Burns
Vice Chairman and Acting Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Sangamon State University, Springfield, Illinois

May 19, 1983

The public meeting of the Board of Regents convened at 1:30 p.m. on Thursday, May 19, 1983 in Conference Room G of the Public Affairs Center at Sangamon State University, Springfield, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Mr. Montel Gayles	Mr. Harold Riss
Mr. L. Milton McClure	Ms. Janine Toman
Ms. Denise Orchowski	Dr. Harry L. Wellbank
Mr. D. Brewster Parker	Mr. David E. Murray, Chairman

Not present for the meeting were:

Ms. Carol K. Burns	Mrs. Clara S. Fitzpatrick
Mr. Jerome R. Bender	Mr. James L. Wright

Also present were:

Dr. Alex B. Lacy, President, Sangamon State University
Dr. William R. Monat, President, Northern Illinois University
Dr. Lloyd I. Watkins, President, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Attending from the Joint University Advisory Committee were: (ISU) Thomas Eimermann, Peggy Gerkin, Leon Toepke; (NIU) Joe Koch, James Lankford, Jerry Meyer, Tony Scaperlanda; (SSU) George Gruendel, Cindy Stephenson and Jack Van Der Slik.

Other present included staff from the Regency Universities and the Central Office of the Board; Mr. James M. Winning, Legal Counsel to the Board; and representatives of the student bodies and the news media.

Dr. Wellbank moved that the Board recess to convene in Executive Session for the purpose of discussing litigation and personnel matters. The motion was seconded by Mr. Riss, and it carried unanimously.

The Board reconvened in public session at 3:00 p.m.

MINUTES OF APRIL 20, 1983

The Chairman directed the attention of the Board to the minutes of the meeting held on April 20, 1983, and asked if there were any additions or corrections to be proposed. Dr. Matsler asked that on page 13 in the paragraph describing the membership of the Finance Committee, the following

sentence be inserted after the first sentence: "The Chairman of the Board shall act as an ex officio member of the Committee."

Dr. Matsler also noted that on pages 19 and 20 the spelling of Dr. Leon Lederman's name should be corrected.

President Watkins asked that on page 15 in the third paragraph under the ISU President's Report, the spelling of Tim Houghton's name be corrected.

Mr. Parker moved for approval of the minutes as corrected. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Chairman Murray reported that in Executive Session the Board discussed some matters of litigation, including the problems students are having with the Veterans Administration. The Board also discussed some tenure matters and some other personnel matters at Northern.

Mr. Murray said unless there were some objection, the Board would depart from the regular agenda and consider the reports from the Universities and those items in the Executive Director's Report which require action, inasmuch as it was quite possible that Dr. Wellbank might have to leave the meeting early.

RECURRING INSTITUTIONAL MATTERS

Sangamon State University - President's Report

Before presenting his Report to the Board, President Lacy noted that at the last meeting the Board approved some purchasing contracts to permit the university to enhance the capabilities of the small observatory on campus. He said the astronomy program, which is a very low cost but high profile program, has been a very successful one for the university. He had distributed to members of the Board two publications from Professor Charles Schweighhauser which illustrate something of the nature of what is happening in the program. Mr. Parker noted that he has had the pleasure of attending Charlie Schweighhauser's classes for a number of years and is quite excited about his publications. He said he wished that Mr. Schweighhauser were present to accept the congratulations of the Board.

Dr. Lacy said he would also like to bring to the attention of the Board the fact that the SSU medical technology student bowl team won the State championship competition a couple of weeks ago. The institution is especially proud of the members of the team, he said, who went on to the regional championship in Kansas City where they lost on a tie-breaker question 105-100.

An information report was presented on Grants and Contracts.

The following items were then submitted for action by the Board:

1. Personnel transactions for faculty, administrative and civil service employees, including recommendations for promotion and tenure. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

2. A list of purchases for the month, as appended to the President's Report.

Commenting on his Report, President Lacy took note of the grant from the Joyce Foundation to Illinois Issues magazine to support the development of special attention to the question of the State's economic future. There are a number of programs at Sangamon State attempting to give the topic special attention, and they are pleased to have the support of the Joyce Foundation for the work Illinois Issues will devote to it.

President Lacy said he believes the list of candidates being recommended for promotion is an exceptional group of people and he is proud to make these recommendations. Again, he said, the list of faculty members being recommended for tenure is an exceptional list, and he hopes that at some point in the future the Board will have an opportunity to meet these candidates personally.

Referring to the request to purchase a refurbished HP3000 Series III Computer, Dr. Lacy noted that this purchase will permit the university to continue to enhance the Hewlett-Packard system on campus which has had to be developed in a piece-meal fashion with small expenditures each year because the institution has been unable to come up with the amounts of money necessary to buy a large amount of computer equipment in any one year. This purchase will keep them relatively up to date for the future.

Mr. Gayles moved that the recommendations for tenure be separated from the President's Report for consideration by the Board. Mr. Murray asked if Mr. Gayles wished to do this for all three institutions. Mr. Gayles said he was requesting this separation only for Sangamon State University.

The motion was seconded by Mr. Parker, and it carried with Mr. McClure voting Nay.

Mr. Parker moved for approval of the Report of the President of Sangamon State University, with the exception of the recommendations for tenure. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Mr. Murray asked if someone wished to move for approval of the recommendations for tenure contained in the SSU President's Report.

Dr. Wellbank asked why the question had been separated, and the Chairman said he would surmise that someone wished to vote against the tenure recommendations.

Mr. Parker then moved for approval of the tenure recommendations contained in the President's Report. The motion was seconded by Mr. Riss.

Explaining his motion to separate the question, Mr. Gayles said he thinks there was enough deliberation in the Executive Session to warrant some doubt in the passing of this particular section of the President's Report. He would prefer that the Board wait until later - hopefully at the next meeting - until it can have a little bit more insight into what has taken place.

Mr. Parker inquired if it was Mr. Gayles' intent to delay consideration of all of the tenure candidates.

Mr. Gayles said he did not wish to mention any names in this regard, but to just suggest that the overall issue as a whole be looked at at the next meeting of the Board.

Mr. Murray said he might add that the Board received communications from the Tenure Decision Committee at Sangamon State, and discussed at some length the considerations, the tenure decisions and the short and long-term needs of the university in accordance with our Board Regulations, and how the Regulations should be interpreted and implemented in tenure decisions. Mr. Murray said the Board is directing its Staff to meet with Sangamon State and the parties who make these decisions to implement the Board Regulations in some manner that is fair both to the applicants for tenure and the Tenure Decision Committee, as well as the administration. The Chairman asked the Executive Director if he wished to add anything to this.

Dr. Matsler said, no, only that he would hope the Board would follow the recommendations of the President in recommending tenure all the way through. However, he said, he feels that there is some work that needs to be done on clarifying procedures, and Staff is certainly willing to work with President Lacy and the university in trying to tidy up things as best they can. He said he appreciates the problems that the university has relative to procedures in this whole area of tenure decision-making.

President Lacy said the university welcomes the participation of the Staff of the Board in this particular matter. The tenure process is a complex and sensitive one, it is a young one, and it still has a lot of development maturity in front of it. The university welcomes the consultation opportunity with Staff.

Mr. Murray said he is sure he expresses the sentiments of the entire Board in saying that the members welcome the communications from the Tenure Decision Committee. While they have taken the position, and correctly he thinks, that they do not intend to intervene into the substantive determinations of tenure, they are very interested in making sure that the due process aspects of tenure decisions are made very clearly and as equitably as possible. Unfortunately, he said, some of the lines between substantive and procedural due process become overlapping. The Board does feel that the process does need clarification at Sangamon State, and that it is very important that the university Tenure Decision Committee consider the long-range needs of the university. But this has to be done in a manner that is in conformity with procedural due process.

The question before the Board for approval of the tenure recommendations for Sangamon State University was called, and the motion carried, with Mr. Parker voting Nay, and Student Regents Gayles, Orchowski and Toman registering Nay votes.

Northern Illinois University - President's Report

Before presenting his Report to the Board, President Monat updated the Board on the matter of the student referendum conducted on campus with respect to funding of the Northern Star from activity fees. The referendum, he reported, was approved by roughly a two to one margin. The referendum would allocate 8.3¢ per credit hour of student activity fees for the Northern

Star. The President's Fee Study Committee, which reviews all fee increase proposals or alterations in fees, reached its conclusion and recommended 7-2 against accepting the results of the student referendum. President Monat said that leaves them right now in a state where they are continuing discussions involving the Student Association, the Northern Star and the Publications Board to see if there cannot be some accommodation reached to provide some guaranteed continuity of funding for the Northern Star on a basis that is acceptable to all parties. These discussions have just started, and he would hope that at the June meeting he would be able to come forth with some kind of a recommendation. This would not involve any increase in student fees, but rather address the real problem of how to provide some continuity in funding for the paper so that it, in turn, can plan its operation from year to year. The funding pattern over the past ten years has been very erratic, the President said, ranging from zero funding this year to over \$60,000 five, six or seven years ago. This is a vexing problem for everyone involved, Dr. Monat said, and they are really going to try their best to get some handle on this and hopefully be able to bring something to the Board in June.

President Monat distributed copies of an Addendum to his Report (appointment of Stanley S. Madeja as Professor of Art and Dean of the College of Visual and Performing Arts).

Dr. Monat said that on page 14 of his Report, Item 3, he was withdrawing the recommendation for award of contract for General work on the Holmes Student Center - Replacement of Air Conditioning System and Correction of Ventilating Deficiencies - to Flagg Construction Company. He explained that there were some problems and some reservations in the general contract of Flagg Construction Company, and that on the basis of their reservation he could not recommend the contract to the Board. The general construction portion will be rebid, he said, and he asked that the appropriate changes be made in the total amounts of contracts being awarded at this time.

Information reports were presented on:

Status of Undergraduate Admissions for Summer 1983
 Status of Undergraduate Admissions for Fall 1983
 Grants and Contracts (Research, Institutes, and Studies)
 Gifts to Northern Illinois University

The following items were submitted for action by the Board:

1. Personnel transactions for faculty and other employees, including recommendations for promotion and tenure. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Approval was requested to increase the fee for the University Health Service by 50¢ per credit hour to an upper limit of 12 semester hours, or \$6.00 per semester. With approval of the increase, the Health Service portion of the consolidated student fee would be \$2.40 per semester hour.

Approval was also requested to restore to the Stadium and Field House \$1.08 per credit hour of the total Bond Revenue Fee. This \$1.08 had in recent years been transferred to the support of the

Holmes Student Center which faced substantial cash deficits. This action will not change the Bond Revenue portion of the consolidated fee.

3. A list of purchases for the month, as appended to the President's Report.
4. Capital Improvement Projects
 - (a) Re-Caulking of Grant and Stevenson Towers
Permission was requested to develop plans and specifications, advertise and receive bids for re-caulking of A and B Towers of Grant and B and C Towers of Stevenson. There will be no fees for development of plans and specifications charged to the project. The total estimated budget is \$500,000.
 - (b) Anderson Hall - Gymnasium Roof Repair
A tabulation of bids received was presented. It was explained that because of anticipated funding limitations, the University elected to bid the project in three parts: a base bid for the south one-third of the roof, an additive alternate No. 1 to include the middle-one-third of the roof, and an additive alternative No. 2 to include the north one-third of the roof.

It was recommend that the Board accept the low qualified bids for the total project, and that the Board approve the award of contracts to the low bidders with the provision that the base bid and additive alternate No. 1 only be funded from FY83 funds, with the remainder of the project funded from FY84 funds, subject to the availability of funds in FY84.

Roof Replacement

Freeport Industrial Roofing, Freeport

Base Bid	\$ 53,900
Add. Alt. No. 1	53,900
Add. Alt. No. 2	53,900
Total Bid	<u>\$161,700</u>

Plumbing

G's R Plumbing, DeKalb

Base Bid	\$ 2,121
Add. Alt. No. 1	1,991
Add. Alt. No. 2	1,991
Total Bid	<u>\$ 6,103</u>

It was further recommended that the total budget for the project be established as follows:

FY83 Funds

Roof Replacement	\$107,800
Plumbing	4,112
Contingency	5,588
Total FY83 Funds	<u>\$117,500</u>

<u>FY84 Funds</u>	
Roof Replacement	\$53,900
Plumbing	1,991
Contingency	2,809
Total FY84 Funds	<u>\$58,700</u>

(c) Holmes Student Center - Remodeling and Renovation of South Terrace

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Takoa Nagai Associates, Ltd., Glen Ellyn in the amount of \$51,250.00.

(d) Stevenson Towers - Renovation of Elevators
Holmes Student Center - Renovation of Elevators

Bids received for the projects were presented with a recommendation that the low bids be accepted and a contract awarded to Mid-American Elevator Company, Inc., Chicago, as follows: for Stevenson Towers, \$60,565.00; and for Holmes Student Center, \$23,495.00.

(e) Holmes Student Center - Replacement of Air Conditioning System and Correction of Ventilating Deficiencies.
Correction of Minor Ventilating Deficiencies in Various Revenue Bond Buildings.

A tabulation of bids received was presented, with a recommendation that the following low bids be accepted and contracts awarded:

General

(recommendation for award of contract withdrawn- to be rebid)

Electrical

Virgil Cook & Son, Inc., DeKalb \$10,989

Heating

Kallal's Sheet Metal, Inc., DeKalb \$22,440

Ventilating

Kallal's Sheet Metal, Inc., DeKalb \$31,854

and that the project budget be established as follows:

Total Construction	\$65,283
Eng. Fees	7,700
Contingency	3,167
Total Budget	<u>\$79,300</u>

(f) Resurfacing of Parking Lot "L" and Williston Hall Service Drive
University Streets - Repair and Resurfacing
Recycling Center - Grading and Surfacing

A tabulation of bids received was presented. The base bid included resurfacing of Parking Lot "L", resurfacing Williston Hall Service Drive and repair and resurfacing of Castle Drive and College Avenue. Additive Alternate No. 1 was for repair and resurfacing of Gilbert Drive; and Additive Alternate No. 2 was for grading and surfacing of Recycling Center. It was

recommended that the low bids be accepted and a contract awarded to Stahl Construction Company, DeKalb, in the amount of \$184,900.00.

(g) Huskie Stadium - Construct Steel Catwalk

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to E. B. Inc., DeKalb, in the amount of \$11,485.00.

President Monat reported that the university has been involved for the last six months or so in a national search to fill the position of Dean of the College of Visual and Performing Arts. Dean Buggert, the first and only Dean of the College, will retire in August after 9 years in the position. He was Dean for three years of the predecessor college, the College of Fine and Applied Arts. The College has received national prominence in recent years, the President said, and as a consequence, this position was viewed nationally in the visual and performing arts field as the administrative position that attracted the most impressive candidates. The Search Committee recommended the appointment of Dr. Madeja who currently is a distinguished professor of art in the School of Art at Arizona State University. The President said everyone is looking forward to Dr. Madeja's joining the university this summer and to great things from his leadership in carrying on the traditions that Dean Buggert has exemplified in his 13 years as a senior dean of the university.

President Monat said he believes his recommendations for promotion and tenure are all for people who are extraordinary able and promising members of the faculty. Northern has a very rigorous tenure process, he noted, and those recommended today would not be in his Report if they had not measured up to the highest standards of excellence and performance.

Mr. Riss moved for approval of the Report of the President of Northern Illinois University, as amended. The motion was seconded by Mr. Gayles, and it carried unanimously.

Mr. Gayles introduced to the Board Mr. Ed Gallagher who will be the President of the Student Association at NIU in the upcoming academic year. The Chairman welcomed Mr. Gallagher, stating that the Board will look forward to working with him.

Illinois State University - President's Report

President Watkins distributed copies of two Addenda to his Report: (Faculty and Administrative Staff - correct salary for Dr. Warren R. Harden), and Non-Recurring Items (Bone Student Center Food Service Lease).

Information reports were presented on:

Capital Improvement Projects
Grants and Contracts

The following items were submitted for action by the Board:

1. Personnel transactions for faculty and administrative staff and for civil service employees. Included were recommendations for promotion and tenure. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

2. A list of purchases for the month, as appended to the President's Report.
3. Capital Improvement Projects
 - (a) Alterations & Additions to Bone Student Center Dock Area
Permission was requested to engage the firm of Mills-Lux Associates, Architects, of Bloomington, Illinois to prepare bid documents and receive bids for alterations and additions to provide dock space, receive new waste compactor, and drive access for large waste disposal dumpster vehicles. Estimated cost of the project is \$70,000, payable from Bond Revenue Series 1970-70A Rehabilitation and Development Reserve.
 - (b) Bowling and Billiards Building Remodeling
Permission was requested to engage Mills-Lux Associates, Architects, Bloomington, Illinois, to design, prepare bid documents, and receive bids for remodeling of the bowling area to reduce lanes from 16 to 10 and provide area for billiards. Estimated cost of the project is \$80,000, payable from Bond Revenue Series 1970-70A Rehabilitation and Development Reserve.
 - (c) Residence Hall Remodeling, Auxiliary Water Heaters - Phase II
Permission was requested to design and receive bids for the installation of 17 auxiliary hot water heaters to be installed in Fell, Walker, Wright, Haynie, Wilkins, Manchester, Hewett and Watterson Towers. Estimated cost of the project is \$70,000, payable from Bond Revenue Repair and Maintenance Series 1967.
 - (d) Residence Hall Energy Conservation Work
Permission was requested to prepare contract documents and to receive bids to install necessary wiring and sensors to enable mechanical equipment in the South Residence and Watterson Towers complexes to be supervised and at times shut down in the interest of energy conservation. Cost of the project is estimated at \$90,000, payable from Bond Revenue Operations and Maintenance.
 - (e) Horton Fieldhouse and Hancock Stadium Electrical Renovation Work
Permission was requested to engage Brown, Davis, Mullins & Associates, Consulting Engineers, Champaign, Illinois, to prepare bid documents and receive bids for the renovation of the electrical systems in Horton Fieldhouse and Hancock Stadium. Estimated cost of the project is \$350,000, payable from Bond Revenue Series 1961 Rehabilitation and Development Reserve.
4. Non-Recurring Items
 - (a) IBM 5520 Administrative System for Bone Student Center
Permission was requested to purchase an IBM 5520 Administrative System for the Bone Student Center for the purpose of scheduling facilities and employees, maintaining budget and expenditure records and the capability of communicating with other IBM computer equipment and the host computer in Computer Services. Probable cost is \$53,644.55, payable from Bond Revenue Operation and Maintenance.

- (b) IBM Word and Data Processing System
Permission was requested to purchase for the Office of Residential Life IBM word and data processing systems which can communicate with other IBM computer equipment and the host computer in Computer Services. Probable cost is \$116,258.05, payable from Bond Revenue Operation and Maintenance.
- (c) Renewal of Union Agreement
Approval was requested of an Agreement by and between Illinois State University and Lodge 67 of the Fraternal Order of Police for the period April 4, 1983 through June 30, 1983, on behalf of 15 Police Officers in the Office of Public Safety.

President Watkins took special note of the appointment of Dr. David Strand to the position of Interim Vice President and Provost effective June 1, 1983; the appointment of Dr. Warren Harden as Interim Vice President for Business and Finance; and to the recommended appointment of Dr. Elizabeth Chapman as the new Dean of the College of Applied Science and Technology, effective July 1, 1983. Dr. Chapman is currently Assistant Provost at Western Illinois University. She received her baccalaureate degree from Michigan State, the masters degree from the University of Maryland, and a doctorate from the University of Southern California.

Dr. Watkins also noted the retirement of Dr. Eleanor Dilks, Dr. Edward Jelks and Dr. Robert McAdam. All three have served ISU with extreme dedication and competence and they will certainly be missed, although the university will be fortunate enough, at least in a couple of the cases, to have the individuals available from a consulting point of view.

Referring to the recommendations for promotion and tenure, President Watkins said he would echo the same type of favorable comments as made by his colleagues. One of the pleasures of having been on board about six years as President, he said, is that he knows almost every one of the individuals personally. They are a very strong group, and there is not a single individual that he has the least reservation about.

Mr. Gayles moved for approval of the Report of the President of Illinois State University, as amended. The motion was seconded by Ms. Toman, and it carried unanimously.

EXECUTIVE DIRECTOR'S REPORT NO. 140

Before presenting the action items in his Executive Director's Report, Dr. Matsler submitted for approval by the Board an Agreement for Professional Service between the Board of Regents and the firm of Giffin, Winning, Lindner, Newkirk, Cohen & Bodewes, P.C., of Springfield to provide legal services for the fiscal year beginning July 1, 1983. He noted that the only change from the present Agreement is that services provided will be compensated at the rate of \$60.00 per hour.

Dr. Wellbank moved for approval of the Agreement as recommended by the Executive Director. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Section I - A proposal for an Evaluation of the Quality of Education in the Regency System

Dr. Matsler said the questions posed on pages 5 and 6 of this Section are questions which the Staff would hope that the Board would consider as important matters to be studied over the next few months:

1. Are the university admission standards adequate in assuring sufficient mastery of basic skills for success in college, particularly in the areas of science, mathematics and computer science?
2. Are our general education requirements appropriate, given the technological trends of the present?
3. Should we seek to foster "computer literacy" in all undergraduate students? What should be the definition of "computer literacy"?
4. Is there too little emphasis on writing in our college curriculum?
5. Should students be expected to go further in acquiring competency in one or more foreign languages?
6. To what extent should higher education be involved in remedial forms of education to rectify the deficiencies in the preparation of new students or transfer students?
7. How successful are our special assistance programs in recruiting and retaining disadvantaged students?
8. What is the cause of the nationwide declines in test scores in entering freshmen and can higher education make a contribution to offsetting this?
9. Should we introduce exit requirements in order to assure the basic competencies in our graduates?
10. What incentives do we offer for high quality student performance? Do we provide sufficient recognition and rewards to encourage scholarship?
11. What role does accreditation have in protecting appropriate standards of quality? Do we place too much or too little emphasis on this?
12. How do our graduates rank with major national and regional employers? Do our students fare well in a comparative sense on the job market?
13. What role should the Regency institutions have in upgrading the skills of existing teachers? Are our teacher training curricula sufficiently demanding and relevant?

14. Should we upgrade admission and continuation requirements in our teaching training programs?
15. Can we do more to meet the growing need for teachers in areas of scarcity including mathematics and science?
16. How do we attract and reward good faculty, particularly in areas of high demand? Can we do more to assist the universities in these efforts?

Dr. Matsler said Staff is recommending that the matter be referred to the Program Committee and that the Program Committee report back to the Board at an early date as to the manner in which it feels the problem should be best dealt with.

He said the Committee can decide how it wishes to operate, but he would hope that it could meet on campus at the appropriate times to assess the questions and to ask for input from the administrations, faculty and staffs of the institutions.

Mr. Parker said he would take the matter up with the Program Committee and discuss the various forms they might take.

Mr. Parker moved for approval of the Staff recommendation. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Mr. Gayles said he would request that the constituency group be enlarged to also include some student participation. This will be done, Mr. Murray said.

As we proceed, Mr. McClure said, he believes that we should emphasize that we are simply trying to make something good even better, that we do have a good system and are just seeking to make it even better. Dr. Matsler agreed that this was a good point. Mr. Parker said he would take it more as a matter of improving the knowledge of perhaps the Board, rather than as any criticism of the System or the schools.

Section V - Grants and Contracts

Dr. Matsler said Northern Illinois University is seeking approval of a grant from the Illinois Department of Rehabilitation Services which will allow it to provide services (which are either pre-vocational or college prep) to the deaf and hard-of-hearing. Essentially, the agreement provides for IDORS to purchase services from NIU.

Staff recommends approval by the Board, he said.

Mr. Riss moved for approval of the Staff recommendation. The motion was seconded by Ms. Toman, and it carried unanimously.

Section VI - New Program

Illinois State University, Dr. Matsler said, is seeking approval to establish a Minor in Gerontology. Staff recommends that the Board approve the pro-

posed Minor for a four-year period and indicate its intention to review the program for regular approval in 1987. The program, if approved, will be initiated in Fall 1983.

Ms. Orchowski moved for approval of the Staff recommendation. The motion was seconded by Mr. Gayles, and it carried unanimously.

Dr. Wellbank was excused from the meeting.

The Board returned to the Agenda as published.

REPORTS TO THE BOARD

Board of Higher Education Meeting

Of particular interest to the Board of Regents, Dr. Matsler said, at the last meeting of the Board of Higher Education approval was given to the establishment of two off-campus programs for Northern Illinois University: a Bachelor of General Studies at William Rainey Harper Community College District, and a Bachelor of General Studies in DuPage Community College District. This was rather controversial, he said, to the extent that some thought this was an infringement on the part of Northern with respect to courses offered by some private institutions. Dr. Monat did a fine job of defending this position to the Board of Higher Education, Dr. Matsler reported, and the programs were approved unanimously.

Facilities Committee

Mr. Riss reported that he had been asked to chair the Committee meeting in the absence of Ms. Burns this morning. At this time, he said, President Lacy gave the committee an update on the progress of the proposed research park at Sangamon State University. The President indicated that if the project proceeds as anticipated a new facility, constructed on the west end of the campus, will be necessary to house potential tenants.

The committee, Mr. Riss continued, also recommended approval of the remodeling and rehabilitation projects requested in ISU and NIU Presidents' Reports.

Finance Committee

Mr. Riss reported that in the absence of Mrs. Fitzpatrick this morning, he had also chaired the meeting of the Finance Committee. The committee received a report from the Central Staff concerning student fees and authorized the Staff to coordinate a study of student fee assessment and allocation at each institution in the Regency System. A preliminary report is to be made to the Committee in December 1983.

Mr. Riss reported that the Finance Committee also recommended approval of the fee increases being requested in the NIU President's Report.

Joint University Advisory Committee

Dr. Gruendel expressed the appreciation of the Committee to the Board for the highly productive seminar following the April meeting of the Board. The

Committee is looking forward to another seminar next year. JUAC this morning, he said, received an extensive report from Dr. Brim who brought everyone uptodate on the health insurance dilemma and the sought change in Social Security which may have an effect on some faculty and staff. With regard to the continuing saga of retirement system funding and the continuing efforts of Mr. Bender to bring this to the attention of the General Assembly, JUAC wishes to acknowledge his efforts toward the legislative resolution to restore these funds to the system.

EXECUTIVE DIRECTOR'S REPORT NO. 140 (continued)

Section II - Board Committee Meetings, 1983-84

Dr. Matsler said this Section of his Report simply lays out the schedule of Board committee meetings for the period May 1983 through December 1984 as well as some of the agenda items for the meetings. Dr. Matsler said he would like at this time to suggest that two additional meetings be scheduled for the Facilities Committee, one in October and another in April.

Mr. Murray suggested that this might be the appropriate time to discuss the format of Board meetings to see if everyone likes the procedure whereby committee meetings are scheduled in the morning before Board meetings.

Mr. Gayles said he thinks it is a good idea, but he wonders if the Regents who are not here today found it to be an inconvenience. Dr. Matsler said he did not believe so - Mr. Bender is in Mexico and Mr. Wright is in Texas. Mr. McClure said he is a little concerned that it does not give the committees enough time, but this can be varied to see how it works. Mr. Murray said he feels that today we perhaps tried to cram in too many committees and they all fell behind schedule. Also there was a long executive session, which makes the public meeting a hurried one. However, he said he does not know the answer. What is the pleasure of the Board, he asked, shall we continue the format for at least the next meeting? Mr. Parker said he feels this would be fine, even though we did run a bit over in some committees. Maybe we could allow an hour and a half for the committee meetings rather than just an hour. Ms. Toman said she thinks the big question is whether or not we will lose time on the public meeting, and noted that the Board was now without a quorum. This is true, Mr. Gayles said, and right now the Board would be unable to take any action.

After a further discussion, the consensus was that the format would be continued for at least one more month, with committees meeting in the morning prior to the public meeting.

Section III - Legislative Report

Dr. Matsler reported that the Regency appropriation bill is on second reading. He said he understands that the Governor will be making public his recommendations as to what he will do with the tax increase monies if they become available. Right now our bill is on the floor of the Senate at the BHE level, but of course we expect the bill to be amended downward.

There are many collective bargaining bills pending at the moment, Dr. Matsler said, but there are two that are probably the most important ones. They

seem to be moving right along with much support in both houses. With regard to H.B. 700 which would give Northern Illinois University its own governing board, that bill passed out of the House last evening and will now go to the Senate.

Section IV - Rank and Tenure

Dr. Matsler said as a result of joint efforts between the Central Staff and the universities, this report on rank and tenure has been revised in order to make its preparation less time consuming for the universities. The university reports provide historical data about rank and tenure as well as projections for the period 1983-88, and a Staff analysis of these reports is provided. It appears, he said, that we are in pretty good shape as far as the proportion of faculty that are in a particular rank or the proportion of faculty who have tenure is concerned. Dr. Matsler said there are probably some problems which might be appearing in the future, but right now he feels that he can assure the Board that the institutions are doing very well. and are much better off than many institutions with respect to having flexibility in the case of declining dollar support.

Section VII - Amendment of Board Regulations

At present, Dr. Matsler said, our Board Regulations determine how vacation benefits shall be conferred based upon the length of employment contract with only 12-month contract employees being allowed to accrue vacation benefits. He presented for first reading a proposed amendment to Board Regulations which would allow the universities to determine which of two approaches should be employed in calculating vacation benefits based upon whether or not the employee's work conforms to the academic calendar.

Section VIII - April 1983 Salary Increases

Dr. Matsler said this information is included in the Executive Director's Report because the Staff was able to take it off the tapes from the institutions and promulgate the information so that the public understands what the faculty salaries are.

President Monat said he would add one footnote because Mr. McClure raised a question because he did not see any law faculty included in the listing. They are included, he said, although they are listed as faculty rather than law faculty. Mr. Parker said he was confused because everything came out as DA., as the highest degree earned. Dr. Matsler asked Dr. Brim if he could explain this to the Board.

In the data received from Northern, Dr. Brim said, they coded all of the doctoral degrees as D.A.'s. Rather than go back and make the necessary corrections, he said, he had simply inserted a notation on page 35. Northern has promised that they will repatch that, Dr. Brim said.

Mr. Murray said he understands that the NIU Law School did very well on their bar admissions passage at the last exam. Yes, Dr. Monat said, 98% of the last class passed their bar exam. Mr. Murray said he thinks this is an amazing statistic from what it was when NIU took over the school.

Mr. Winning reported that we have finally been certified with respect to our new purchasing rules by the Joint Committee on Administrative Rules. They are expected to be published two weeks from tomorrow in the Register, he said, and he suggested that the Board establish an effective date of June 1 for the use of the new rules.

Mr. Winning also reported that we did get a significant victory at Northern Illinois University in the reverse discrimination case earlier this month.

OTHER MATTERS

When the Board met last winter in Chicago, Mr. Gayles said, a report was given on the athletic programs at our institutions. At that point in time there was some questioning of if in fact that report was what had been asked for by Mr. Henriksen, last year's Regent from ISU. Mr. Gayles said at that time he had asked if the Board could receive a report that dealt more with the aesthetics of the athletes themselves, looking at the programs in terms of how they are treating the individual athlete and if those athletes are graduating. He said he had been led to believe that a report would follow soon, and he asked what is the status of that report and when the Board might expect to see something of that order.

Frankly, Dr. Matsler said, he had not taken that as a directive of the Board, and he is not quite sure he understands even now exactly what should be done. Some things will unfold, he noted, as we look into the fee structure. But if Mr. Gayles would put together a proposal of what it is that he wants, Staff would be willing to go ahead with it if the Board should wish this.

Mr. Murray said he gathers that Mr. Gayles is asking for a report relative to the graduation of student athletes. Mr. Gayles said the impression he received last time was that the figures given in the report were the black and white figures of how many athletes graduated per year from our individual sports programs. It did not take into account how many years, or if these were the same athletes that came into the program originally. That is what he wanted to get into, to see if those were the same athletes over a period of years that are graduating. If not, we could attack it from another angle to see why these athletes were not graduating.

Mr. Murray said he shares the desire for this and would like to see some figures or a breakdown between scholarship and non-scholarship, but particularly the scholarship athletes - how many graduate, how many drop out during the course of the program. He suggested that Mr. Gayles put together an outline of what he wants and share it with him.

Ms. Toman said she would like to commend those members of the Board that took part in the commencement activities. She said they were really encouraged to see the participation at the respective universities and would like to thank everyone for the show of support. Mr. McClure said he would second Ms. Toman's comments. He had only been able to attend two of the three, but could say that the exercises at ISU and SSU were extremely well coordinated. They were most impressive for the students and parents and the staff involved should be congratulated through the Presidents.

Mr. McClure said he would like to follow up on an inquiry made by Regent Burns to the Central Staff on enrollments projected for the future. He said

he notes the ISU and NIU figures here, and while he did not wish to start a lengthy discussion at this time, he thought it would be interesting to have such projections in order to compare them so that we are not too overly optimistic about student enrollments in the future.

Mr. Murray inquired if Mr. McClure is saying that he is happy with the projections, or that he would like to see SSU's also. Mr. McClure said he is simply saying that had we had projections available, we would have had something with which to compare these. We received optimistic opinions, he said, and he is not sure they are warranted.

The projections are included in the staffing reports, Dr. Matsler noted, Table I, page 20. Mr. McClure said what he is most concerned about is the fact that no one wants to believe their enrollments might go down. He thinks they may and believes that the Board should be aware of that. The figures to date as supplied do not show an overly optimistic picture on maintaining status quo. We should watch this as a Board.

President Lacy noted that one unanticipated matter currently in the model for all three institutions is the prospect of a dramatic tuition increase, and should that happen we will all have to go back to the drawing board.

Ms. Orchowski said she would like to extend congratulations to Janine Toman who was recently reelected as a student Regent from Sangamon State, and wish her the best of luck next year.

Mr. Murray said all three members have been excellent additions to the Board this year, and certainly if a case could ever be made for voting student trustees, our three student Regents would certainly lead the field. They have been very responsible.

There being no further business before the Board, on motion by Mr. Gayles, seconded by Ms. Orchowski, the meeting was declared adjourned. The next regularly scheduled meeting of the Board of Regents will be held in Springfield, Illinois, on June 23, 1983.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Sangamon State University, Springfield, Illinois

June 23, 1983

The regularly scheduled meeting of the Board of Regents convened at 11:00 a.m. on Thursday, June 23, 1983, in Conference Room G of the Public Affairs Center at Sangamon State University, Springfield, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order, roll was called, and the following Regents were present:

Mr. Jerome R. Bender	Ms. Denise Orchowski
Ms. Carol K. Burns	Mr. D. Brewster Parker
Mrs. Clara S. Fitzpatrick	Mr. Harold Riss
Mr. Montel Gayles	Ms. Janine Toman
Mr. L. Milton McClure	Dr. Harry L. Wellbank
Mr. David E. Murray, Chairman	

Mr. James L. Wright was not present for the meeting.

Also present were:

Dr. Alex B. Lacy, President, Sangamon State University
Dr. William R. Monat, President, Northern Illinois University
Dr. Lloyd I. Watkins, President, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Present from the Joint University Advisory Committee were: (ISU) Virginia Crafts, Thomas Eimmermann, Peggy Gerkin, Robert Ritt and Leon Toepke; (NIU) Joe Koch, James E. Lankford and Jerry Meyer; (SSU) Pam Hammond-McDavid, Cindy Stephenson and Jack Van Der Slik.

Others in attendance included staff members from the Regency Universities and the Central Office of the Board; Mr. James M. Winning, Legal Counsel to the Board; and representatives of the student bodies and the news media.

Dr. Wellbank moved that the Board recess to convene in Executive Session for the purpose of discussing litigation and personnel matters. The motion was seconded by Mr. Parker, and it carried unanimously.

The Board reconvened in public session at 3:00 p.m.

The Chairman apologized for any inconvenience which may have been caused by the length of the Executive Session. He reported that the Board had discussed some litigation matters and personnel matters, as well as settlement proposals in several complicated matters. The Board also reviewed the goals statements of Dr. Matsler and President Lacy.

Because the committees of the Board had met earlier this morning, he said, the Board would probably be able to proceed fairly rapidly through the balance of the meeting today.

MINUTES OF MAY 19, 1983

The Chairman directed the attention of the Board to the minutes of the meeting held on May 19, 1983, and asked if there were any additions or corrections to be proposed. There being none, on motion by Mr. Parker, seconded by Ms. Orchowski, the minutes were approved unanimously as submitted.

Chairman Murray advised that it would be necessary for Mr. Parker to leave the meeting early, and unless there was some objection, the Board would depart from the Agenda to hear the report of the Program Committee.

Program Committee

Mr. Parker reported that among the matters discussed with the Staff and university representatives were the new and expanded program requests and special analytical studies. Some of the more important matters included the recommended deletion of the Sociology and Anthropology program at Sangamon State, and the possibility of a new engineering school at Northern. These matters will be discussed in more detail in the Executive Director's Report, he noted.

Mr. Parker commented that it was very disappointing that more members of the committee were not present for the meeting yesterday, because it is at this point that the committee system falls down. Mr. Murray agreed, stating that if the committee system is to function successfully, it must be with the participation of members of the committees. He would hope, he said, that poor attendance does not become a custom.

CHAIRMAN'S ITEMS

Mr. Murray said Dr. Matsler had been asked to prepare resolutions for those members of the Joint University Advisory Committee whose terms have expired, and for Student Regents Gayles and Orchowski whose terms expire on June 30.

Dr. Matsler then presented the following Resolutions:

WHEREAS, Montel Gayles was selected by his fellow students at Northern Illinois University to represent their interests and concerns to the Board of Regents for the term expiring June 30, 1983; and

WHEREAS, Mr. Gayles capably fulfilled the duties of the office of Student Regent of the Board and contributed to the deliberations of the Regents with an especial insight; now, therefore, be it

RESOLVED that the Board of Regents express to Montel Gayles its sincere appreciation for his service as a Student Regent and its wish for success in future endeavors.

WHEREAS, Denise Orchowski was selected by her fellow students at Illinois State University to represent their interests and con-

cerns to the Board of Regents for the term expiring June 30, 1983; and

WHEREAS, Ms. Orchowski capably fulfilled the duties of the office of Student Regent of the Board and contributed to the deliberations of the Regents with an especial insight; now, therefore, be it

RESOLVED that the Board of Regents express to Denise Orchowski its sincere appreciation for her service as a Student Regent and its wish for success in future endeavors.

Mr. McClure moved for adoption of the foregoing Resolutions. The motion was seconded by Mr. Riss, and it carried unanimously.

Mr. Murray said he had spoken to Mr. Gayles and Ms. Orchowski individually, but would say in public now that both had added real stature to the Student Regent positions. They have represented not only the other students but the universities and the taxpayers as well. Their participation next year will truly be missed.

Dr. Matsler presented the following Resolutions:

WHEREAS, George Tuttle has served as a member of the Joint University Advisory Committee to the Board of Regents, representing the various constituencies at Illinois State University; and

WHEREAS, his service on the Committee was rendered with dedication and a sincere effort toward continued excellence in the Regency Universities; now, therefore, be it

RESOLVED that the Board of Regents express its appreciation and commend George Tuttle for service to the higher education community and particularly to the Regency Universities System.

WHEREAS, Linda Andrejek has served as a member of the Joint University Advisory Committee to the Board of Regents, representing the various constituencies at Illinois State University; and

WHEREAS, her service on the Committee was rendered with dedication and a sincere effort toward continued excellence in the Regency Universities; now, therefore, be it

RESOLVED that the Board of Regents express its appreciation and commend Linda Andrejek for service to the higher education community and particularly to the Regency Universities System.

WHEREAS, Annette Lefkowitz has served as a member of the Joint University Advisory Committee to the Board of Regents, representing the various constituencies at Northern Illinois University; and

WHEREAS, her service on the Committee was rendered with dedication and a sincere effort toward continued excellence in the Regency Universities; now, therefore, be it

RESOLVED that the Board of Regents express its appreciation and commend Annette Lefkowitz for service to the higher education community and particularly to the Regency Universities System.

WHEREAS, Irene Allsop served as a member of the Joint University Advisory Committee to the Board of Regents, representing the various constituencies at Sangamon State University; and

WHEREAS, her service on the Committee was rendered with dedication and a sincere effort toward continued excellence in the Regency Universities; now, therefore, be it

RESOLVED that the Board of Regents express its appreciation and commend Irene Allsop for service to the higher education community and particularly to the Regency Universities System.

WHEREAS, Cindy Stephenson has served as a member of the Joint University Advisory Committee to the Board of Regents, representing the various constituencies at Sangamon State University; and

WHEREAS, her service on the Committee was rendered with dedication and a sincere effort toward continued excellence in the Regency Universities; now, therefore, be it

RESOLVED that the Board of Regents express its appreciation and commend Cindy Stephenson for service to the higher education community and particularly to the Regency Universities System.

WHEREAS, Sue Bussone has served as a member of the Joint University Advisory Committee to the Board of Regents, representing the various constituencies at Sangamon State University; and

WHEREAS, her service on the Committee was rendered with

dedication and a sincere effort toward continued excellence in the Regency Universities; now, therefore, be it

RESOLVED that the Board of Regents express its appreciation and commend Sue Bussone for service to the higher education community and particularly to the Regency Universities System.

Mr. Parker moved for adoption of the foregoing Resolutions. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Mr. Murray extended the thanks of the Board to all of the members of the Committee for their service.

REPORTS TO THE BOARD

Joint University Advisory Committee

Dr. Crafts, Chair of the Committee, announced the election of the new officers for the upcoming year: Dr. George Gruendel from SSU will serve as Chair, Dr. Tony Scaperlanda from NIU as Vice-Chair, and Mr. Leon Toepke from ISU as Secretary.

On behalf of the Committee Dr. Crafts thanked Dr. and Mrs. Matsler for the enjoyable supper which they hosted last night and their appreciation for the thoughtfulness in being included. Dr. Wellbank added the thanks of the Board and the Presidents.

Dr. Crafts reported that Dr. Brim had met with the Committee this morning to update them on the current status of the health insurance area and the prospects for the appropriation bill and the proposed revenue increases. It is quite obvious, she said, that we do need to have some sort of revenue increase. It is essential if we are to have only a reasonable increase in tuition, maintain quality education and have the faculty and staff to maintain that quality, if we are to avoid further tapping and impairment of the retirement funding, and if we are to provide for some salary increase. The Committee is very concerned, she said, about the level of tuition increases and the ramifications that a substantial increase would have on access to education.

Other matters discussed by the Committee, Dr. Crafts reported, included the information provided by Dr. Floyd with regard to retirement options, and the proposal for evaluation of the quality of education in the Regency System.

She said she would like to express, on behalf of JUAC, appreciation to Chairman Murray and other members of the Board, Dr. Matsler and his Staff, and the Presidents and their staffs for support and assistance over the past year. Everyone has been helpful and cooperative and the Committee thanks them for the efforts. The Committee feels that everyone has been genuinely concerned about what the JUAC had to say, and while there may not have been agreement on every issue, there was agreement on the purpose - to try to promote quality education in Illinois and in particularly in our institutions. Dr. Crafts said she would be remiss if she did not extend special

thanks to President Watkins for his support in putting on the annual Board seminar, and to Dr. Groves, Dr. Floyd and Dr. Brim who have been consistently helpful to the Committee.

As outgoing Chair of the Committee, Dr. Crafts said she has found the job stimulating and enjoyable and she appreciates the help and support of all.

Mr. Murray said he thinks this has been a productive year with Dr. Crafts chairing the Committee. The Board appreciates her service as well as all of those members who are leaving the Committee.

ELECTION OF OFFICERS

The Chairman noted that it was necessary at this meeting to elect officers of the Board, and he called for nominations to fill the position of Chairman, Vice Chairman, Secretary, Treasurer, and Assistant Secretary-Treasurer.

Mr. Riss placed in nomination the name of Mr. Murray as Chairman, Ms. Burns as Vice Chairman, Dr. Matsler as Secretary, Dr. Brim as Treasurer, and Mr. Gorrell as Assistant Secretary-Treasurer. The nominations were seconded by Mrs. Fitzpatrick. Dr. Wellbank moved, seconded by Ms. Orchowski, that the nominations be closed and a unanimous ballot cast electing the nominees. The motion carried unanimously.

Mr. Murray thanked the Board, adding that he is very pleased at the way members of the Board are accepting responsibilities in committee matters and in their areas of expertise. He is gratified at the shared governance which is developing among members of the Board, he said, and believes that the Board appears to be more solid in many different areas.

EXECUTIVE DIRECTOR'S REPORT NO. 141

Legislative Report

Dr. Matsler said he would report briefly on several bills pending in the legislature.

S.B. 258, the Regency System appropriation bill sponsored by Senator John Davidson and managed by Rep. Gordon Ropp in the House, is now awaiting amendment in the House. We are not sure whether it will be raised back to the Senate level, or whether it will be amended to some other level arrived at as the result of what is now going on between the legislative leadership and the Governor relative to the tax plan. Dr. Matsler said we are hopeful that the bill will get back to the Senate level, but this is uncertain at this time.

Dr. Matsler said while he was at this time making no recommendation for Board action on the level of tuition for 1983-84 because we do not know what the level of support will be from the legislature, he would like authorization from the Board to adjust the amounts in the Income Fund, if this is possible to do in conference committee, allowing the Board to increase tuition at its July meeting. He noted that this action by the Board today would in no way increase tuition at this time.

Mr. Riss moved that authority be given to the Executive Director to adjust the amounts in the Income Fund as requested. The motion was seconded by Ms. Burns and it carried unanimously.

With respect to collective bargaining legislation, Dr. Matsler said, there are now two bills - S.B. 536 and H.B. 1530 - one of which it is believed will eventually reach the Governor's desk. It is not known whether the Governor will sign the bill or whether he will amend higher education out of the bill. This is a possibility.

Senate Bill 474, as introduced by Senator Bruce, provided that the Merit Board would issue uniform state-wide rules for negotiations with civil service. The bill has now been amended to provide that the governing boards will establish these uniform rules.

H.B. 700, introduced by Rep. Ebbesen and managed by Senator Jack Schaffer in the Senate, has been amended to include not only Northern Illinois University but also the Chicago campus of the University of Illinois and the Edwardsville Campus of Southern Illinois University. Dr. Matsler said we are not sure where that bill is in terms of support, but he for one is hopeful that the bill will fail - as other Board members are, too. He said he thinks any expression of opposition to the bill would be most appropriate from members of the Board.

Mr. Murray said he would like to address H.B. 700. He said it is hard to know whether or not a separate board is a mark of distinction or whether it is not; but it seems to him that the system of systems was created in Illinois to preserve the balance in budgets and in students, and this has been working satisfactorily. Mr. Murray said while it may be time for a study of the system of systems, he really does not think it is appropriate for one school - whether it be NIU, SIU or Chicago Circle - to break up the system and develop its own board. He thinks that in the long run it would really be non-productive for one institution to do that. He said he has talked with President Monat about this, and it is appropriate that he maintain a neutral position. However, Mr. Murray said he believes that this is a matter of public policy, and perhaps we should call for a study in the State to determine whether the institutions should have their own boards. He simply does not feel that it is appropriate for one of our institutions to obtain its own board at the sacrifice of the Board of Regents.

Dr. Matsler said he certainly concurs with what the Chairman has said.

Section II - Blanket Crime Insurance Bids

Dr. Matsler said Staff, in concurrence with the insurance managers of the three Regency Universities, recommends acceptance of the bid of Lanphier & Company (with Reliance Insurance Company of Philadelphia as the insurance company) to provide blanket crime insurance for the three-year period beginning July 1, 1983, at an annual premium of \$5,563.

Ms. Burns moved for approval of the Staff recommendation. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Section III - Board Meeting Calendar: July 1983-June 1984

Dr. Matsler presented the proposed calendar of Board meetings for the coming year:

July 21, 1983	Northern Illinois University
August 1983	Subject to Call
September 22, 1983	Illinois State University
October 20, 1983	Sangamon State University
November 1983	Subject to Call
December 8, 1983	Northern Illinois University
January 26, 1984	Illinois State University
February 1984	Subject to Call
March 15, 1984	Sangamon State University
April 19, 1984	Northern Illinois University
May 17, 1984	Illinois State University
June 21, 1984	Springfield

Dr. Wellbank moved for approval of the calendar of meetings. The motion was seconded by Mr. Gayles.

Mr. Gayles asked if the Board would use the one day or two day meeting format. Dr. Matsler said he would like to hear how members of the Board feel about the one-day format as was used for today's meeting. Mr. Murray said he would suspect that most would say they don't care for it, but on the other hand, we cannot always foresee how much time will be required in the Executive Session. Dr. Matsler said Staff would be happy to go either way, depending upon how the Board itself feels. Mr. Gayles said he believes the two-day format is preferable. It gives the Board more opportunity to have a feel of what is going on on the various campuses. The one-day format makes it very difficult to see people, to visit areas on campus. If the committee meetings are held on the Wednesday before the meeting of the Board, it would give members a little more time to become acquainted with some of the issues on campus. Ms. Toman said another thing she would like to see considered in setting the calendar is the fact that somewhere between March 15 and the middle of April the institutions do have spring break and students may be away from campus. That is a reasonable request, Mr. Murray said, and said Staff would try to accommodate this if it is possible. It would be his suggestion that we adopt the calendar and have a subsequent discussion of whether or not the Board wants the committees to meet the preceding afternoon or the morning of the Board meeting. This seems to him to work just fine, he said, if there is a commitment that we will work until perhaps 4:00 if necessary to complete the public meeting.

The question before the Board was called, and the motion carried unanimously.

Dr. Matsler said he would be willing to suggest, in deference to Mr. Gayles, that the committee meetings in July be held on the afternoon preceding the Board meeting, and later decisions can be made at an appropriate time as to the format of any given meeting. Mr. Murray asked which of the committees are scheduled to meet in July. Dr. Matsler said it appears now that the Finance Committee and Personnel Committee will meet, and possibly the Facilities Committee if President Monat should so request.

Section IV - Interim Authorization to Obligate and Expend Funds

Dr. Matsler said that pending approval of the internal budgets for FY84, the Staff recommends that the Board authorize the universities to make tentative internal allocations for fiscal year 1984 within the available appropriations, and to obligate and expend funds from these allocations, with such authorization to apply to obligations and expenditures made on this basis beginning July 1, 1983. All such obligations and expenditures must be in compliance with applicable statutes, bylaws, governing policies, Board Regulations and administrative decisions currently in effect.

Mr. McClure moved for approval of the Staff recommendation. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Section V - Accounting Entities - Locally Held Funds

Dr. Matsler said that the Board has already adopted the "University Guidelines - 1982" to be used as operating policy of the Board and its institutions with respect to locally held funds. The Guidelines require each institution to maintain accounting entities which consist of undertakings that are substantially similar and rationally related. Financial statements for each entity will be prepared at the end of each fiscal year and used for all computations required by the Guidelines when testing for excess funds. Staff, together with representatives of the Regency Universities, has determined that the following entities are appropriate, logical and meet the intent of the Guidelines:

- Indirect Cost Support
- Continuing Education and Public Service
- Sales and Services of Educational Activities
- Student Programs and Services
- Field Trip and Foreign Study Activities
- Service Departments
- Auxiliary Business Operations
- Campus Parking
- Revenue Bond

Staff recommends, he said, that the Board approve the above entities for use by the Regency institutions when testing for excess funds and that these entities be implemented no later than fiscal year 1984.

Dr. Matsler noted that the matter has been discussed extensively by the Audit Committee.

Mr. McClure moved for approval of the Staff recommendation. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Section VI - Cooperative Purchasing Through Illinois Educational Consortium

Dr. Matsler said Staff is recommending that the Board take the following actions in order to expand the benefits and economies of joint and cooperative purchasing through the Illinois Educational Consortium: (1) adopt the proposed amended Resolution presented in the Executive Director's Report; and (2) approve the addition of the four generic commodities listed in Appendix V to the list of such commodities which may be purchased through IEC.

RESOLUTION

WHEREAS, the several Illinois Public Universities have heretofore established a not-for-profit corporation under the laws of the State of Illinois known as the Illinois Educational Consortium (hereinafter referred to as "IEC") and the Board of Regents (hereinafter referred to as the "Board") has, by motion adopted on July 20, 1972, joined the IEC as a participating member; and

WHEREAS, the IEC has heretofore established a Purchasing Division for the purpose of providing assistance in the cooperative and joint purchasing of commodities, equipment, and services by the several Illinois Public universities; and

WHEREAS, the Board has, by resolution adopted on May 21, 1975 and amended on July 29, 1976, June 14, 1979, and May 22, 1980, indicated its desire to participate in the benefits and economies of joint and cooperative purchasing of commodities, equipment and services through the utilization of the services of IEC;

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents that:

- (1) IEC is authorized, as agent and on behalf of the Board to prepare specifications, advertise, receive, open, tabulate and evaluate competitive bids for **such** commodities, equipment, and services as may from time to time be designated by Directors of Purchasing in the Regency System. In all such activities, the IEC shall identify the Board as its principal.
- (2) IEC shall report to the Board all of its activities as such agent, its evaluation of the bids received, and its recommendations for awards of contracts. Bids shall be accepted or rejected and contracts shall be awarded by and in the name of the Board in accordance with procedures heretofore or hereafter established by the Board except that generic commodities as listed on Appendix I dated July 29, 1976, Appendices II and III dated June 14, 1979, Appendix IV dated May 22, 1980, and Appendix V, attached to this resolution, purchased or contracted for in the IEC collective bid process shall be exempt from the requirement of specific Board approval and that Presidents of the Regency universities be authorized to accept or reject bids and award contracts on behalf of and in the name of the Board with the understanding and direction that all such purchases and contracts in the amount of \$10,000 or more will be reported to the Board. Changes (additions or deletions) in the list of generic commodities may be made from time to time based on specific recommendation to and approval of the Board.
- (3) All advertising, receiving, opening, recording, and tabulating of bids by IEC and the award of any contract shall be in accordance with the Regulations Governing Procurement and Bidding at State Systems Universities in Illinois heretofore adopted by the Board, and in accordance with the provisions

of the laws of the State of Illinois, including the "Illinois Purchasing Act", as either of the same may be amended from time to time.

- (4) This Resolution shall remain in effect until modified or rescinded by the Board.

Mr. Riss moved for adoption of the Resolution. The motion was seconded by Ms. Toman, and it carried unanimously.

Section VII - Amendment of Board Regulations: Vacation

Dr. Matsler presented for approval by the Board a proposed amendment to Board Regulations (Section III: Faculty and Administrative Employees) which would allow the universities to determine which of two approaches should be employed in calculating vacation benefits based upon whether or not the employee's work conforms to the academic calendar.

Ms. Orchowski moved for approval of the amendment as presented. The motion was seconded by Dr. Wellbank.

Mr. Murray asked how many working days are in a week for these employees. Five, Dr. Matsler responded. Mr. Murray said he could not help but comment how nice people in higher education have it to be able to accumulate this kind of vacation, particularly in the early part of their careers. He could see this after some years, but he just hopes that everyone appreciates the fact that they can accumulate two working days a month, and literally take off in excess of five weeks. This is not generally true in most businesses, he noted, so when people complain about such things as salary increases, they should remember that there are a few nice things about their administrative occupations.

The question before the Board was called, and the motion carried with Mr. McClure voting Nay.

Section VIII - Administrative Salary Plan Ranges for 1983-84

Dr. Matsler noted that this section of his Report contains a brief history of the Regency System Administrative Salary Plan which has been used since the 1973-74 fiscal year.

At this time, he said, Staff is recommending that the Administrative Salary Plan ranges approved for 1983 be increased 5.5% for 1983-84, as shown in the table accompanying the report, to become effective July 1, 1983.

Dr. Matsler said that the 5.5% figure was arrived at rather arbitrarily from the expectation that there would be perhaps a 5.5% increase in salaries for everyone this year.

Mr. McClure said he thought it would be appropriate for Dr. Matsler to emphasize the statement in his Report that the increases in the ranges did not require corresponding increases for individuals who were covered by the plan but who were not at the minimum of their ranges. Salary increases for those individuals in the plan have been based on performance criteria. Dr. Matsler agreed, stating that we still have our merit criteria for granting salary increases.

From time to time, Dr. Matsler said, questions have been raised concerning the advisability of retaining the current structure of the Administrative Salary Plan. Some of the features which have been questioned relate to grade range determinations, basis for grade placement, the positions which should be included, the midpoint limitation for new hires and institutional differences. Staff is making no recommendations at this time, he said, for changes in the basic structure of the Plan, but believes that a continued review of the Plan is appropriate.

Mr. Murray said according to his calculations we have raised the midpoint 55½%, and if we raise it another 5½%, that will go to 61% since 1972. Has anyone gone back and compared faculty salaries with administrative increases since that time, he asked? Dr. Matsler said we did have a study like that a year or so ago. Dr. Brim added that he has done this from time to time, but he did not have the figures with him today, but generally if you look at 1972-1973 as the beginning year and 1982-83 as the last year, you would find that faculty salaries combined have increased slightly more than the midpoints of the ranges. There is not a whole lot of difference now, Dr. Brim said, not as much as four or five years ago.

President Monat said he thinks it needs to be clearly understood, as Mr. McClure pointed out, that approval of this would not authorize a percentage increase of 5½% for any individual. As a matter of fact, speaking from their experience at Northern, they have allocated for administrative salary increases for cost centers on the same basis as they have allocated funds for faculty salary increases. Dr. Monat said there is not a greater pool of money available for administrative increases than there is for faculty increases, and he would suspect that is true for the other institutions also.

Mr. Murray asked whether this matter has been considered by the Personnel Committee. Dr. Matsler said that it had not been, although he and Dr. Wellbank, Chair of the Personnel Committee, have discussed it and felt that with the 5½% figure being low enough it really wasn't necessary to go into it in much detail.

Dr. Wellbank moved for approval of the Staff recommendation that the Administrative Salary Plan ranges be revised as shown in Table 3 of the Executive Director's Report, effective July 1, 1983. The motion was seconded by Ms. Burns, and it carried unanimously.

Section IX - Program Review and Academic Plan Follow-Up Reports

In March, Dr. Matsler said, the Board asked for a number of follow-up actions related to the university academic plans. In addition some similar actions have resulted from Board of Regents and BHE evaluation of program reviews. This section of his Report summarizes and evaluates the university responses in this regard and recommends Board action where appropriate.

Staff makes the following recommendations for action by the Board:

1. Illinois State University

--That the Board approve in principle the concept of a consolidated masters degree program in Curriculum and Instruction that would

include a common core of studies and appropriate concentrations, and direct the University to prepare a proposal that would accomplish this and lead thereby to the deletion of separate masters degrees in Secondary Education and Elementary Education.

2. Northern Illinois University

--That the Board approve the replacement of the Ed.D. and CAS degrees in Elementary Education, Secondary Education and Curriculum and Supervision with an Ed.D. and Education Specialist degree in Curriculum and Instruction.

--Deletion of the CAS degrees in Biological Sciences and Physical Education, and support in concept for similar action with regard to the CAS degree in History, a matter that is now in process on campus.

--Approval of a change in the name of the Center for Minority Studies to Center for Black Studies.

3. Sangamon State University

--Deletion of the masters degree program in Sociology/Anthropology.

--Suspension of the bachelors degree program in Environmental Studies for a period of five years.

Ms. Burns moved for approval of the Staff recommendations. The motion was seconded by Ms. Orchowski.

Mr. McClure said he would point out to President Watkins that the Staff statement has not gone unnoticed - relatively little progress has been made by ISU in establishing a comprehensive university policy that university and major requirements should allow undergraduate students to complete their degrees in four years. President Watkins acknowledged that the university is aware of this and has accepted full blame, and this will not appear again, he said. Dr. Matsler said he would add that pressures from accrediting agencies on departments for adding courses to make them creditable are really tremendous, and the process of reducing the number of courses necessary for a degree becomes a very difficult situation. Dr. Groves also said that Staff is satisfied that the institution is now fully committed to making progress in this area, and President Watkins and Dr. Strand have both indicated their strong support for this.

Referring to the recommendation for change of name of the Center for Minority Studies at NIU to Black Studies Center, Mr. McClure asked whether we still have the Latino program. President Monat said they still have the program and several years ago they established a Center for Latino and Latin American Studies. This has not been deleted.

The question before the Board for approval of the Staff recommendations was called, and the motion carried unanimously.

Section X - FY85 RAMP New and Expanded Program Requests and Special Analytical Studies

Dr. Matsler directed the attention of the Board to the tables on pages 50-55 of his Report, listing the initial institutional requests made by the three institutions along with the Staff recommendations.

The requests and the costs of these programs were gone over by the Program Committee, Dr. Matsler said. He understands that there was a good discussion of the requests and that there is concurrence on the part of everyone relative to the Staff recommendations.

With regard to Illinois State University, Staff recommends that the Board approve a total FY85 budgetary request of \$2,219,600 for New and Expanded Programs and Special Analytical Studies as detailed in the tables.

At Northern Illinois University, Staff recommends that the Board approve a total FY85 budgetary request of \$2,657,400 for New and Expanded Programs and Special Analytical Studies as detailed in the tables.

With regard to Sangamon State University, Staff recommends that the Board approve the Off-Campus Program, B.A. in Management in Danville, for implementation in the 1984-85 academic year. Staff also recommends that the Board approval a total FY85 budgetary request of \$613,700 for New and Expanded Programs and Special Analytical Studies as detailed in the tables.

Dr. Matsler said with regard to the recommendation for ISU, it is understood that the approved FY85 amount for Equipment Replacement will be reduced by any amount which the university receives in FY84 appropriations which has been allocated by the BHE for this purpose. With respect to the NIU recommendation, it is likewise understood that the approved FY85 amounts for Equipment Replacement, Supplemental Funding for the Department of Industry and Technology, and Supplemental Funding for the Department of Computer Science will be reduced by any amounts which the university receives in FY84 appropriations which have been allocated by the BHE for these purposes. It is also understood that the approved amount for Equipment Replacement at SSU will be reduced by any amounts which are received in FY84 appropriations.

Referring to the NIU request for supplemental funding for the Department of Computer Science, Mr. Gayles asked what would be the dollar breakdown between faculty positions and upgrading of equipment. Dr. LaTourette, NIU Provost, responded that \$199,000 is being requested for personnel (5 faculty positions and graduate assistant support), and the equipment request is for \$192,000. He said he would point out that this is the fourth time that they have requested significant funding, and for the last three years the request has been supported by the Board Staff, the Board itself and also the BHE. Unfortunately they have never received the money. Dr. LaTourette said that while he did not have the exact figures in front of him, there has been a very substantial reallocation of funding toward the computer science program area, but they have reached the point where there is really very little left to reallocate. The cupboard is genuinely bare, and for the BHE to assume that we can meet these institutional needs by reallocation, he thinks, is unrealistic.

President Watkins said he would also comment that for the BHE to assume that reallocation can be accomplished once you have achieved an electronic data processing approach to something or a software approach to something and that this automatically saves a great deal of money, is simply not accurate. In part, he said, we have to have various software packages in order to respond to the ever increasing variety of information demanded of everyone and in order to provide better service. It may be that it will not save us anything, but it certainly is true that we can serve the public better. Nowhere is this more clearly noted right now than in the area of student financial aid. That has become an absolute nightmare in the last couple of years.

President Monat agreed, stating that we are at a distinct disadvantage in this area, particularly in student financial aids, with respect to our sister institutions in the private sector who have really aggressively pursued student financial aid routes as a means of garnering funds into those institutions. We are in a sense disadvantaged because we in some respects lack the institutional capability of making the case as strongly as we can make it without this kind of support.

With respect to the Off-Campus Program at Danville which Sangamon State is requesting, Ms. Toman noted that it is stated that the university intends to augment revenues by instituting a student fee to reimburse for instructor travel costs to off-campus sites. She asked if someone would explain this a little more. Dr. Ayers, Interim Vice President, said they have found that when a university takes its programs off-campus, it costs more than it does to offer the program on campus. He thinks universities across the state have also discovered this and there is a governing procedure, at just about every institution he knows of, to add a fee to the tuition costs which in part displaces the cost of having faculty travel to where the program is offered. President Lacy said this is not a full recovery, however, and in the university's discussions with Board Staff they focused at great length on the question of whether they were going far enough. Ms. Toman asked if this is being charged just to those students off-campus, or is it being absorbed by the total student population? It is only charged to those students who decide on this programming, Dr. Ayers responded.

President Monat pointed out that one slight correction needed to be made on page 51 in the amount of the institutional request for Support for University Management Systems. Northern did revise its request, after consultation with the Board Staff, and the record should reflect that the amount of that request was revised to \$195,000, rather than \$591,100.

Mr. Gayles moved for approval of the Staff recommendations relative to the FY85 New and Expanded Program Requests and Special Analytical Studies for the three universities. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Section XI - Grants and Contracts

Dr. Matsler said Northern is requesting approval of a grant from the National Science Foundation for research on the electronic structure of solids and surfaces. Staff has evaluated the proposed activity, he said, and recommends approval by the Board.

Dr. Wellbank moved for approval of the Staff recommendation. The motion was seconded by Ms. Toman, and it carried unanimously.

Section XII - FY1984 Non-Appropriated Capital Requirement Plans

Dr. Matsler said that the non-appropriated capital requirement plans for Northern Illinois University, Illinois State University and Sangamon State University were given a good deal of attention in the meeting of the Facilities Committee. The plans include general planning information for FY85 and FY86. The plans for NIU and ISU also include budget requests for FY84 in the amounts of \$1,300,400 and \$1,270,000 respectively. Dr. Matsler asked Ms. Burns if she cared to comment on any of the Committee's discussion.

Ms. Burns said we have seen all of these projects before, and the Committee supports the Staff recommendations.

Dr. Matsler said Staff recommends that the Board of Regents accept the plans and approve the FY1984 budget requests of NIU and ISU.

Ms. Burns moved for approval of the Staff recommendation. The motion was seconded by Ms. Toman, and it carried unanimously.

Section XIII - Legal Counsel Report

1. American National Bank & Trust Company of Chicago, as Trustee et al vs. Board of Regents for Regency Universities

Mr. Winning reported that this is an action filed in the Federal District Court for the Northern District of Illinois by representatives of owners of the beneficial interest of a trust which operates dormitory housing at DeKalb. It alleges an antitrust theory and condemns or seeks to condemn the policy of the University regarding its requirement that single freshman students must reside in University-owned residence halls as long as space is available. Mr. Winning reported that Mr. Shur, University Legal Counsel at NIU, has undertaken defense of the action.

2. Andrew Edwards vs. Board of Regents, Sangamon State University, Alex B. Lacy, Jr., and Susan Dezondolet

Mr. Winning requested that a motion be proposed to adopt the resolution which the Board adopted in Executive Session with respect to this case.

Ms. Burns so moved, seconded by Ms. Toman, and the motion carried unanimously.

3. Brue & Farrick vs. Board of Regents et al. Textor vs. Board of Regents

Mr. Winning recommended that the Board confirm the action taken in Executive Session with respect to the settlement of these cases at Northern Illinois University. Mr. Riss so moved, seconded by Ms. Burns, and the motion carried unanimously.

RECURRING INSTITUTIONAL MATTERS

Sangamon State University - President's Report

Before presenting his Report, President Lacy distributed copies of two Addenda: substitute pages 7 and 8, Faculty, Administrative, and Civil Service Personnel Transactions; and Purchases.

The President announced that Janine Toman had been re-elected to serve as Student Regent for the upcoming year. He said Dr. Matsler had noted that in his memory this is the first time in the history of the Board that a student has been elected to serve a second term.

An information report was presented on Grants and Contracts.

The following items were submitted for action by the Board:

1. The Board was requested to authorize the Mid-Illinois Computer Cooperative to contract with the Illinois Educational Consortium on behalf of Sangamon State University to acquire computer services during FY84 at a cost not to exceed \$51,500 (an additional sum not to exceed \$6,000 will be paid to IEC for services and for the use of proprietary software provided by the University to local institutions).
2. Personnel transactions for faculty, administrative, and civil service personnel. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
3. A list of Purchases for the month, as appended to the President's Report.
4. Approval was requested to execute agreements for FY84 with the following consultants in amounts not to exceed those indicated:

Murphy, Downey, Wofford, and Richman St. Louis, Missouri	\$5,000
Brown, Davis, Mullins and Associates, Inc. Champaign, Illinois	\$4,000
Collins and Rice, Inc. Springfield, Illinois	\$6,000
Hormaz Vania Springfield, Illinois	\$6,000

President Lacy said he was pleased to present to the Board at this time Dr. Michael Ayers whom he is recommending today to be Interim Vice President and Dean of the Faculty. Dr. Ayers has had a very distinguished career, most recently as the Associate Dean of the Organization and Management Cluster. His background is in both Business Administration and Economics with a doctorate in Economics from the University of Oklahoma. Prior to coming to Sangamon State, he served in the Treasurer's Division of the

Eastman Kodak Company. As a member of the SSU faculty he has served not only as a dean, but he has been an active faculty leader and served as Chair of the Faculty Senate. He was the coordinator of the Labor Studies Program at its initiation and has served both as the Chair of the University Personnel Committee and the Tenure Decision Committee. Most recently his impact on improving the academic programs in the Business Organization and Management Cluster has been dramatic.

The President also took special note of the recommended appointment of Mr. Gary Kombrink as Legal Counsel to the university. This comes at the end of a long search in which they looked at a large number of candidates. Mr. Kombrink has had a very distinguished career and one that is quite appropriate for the legal work of the institution. Most recently he has been the principal of the firm handling legal work for the Board of Governors System.

Dr. Lacy said it will be seen in his Report that they are losing several very distinguished members of the faculty, and he would hope that the economic environment in the State and the ability to match payroll offers of other institutions will mean that we will not have very much in the way of these kinds of losses in the future.

Ms. Toman, referring to the FY84 Contracts for Legal Services, asked how much these services would be impacted by the appointment of the new Legal Counsel. Dr. Lacy said about 18 months ago the decision was made to go to in-house legal counsel. A careful study was done of what the cost implications of that might be. One of the major driving forces that led to the decision that they needed in-house counsel was the cost that they had accumulated over the previous several years, and the estimates at that time were fairly substantial. However, these outside contracts are still necessary, the President said. There are certain kinds of expertise which are needed which one person cannot have. There are some cases that will continue to need to be handled by Mr. Winning, they will continue to need to have the telecommunications attorney in Washington, and they will continue to have certain contract work done by Mr. Hoffmann. However, they do expect in-house counsel to have a major impact. Will there be enough work for him to be a positive asset to the university, Ms. Toman asked? Yes, the President responded, and in fact he thinks it is already clear that the question is one of setting priorities rather than not enough work.

Ms. Burns moved for approval of the Report of the President of Sangamon State University, as amended. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Northern Illinois University - President's Report

Before presenting his Report to the Board, President Monat distributed copies of two Addenda to his Report: Capital Improvement Projects, page 11; and Purchases Appendix, page 43, Item 14.

President Monat said that before introducing to the Board the new student Regent, he would like to express his appreciation for the services rendered this past year by Montel Gayles as student Regent for Northern. He said it has been his personal pleasure to have worked with Montel over the past two years, first in his capacity as President of the Student Association, and

as a member of this Board. Montel has been just a remarkable member of the Board, the President said, and he will be missed not only on this Board but at Northern Illinois University.

The President then introduced John Cline, the new student Regent for NIU. Mr. Cline is currently enrolled in the M.B.A. program at Northern. He did his undergraduate work in Political Science with a minor in History at NIU and has been very active in student government. He was deeply involved in the operation and development of the NIU Huskie Bus System and played a central role in the merging of the Huskie Bus Line with the City of DeKalb to provide a mass transit system for the city. Mr. Cline will make a very good replacement for Montel Gayles, Dr. Monat said, although he has a tough act to follow.

Dr. Monat said that last week he had sent out to the Board a copy of the financial exigency procedures developed on campus and which have been approved on campus. It is his understanding from talking with Dr. Matsler, he said, that Board Staff has reviewed and accepted the procedures. Dr. Monat said there is one part of the document which really has to be worked on more fully, and that is the appeals process, but the document states that this will be prepared and developed by October 1, 1983, and once that is done it will be brought to the attention of the Board.

Mr. Winning said he must apologize for neglecting to include in his report a comment that he had reviewed the procedures and found them to be consistent with Board procedures for financial exigency.

Information reports were presented on:

Status of Undergraduate Admissions for Summer 1983
 Status of Undergraduate Admissions for Fall 1983
 Grants and Contracts (Research, Institutes, and Studies)
 Gifts to Northern Illinois University
 International and Special Programs Expenditures
 Repair and Replacement Reserve - Revenue Bond Funds

The following items were then presented for action by the Board:

1. Personnel transactions for faculty and other employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A request was made for renewal of authorization granted to the NIU International and Special Programs division for FY83 to disburse up to \$1,200,000 in connection with its foreign study programs without obtaining specific advance authorization for each disbursement which exceeds \$10,000. For FY84 the disbursement request is for \$1,200,000.
3. The following Resolution was presented for adoption by the Board:

WHEREAS, under the terms and provisions of "AN ACT to authorize the Board of Regents to acquire, own, operate and maintain projects as herein defined, to issue its bonds therefor, to refund its bonds heretofore and hereafter issued, and to provide for the payment and

security of all bonds issued hereunder; and to define the powers and duties of said Board in reference thereto," approved July 7, 1967, as amended, the said Board of Regents is authorized to issue bonds; and

WHEREAS, in a special resolution entitled "RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF \$28,575,000 NORTHERN ILLINOIS UNIVERSITY AUXILIARY FACILITIES SYSTEM REVENUE BONDS, SERIES A, OF THE BOARD OF REGENTS PRESCRIBING ALL THE DETAILS OF SAID BONDS, AND PROVIDING FOR THE SECURITY AND PAYMENT THEREOF," adopted and approved August 16, 1978, the said Board of Regents caused the issuance of bonds and authorized the establishment of several funds and accounts, including, among others, a Project Construction Fund and a Repair and Replacement Reserve Account, each more fully described in the Official Statement (Bond Indenture) and the aforesaid Resolution; and

WHEREAS, the Project Construction Fund is defined in the aforesaid Resolution as "that fund established hereunder into which Bond proceeds in the amount of \$6,550,000 will be deposited, and which will be used for repairing and improving certain of the Existing Facilities," as such Existing Facilities are more fully described in the aforesaid Resolution; and

WHEREAS, it has been determined that certain specific projects heretofore referred to in the Official Statement (Bond Indenture) and the aforesaid Resolution will not be undertaken and that funds in the Project Construction Fund will not be used for these purposes; and

WHEREAS, the investment income earned by the Project Construction Fund is retained in such fund unless used for authorized projects or transferred to the Repair and Replacement Reserve Account as unnecessary for completion of the projects; and

WHEREAS, under these circumstances it is the obligation of the Board of Regents to transfer said unencumbered funds to the Repair and Replacement Reserve Account;

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Board of Regents directs that \$700,000 in the Project Construction Fund unused and unnecessary to the completion of the projects approved by the Board, together with the earned interest on the funds in the Project Construction Fund, be transferred to the Repair and Replacement Reserve Account.
2. The Board of Regents further directs that the funds in the Repair and Replacement Reserve Account be maintained as required in the Official Statement (Bond Indenture) and the Board Resolution, dated August 16, 1978.

4. Approval was requested of the reorganization within the Graduate School of the Office of Research, effective August 16, 1983, as follows:

<u>FROM</u>	<u>TO</u>
Office of Research	Office of Sponsored Projects
Associate Dean for Research Director of Research Services	Director of Sponsored Projects Associate Director of Sponsored Projects
Director of Resources Development	Associate Director for Research Liaison
Coordinator of Editorial Services	Catalog Editor and Curriculum Coordinator

5. A list of Purchases for the month, as appended to the President's Report.
6. Capital Improvement Projects

- (a) Holmes Student Center - Replacement of Air Conditioning System and Correction of Ventilating Deficiencies
Correction of Minor Ventilating Deficiencies in Various Bond Revenue Buildings

A tabulation of bids received for the projects was presented to the Board at the May meeting, at which time the University recommended acceptance of bids for the electrical, heating and ventilating portions of the work. Because the single bid for the general work was not complete, the University elected to rebid that portion of the work. Again only one bid was received, but it was a complete bid. The University recommended that the bid be accepted and a contract awarded to Flagg Construction Company, Rochelle, in the amount of \$12,604.00, and that the budget for the project be revised as follows:

Construction

General	\$12,604.00
Electrical	10,989.00
Heating	22,440.00
Ventilating	31,854.00
Total Construction	\$77,887.00

Fees

Engineering (fixed per contract)	\$ 7,700.00
Allowance for reimbursables including on-site supervision	3,150.00
Total Fees	\$10,850.00

Contingency	\$ 3,863.00
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TOTAL PROJECT BUDGET	<u>\$92,600.00</u>
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- (b) Lincoln Hall - Waterproofing of Wing Foundation Walls
Grant Towers - Repair and Reset Slate Panels
Stevenson Towers - Repair and Reset Slate Panels
Huskie Stadium - Installation of New Synthetic Floor
in Handball Courts

A tabulation of bids received for the above projects was presented with a recommendation that the low bids be accepted and contracts awarded as follows:

Lincoln Hall - Waterproofing of Wing Foundation Walls
 Takoa Nagai, Assoc., LTD., Glen Ellyn, \$21,120.00

Grant Towers - Repair and Reset Slate Panels
 R. Rudnik & Company, Wheeling, \$25,457.00

Stevenson Towers - Repair and Reset Slate Panels
 R. Rudnik & Company, Wheeling, \$31,113.00

Huskie Stadium - Installation of New Synthetic Floor
in Handball Courts

Only one bid, which was not complete, was received for this portion. The University has instructed the architect to bid this portion of the project again, and the results will be reported to the Board at the July meeting.

- (c) Remodeling of Holmes Student Center (Pow Wow Room)

A tabulation of bids received was presented with a recommendation that the low bids be accepted and contracts awarded as follows:

General
 Flagg Construction, Rochelle \$40,660.00

Electrical
 Manning Electric, Rochelle \$ 1,994.00

Ventilating
 Kallal's Sheet Metal, DeKalb \$ 1,492.00

President Monat said he was pleased to announce that after a national search, a new Director of Financial Aids has been selected to replace Claude Kaczmarek who is retiring. Mr. Jerry Augsburger will be the new Director.

Dr. Monat took note to the resignations of a number of members of the faculty and staff. A number of these people are leaving, he said, because of the competitive market within which NIU and the other Regency universities function. Some are leaving to vastly improve their financial situations at other institutions. In some of the critical areas these are losses that will be hard to replace. This underscores the problem that we are all too familiar with.

The President took note of the resignation of John M. Nagle who for the past three years has served as Assistant Dean of the College of Education. Dr. Nagle has accepted the position of Dean of the School of Education at William and Mary College in Virginia.

Ms. Burns, referring to the report of Undergraduate Admissions for Fall, 1983, asked if the totals are comparable for 1982 and 1983. For example, she asked do these figures for Business indicate that there were 5049 applicants by this date in 1982 and 3915 in 1983? Yes, Dr. Monat responded. He said he thinks that this reflects in many ways the limited enrollment program that was established in the College of Business several years ago where they had to put a ceiling on the number of majors that could be accepted because of resource constraints. As a consequence, he said, many students who would otherwise apply are taking a very careful look at what their chances might be if they do come to NIU and be admitted into the College of Business because admission really comes at the end of the sophomore year after the student has taken tool courses at the pre-business level. This decline, the President said, is a reflection of that, and this is a matter of concern to them. It is one of the reasons why they so urgently need funding in the College of Business, because it is just a matter of not having the resources necessary to accommodate what is a genuine demand for students who want to enter that College at Northern.

Mr. Gayles said he would like for the Board to direct its attention to the recommended appointment of Leon Miller as Administrative Associate in the Student Affairs area, not that he wished to draw attention to Mr. Miller, but rather to the position which he has vacated. As many know, he said, Leon Miller served as Ombudsman for NIU for the past six years. Mr. Gayles said he would like to draw attention to how that review process has taken place with some possible suggestions he might levy on university faculty members and Student Association members who originally designed the concept and implementation of the position itself. He said we have created a very unfair process in the evaluation of this particular role. As it stands, one particular constituency group eliminated an individual from the position upon a voting process at the end of a two-year period. Mr. Gayles said he would like to suggest that the process be reviewed and a more equitable one established so that an individual entering the position can expect to retain his position with a simple majority and not a simple minority ousting the individual. On campus 87% of the constituency needed voted positively to keep Mr. Miller in the position, but the other 12-13% were able to oust him from the position. He said he feels this is unfair and that the process needs to be re-examined.

President Monat said he agrees with Mr. Gayles that the process does need to be re-examined, and, indeed, it is on the agenda for re-examination by the University Council in the Fall. The process for hiring and reviewing the incumbent Ombudsman is a very convoluted process, but it was in existence long before he arrived on the scene, Dr. Monat said, and it remains in existence. The Ombudsman is appointed for a two-year term. It is a temporary contract which means that it is reviewed year by year. During the second year of the Ombudsman's service an Ombudsman Review/Search Committee is established according to the bylaws of the University. That committee asks the incumbent Ombudsman if he or she wishes to be considered for reappointment. If the incumbent decides not to be reconsidered, then the committee becomes a search committee to seek a new Ombudsman. If the incumbent decides that he or she wants to be reconsidered, then the committee functions as a review committee to determine the performance of the incumbent and whether or not, in the judgment of the committee, the incumbent should be recommended for reappointment. Mr. Miller went through that process twice before, the President said, and in 1979 he was

reappointed as well as in 1981.

President Monat said, as Mr. Gayles pointed out, the process is a cumbersome one. Once the review committee recommends reappointment, which the committee did this time, the President can then accept or reject the recommendation. Dr. Monat said he accepted the recommendation. Then the reappointment must be referred to four constituency groups stipulated in the bylaws and policies of the University. One is the operating staff council, one is the Student Association, one is the professional staff council, and the fourth is the faculty assembly. All four must concur in the reappointment, and if 1, 2, 3 or 4 of the groups fail to do so, then a search must be conducted. And in this case, one of the four bodies did not concur in the reappointment and under existing university policy, he had no alternative but to accept this. So, Dr. Monat said, the whole process will be re-examined this Fall.

Dr. Wellbank observed that it's easier to become President.

Ms. Orchowski said there are three positions listed under Intercollegiate Athletics and all three individuals are receiving substantial pay increases. Are the responsibilities of these individuals also being increased, she asked?

Dr. Monat said this is a result of their concern over salary equity. Over the past several years they have moved gradually to adjust salaries in an equitable manner so there are not really unjustified distinctions between the men's coaching staff and the women's coaching staff. This is the last step in the process of bringing that about.

Dr. Wellbank moved for approval of the Report of the President of Northern Illinois University, as amended. The motion was seconded by Ms. Orchowski, and it carried unanimously.

Illinois State University - President's Report

Before presenting his Report to the Board President Watkins said he would like to comment on the excellent work all of us have observed by the ISU Regent during the past year. He said we have been blessed with excellent student Regents, but Denise Orchowski has certainly been among the most distinguished that ISU has ever had. She has been hard-working and supportive and her work has been characterized by maturity that has made her really a very integral part of the Board. Everyone wishes her well. Ms. Orchowski, he said, will be continuing her graduate work at Illinois State.

The President then introduced to the Board Mr. Mike Yashar, a senior majoring in Biology and Chemistry, who will be the new student Regent from ISU. He also introduced the new SA President from ISU, Mr. Steve Bedingfield, a junior in Political Science and History.

An information report was presented on Grants and Contracts.

The following items were then submitted for action by the Board:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

2. A list of Purchases for the month as appended to the President's Report.
3. Capital Improvement Projects
 - (a) Energy Conservation - Phase I (Watterson Towers and South Residence Hall Complex)
 Permission was requested to engage the firm of Buchanan, Bellows & Associates of Bloomington, Illinois, to prepare bid documents and receive bids for Retrofit remodeling to accomplish energy conservation measures to provide an estimated payback in 5 years. It is proposed to accomplish all work over a two year period at an estimated cost of \$1,200,000. Payable from Bond Revenue Series 1970-70A, Rehabilitation and Development Reserve.
 - (b) Steam Line Replacement - Phase I
 Permission was requested to engage the firm of Henneman & Raufeisen & Associates, Consulting Engineers, Champaign, IL to prepare bid documents and receive bids for installation of the first phase of steam line replacement. Probable cost of this phase is estimated at \$570,000, including contingencies and fees. Payable from Revenue Bonds.
4. Authorization was requested for the Office of International Studies to disburse up to \$475,000 during FY84 in connection with the ISU Study Abroad Programs without obtaining specific advance authorization for each disbursement.
5. Permission was requested for the University to modify its Agreement for the lease of space from the Illinois State University Foundation as that Agreement was originally approved and from time to time renewed from July 1, 1973 through July 1, 1982. Specifically approval was requested to amend the Agreement by increasing the rental payment to the Foundation by \$20,250, the sum needed to permit the University to acquire additional support services attendance to the museum and cultural center operations.
6. Permission was requested to enter into professional legal services contracts on behalf of the Students' Legal Services Program for the period commencing July 1, 1983 through June 30, 1984. The number of contracts to be issued shall not exceed three and the total sum to be expended shall not exceed \$76,742. Payable from General Activity Fee only.
7. Permission was requested to transfer \$100,000 from contractual line in the FY83 General Revenue appropriation to the Telecommunications line.
8. In keeping with Guidelines established by the Legislative Audit Commission providing that the financial relationship of a university to an organization classified as a "university-related organization" be set forth in a written agreement, permission was requested to enter into a Master Contract with the ISU Foundation.

Ms. Burns moved for approval of the Report of the President of Illinois State University. The motion was seconded by Ms. Orchowski, and it carried unanimously.

OTHER MATTERS

Mr. Gayles said in December of 1982 the Staff presented a report on athletics, and at that time he felt that some of the figures in the report could possibly be a bit misleading as they related to the graduates of our intercollegiate athletics programs. He said he questions if, indeed, the graduates that we saw in the report were the actual original athletes who signed letters of intent at the beginning of the schools years two, three or four years ago.

With this in mind, Mr. Gayles said, he would move that the Staff of the Board review the intercollegiate athletics programs, with a special look being given to the graduates. This can be done through a backtracking method, and the period of time he would suggest is a four year period to see if, indeed, the graduates were the same individuals as those who signed letters of intent. The motion was seconded by Ms. Orchowski.

Explaining his motion, Mr. Gayles said that after questioning the statistics in the report he had an opportunity to go back and speak to a few of the athletes involved in some of the programs on the campus at Northern - although this could possibly be a problem that is widespread not only at NIU but also at ISU. He said he questions the ethical aspects of stripping of scholarships. While he is not headhunting in this regard, he thinks there may be enough of a problem here suggested by some of the athletes that there could be some problems with coaches intimidating athletes to give up their scholarships. Perhaps by seeing the statistics and seeing if, indeed, these are the actual athletes who signed letters of intent, or if an athlete has come into the program and picked up a scholarship which really wasn't even his. Perhaps we can get to the bottom of one problem that we are facing and police our system at the same time.

Mr. Gayles said he is not sure that Staff will be able to do this simply by going through totals and verifying scholarships. It might be necessary to contact athletes on the team, to speak with them but leave their names unmentioned in the report.

This problem may very well exist, Dr. Matsler said, but he is not sure how best to get at it. Perhaps we should do this through the presidents' offices. They have much closer access to all the data than Staff does. Perhaps we know enough now to ask the presidents whether or not they could provide the information to Staff in two or three months time, rather than have someone on the Staff going to campus and attempting to interview athletes, for instance.

President Watkins said if the Board wants the study, they can always do it. He would point out, however, that this is precisely the reason that he and the other presidents tried to point out that they need to have the funds to get student information on line. It is easy to say that the presidents can find this information, but we are talking about several hundred people a year if we are talking about both the full grants and the partial. To track that down over a four-year period sounds like a very innocent study - and he does not question that it might be an interesting one - but he thinks it would be a

massive study. He would like to suggest that he does not know where the funding would come from.

Could we make this prospective, Mr. Murray asked, and keep track from now on?

How about taking a look at the senior class that is leaving now, Mr. Gayles proposed. He said he has a couple of names that he could pass on. Dr. Watkins said he is sure we could all name individuals who have had problems. Correction, Mr. Gayles said, there are no problems with the individuals he is talking about - these are individuals who have fared well in the programs, but who do have names and are willing to speak up in order to correct the problem down the road.

President Watkins said if we have a problem we can now define it without going through a study that will take institutional research people away from all of the things they are now doing. What is the problem we are speaking of, he asked?

The problem is pulling scholarships, Mr. Gayles said.

If that problem exists, Dr. Watkins said, then he thinks the problem should be addressed on a campus-by-campus basis. They have awarded scholarships on a year-to-year basis although they have almost always kept their promise that if a student made an effort to maintain his/her academic standing, the scholarship would be maintained. He said he is not opposed to doing this, but it is just one of those innocent requests that come along at the end of a Board meeting, at the end of a long day, and it looks as though it ought to take about two or three hours.

The Chairman asked if anyone wished to make a motion that the motion be tabled.

Mr. Gayles said this has been on their collective minds since January when he commented on the report that was issued after Regent Henriksen made a request the year before. He thinks this is a pressing problem and the Board will be surprised by some of the results that we get in terms of the turnover in scholarships. What is done after that point will be up to the Board and whatever feelings or attitudes it has at that time.

Ms. Burns moved that the motion be tabled until the next meeting of the Board. The motion was seconded by Dr. Wellbank, and the motion carried, with Ms. Toman casting a Nay vote.

Mr. Murray asked Dr. Matsler to consult with the universities to see if something agreeable could be worked out for this type of a study. Dr. Matsler said he would at least try to have the problem defined as best he could by the July meeting.

President Monat said that Mr. McClure had brought to his attention an oversight, in that the Audit Committee this morning did review the foundation contract. He said he would request at this time that the Board approve the request of Northern Illinois University to enter into a master contract with the Northern Illinois University Foundation.

Mr. McClure moved for approval as requested by the President, subject to approval of the contract by the Central Staff of the Board. The motion was seconded by Ms. Orchowski, and it carried unanimously.

There being no further business before the Board, on motion by Dr. Wellbank, seconded by Ms. Toman, the meeting was declared adjourned. The next regularly scheduled meeting of the Board of Regents will be held on July 21, 1983 at Northern Illinois University.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

