

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

**Resolution No. 2022.07/27
Authorization to Acquire
Property Insurance**

Resolution

Whereas, the Board of Trustees (the “*Board*”) of Illinois State University (the “*University*”) owns and maintains property and business interruption insurance valued at approximately \$2.0 billion, and

Whereas, prudent business practice necessitates the Board protect the value of such property with adequate property insurance and business interruption coverage, and

Whereas, with its membership in the Illinois Public Higher Education Cooperative (IPHEC), the University has available to it through its insurance broker, Alliant Insurance Services, Inc.:

Therefore, be it resolved that the Board authorizes the University to acquire adequate property insurance coverage for fiscal year 2023 from a collection of well-respected and financially sound U.S. and International insurance companies collectively priced as a consortium through Alliant Insurance Services, Inc., at an annual premium not to exceed \$1.2 million.

Board Action on: _____
Motion by: _____
Second by: _____
Vote: Yeas: _____ Nays: _____

Postpone: _____
Amend: _____
Disapprove: _____
Approve: _____

ATTEST: Board Action, July 22, 2022

Secretary/Chairperson

**Board of Trustees
Illinois State University
Authorization to Acquire Property Insurance**

Illinois State University, as a member of the Illinois Public Higher Education Cooperative (IPHEC), has participated in a hybrid group cooperative purchase of property insurance placed by property insurance broker Alliant Insurance Services, Inc. and covered by the Alliant Property Insurance Program (APIP).

APIP provides public entities across the country access to property insurance solutions and price stability through APIP's group purchasing power. This strength is fueled by APIP's nearly 10,000 covered entities in 38 states and \$540 billion in total insurance values. APIP is among the largest property placements worldwide.

IPHEC has secured their own independent tower of coverage within the APIP nationwide program. This independent tower of coverage allows IPHEC members to take advantage of our minimal loss history and not share similar rates and rate increase as other APIP members who have coastal and earthquake exposures. This customized tower of coverage allows IPHEC members access to comprehensive and very cost competitive property insurance coverage. The University's Risk Management Office is an active participant in this cooperative agreement and serves in leadership roles for the placement, cost, and coverage within the IPHEC tower of coverage.

FY23's property insurance renewal amount is projected to be approximately \$1.2 million which is an increase of \$100,000 (or 9%) over prior year.

From a cost management perspective, it is important to note that the FY23 projected insurance program costs of \$1.2 million remains in line with annual premiums paid 2 years ago (FY21). This is due to pro-active management of this IPHEC insurance program by its consortium members and the decision to change insurance brokers in the prior year (FY22). As a reminder, FY22 had a \$100,000 decrease in annual premiums to amount to \$1.1 million.

This increase in insurance premium in FY23 is not a reflection of significant property insurance losses reported by Illinois State University or other IPHEC members during FY22, but is largely the result of current market conditions, labor shortages, increased material costs, and related supply chain issues.

For fiscal year 2023, the University's property insurance program will have a \$1 billion per occurrence coverage limit with a \$100,000 deductible payable for each occurrence. The property insurance exposure is further mitigated by the University's self-insurance fund of approximately \$1.2 million.

ISU will continue to aggressively monitor the market and consider all options to proactively pursue alternative insurance levels and pricing options with a goal of mitigating the current costs levels both in the short term and long term. It is important to note that consortium pricing over the past decade thru MHEC had remained comparatively low.

Funding Source: General Revenue and Auxiliary Facilities System Operating Revenues

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

**Resolution No. 2022.07/28
Approval of Town of Normal
Fire Services Agreement**

Resolution

Whereas, the State of Illinois has conferred a power and imposed a duty on the Board of Trustees of Illinois State University to enter into contracts with municipalities within which Illinois State University is located for fire protection or other essential municipal services, for which the University pays the municipality an equitable portion of the cost of providing such services, and

Whereas, the University requires fire protection services and the Town of Normal has the capability of providing such required services, and

Whereas, an agreement was reached on July 7, 1978, by representatives of the Illinois Board of Higher Education, Illinois universities, and Illinois municipalities regarding the provision of such services, and

Whereas, the Town of Normal agrees to provide fire protection to the property and personnel located on the campus of Illinois State University at Normal, Illinois, for the period of July 1, 2022, through June 30, 2023, at the cost of \$628,348, an increase of 2.0% over prior year:

Therefore, be it resolved that the Board of Trustees authorizes the President of Illinois State University to enter into an intergovernmental agreement with the Town of Normal for the provision of fire protection services for the University for the period July 1, 2022, through June 30, 2023, at a cost not to exceed \$628,348.

Board Action on: _____
Motion by: _____
Second by: _____
Vote: Yeas: _____ Nays: _____

Postpone: _____
Amend: _____
Disapprove: _____
Approve: _____

ATTEST: Board Action, July 22, 2022

Secretary/Chairperson

Board of Trustees
Illinois State University
Approval of Town of Normal Fire Services Agreement

Annually, Illinois State University and the Town of Normal enter into an intergovernmental agreement for fire protection and emergency services provided to the University campus. The agreement is modified each year to require a new reimbursement rate to reflect the higher municipal costs associated with provision of these services. The Town of Normal uses a price index to calculate the new reimbursement rate that is determined by the Illinois Municipal League and used throughout the state in other university communities. The *Illinois Municipal Price Index* is designed to quantify the increases in prices of goods and services purchased by Illinois municipalities.

The fiscal year ended June 30, 2021, agreement required a reimbursement cost of \$616,027. The updated index released by the Illinois Municipal League in June 2022, requires a 2.0% increase over the previous year cost which equates to an annual increase of \$12,321. The new agreement is effective from July 1, 2022, through June 30, 2023, and includes a reimbursement cost of not to exceed \$628,348.

Funding Source: General Revenue and Auxiliary Facilities System Operating Revenues

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

Resolution No. 2022.07/29
Authorization to Enter Contract with
National Board for Professional
Teaching Standards

Resolution

Whereas, the National Board Resource Center is engaged in professional development training for teacher candidates throughout the State of Illinois, and

Whereas, The National Board for Professional Teaching Standards is a vendor who provides nationally accepted Certification for candidates through the National Board Resource Center:

Therefore, be it resolved that the Board of Trustees authorizes Illinois State University to enter into a contract with the National Board for Professional Teaching Standards for \$707,525 to pay the expenses incurred for supporting teacher candidates. This arrangement will provide the tools necessary to confirm the certifications of teachers from around the State of Illinois who choose to participate in this initiative.

Board Action on: _____
Motion by: _____
Second by: _____
Vote: Yeas: _____ Nays: _____

Postpone: _____
Amend: _____
Disapprove: _____
Approve: _____

ATTEST: Board Action, July 22, 2022

Secretary/Chairperson

Board of Trustees
Illinois State University
Authorization to Enter Contract with National Board for Professional Teaching Standards

The National Board Resource Center has partnered with National Board for Professional Teaching Standards (NBPTS) to increase the number of Illinois teachers certified by NBPTS and to provide mentoring and professional development to classroom teachers.

The funds for this initiative are paid from the Illinois State Board of Education (ISBE) to Illinois State University. School districts are eligible to apply for the funds. Each candidate from a district must meet NBPTS eligibility requirements as well as requirements set by the Illinois State Board of Education. Each candidate subsidy is paid directly to NBPTS by Illinois State University.

This resolution contemplates a payment to the National Board for Professional Teaching Standards of \$707,525 against Purchase requisition #0057688.

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

Resolution No. 2022.07/30
Authorization to Issue Auxiliary
Facilities System Revenue
Refunding Bonds, Series 2022B

Resolution

Whereas, the Board of Trustees of the University (the “Board”) of Illinois State University (the “University”) has the authority to issue Auxiliary Facilities System Revenue Bonds, and

Whereas, the Board issued the Auxiliary Facilities System Revenue Bonds, Series 2012A (the “Series 2012A Bonds”) in the aggregate principal amount of \$18,230,000, of which \$13,675,000 is currently outstanding, for the purpose of financing renovations to Hancock Stadium, and

Whereas, the University desires to obtain funds for the purpose of refunding the Series 2012A Bonds, and

Whereas, current interest rates provide the University an opportunity to realize substantial savings by issuing a new series of Auxiliary Facilities System Revenue Refunding Bonds, Series 2022B (the “Series 2022B Bonds”) to refund the currently outstanding Series 2012A Bonds:

Therefore, be it resolved by the Board of Trustees of Illinois State University in regular meeting assembled, that

1. The Board authorizes issuance of its Auxiliary Facilities System Revenue Refunding Bonds, Series 2022B to refund the Series 2012A Bonds.
2. The Board approves a bank placement sale of the Series 2022B Bonds, using a single or consortium of bank lenders. The Series 2022B Bonds are subject to the following conditions (a) the Series 2022B Bonds to be issued shall not exceed an aggregate principal amount of \$14,000,000 (allows financing of issuance costs); (b) the Series 2022B Bonds will have a final maturity of no later than 10 years from their date of issuance; (c) the price at which the Series 2022B Bonds will be sold will not be less than 97% of the par amount thereof (exclusive of any original issue discount or premium); and (d) the Series 2022B Bonds shall have a true interest cost of borrowing not to exceed 4.0%. The final terms of the Series 2022B Bonds shall be approved by the Treasurer, at his discretion and within such parameters.
3. The Bank of New York Mellon Trust Company, N.A. is hereby authorized to serve as Bond Registrar, Paying Agent and Escrow Agent for the Series 2022B Bonds.
4. Pursuant to the Board’s existing contract, the law firm of Chapman and Cutler LLP is hereby retained as Bond Counsel to the Board.

5. Pursuant to the Board's existing contract, the firm of Blue Rose Capital Advisers, LLC, is hereby retained as Municipal Advisor.

6. The Treasurer of the Board or his designee is hereby authorized to enter a Bond Purchase Agreement (or Bond Purchase Agreements) with one or more purchasers for the sale of the Series 2022B Bonds.

7. The Board approves the forms of the Supplemental System Revenue Bond Resolution, Escrow Agreement and Bond Purchase Agreement(s). Copies of such documents are on file with the Secretary of the Board for recording. The Chairperson, Treasurer and Secretary of the Board or their respective designees are hereby authorized and directed to execute such documents in the name of and on behalf of the Board in substantially the forms presented to this meeting, or with such changes as may be approved by the officer or officers of the Board executing the same, his/her or their execution thereof to constitute conclusive evidence of the Board's approval of all changes from the forms thereof presented to this meeting.

8. If required by the successful bidder for the Series 2022B Bonds, the Board agrees to comply with the terms and provisions of bond insurance for the Series 2022B Bonds if such terms are approved by the Treasurer of the Board.

9. The Chairperson, the Secretary and the Treasurer of the Board and the members, officers, agents and employees of the Board are hereby authorized and directed to do all such acts and to execute all such documents as may be necessary to carry out and comply with the provisions of this resolution and with the actions of the members, officers, agents, and employees of the Board which are in conformity with the intent and purposes of this resolution, whether heretofore or hereafter taken or done, which actions shall be and are ratified, confirmed and approved.

Board Action on: _____	Postpone: _____
Motion by: _____	Amend: _____
Second by: _____	Disapprove: _____
Vote: Yeas: _____ Nays: _____	Approve: _____

ATTEST: Board Action, July 22, 2022

Secretary/Chairperson

Board of Trustees
Illinois State University
Authorization to Issue Auxiliary Facilities System Revenue Refunding Bonds, Series 2022B

The Auxiliary Facilities System (AFS) at Illinois State University consists of the facilities set forth in Exhibit B. The replacement value of these facilities is currently estimated to be \$740 million.

The AFS is comprised of facilities that either (i) were constructed with proceeds from revenue bonds issued within the authority delegated by the State to the Board, or (ii) now produce revenues that are used to operate and maintain AFS facilities. All revenues received in conjunction with the operation of the AFS facilities are pledged towards the payment of outstanding revenue bonds and the operation and maintenance of the facilities. As of July 1, 2022, there will be seven outstanding bond issues, Series 2012A, Series 2016, Series 2018A, Series 2018B, Series 2018C, Series 2020A, and Series 2022A, with outstanding principal totaling \$139.77 million. Current payments for the debt service of these obligations approximates \$14.14 million annually until 2028; reducing to an average of approximately \$9.14 million annually until 2033; then further reducing to approximately \$4.72 million annually until 2039; with remaining payments approximating \$1.53 million annually until final maturity in 2050.

The Board's Auxiliary Facilities System Revenue Refunding Bonds, Series 2022B (the "Series 2022B Bonds") will be issued in an aggregate principal amount not to exceed \$14,000,000 to fund the refinancing of the Board's Auxiliary Facilities System Bonds, Series 2012A and to pay the costs of issuance of the Series 2022B Bonds.

Issuance of the Series 2022B Bonds will decrease annual debt service payments as a result of lower interest rates currently available in the market. The estimated debt service savings, even after accounting for debt issuance costs, is estimated to exceed \$200,000 over the life of the new debt.

Fund Source: Auxiliary Facility System Resources

Exhibit B

Illinois State University
Auxiliary System Facilities

Residence Halls

- (i) Wilkins
- (ii) Wright
- (iii) Haynie
- (iv) Manchester
- (v) Hewett
- (vi) Watterson

Apartment Complexes

- (i) Shelbourne
- (ii) Fell and School
- (iii) Cardinal Court

Bone Student Center and Braden Auditorium

Athletic Recreation Facilities

- (i) Horton Hancock Athletic Complex
- (ii) University Golf Course (Webring Golf Club)
- (iii) Redbird Arena
- (iv) McCormick Hall
- (v) Tennis Courts
- (vi) Student Fitness and Kinesiology Recreation Center
- (vii) Athletics Indoor Practice Facility

9,600 Parking Spaces, including Three Parking Ramps, for Faculty, Staff and Students

Student Services Building

Center For Performing Arts

Multicultural Center

Storage Facilities

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

Resolution No. 2022.07/31
Authorization for Learning Management
System Software Agreement

Resolution

Whereas, Illinois State University is committed to offering premier undergraduate and graduate programs that integrate emerging and innovative ideas with traditional knowledge and methods, and

Whereas, the University's current learning management system (LMS) has been in place for nearly ten years, and

Whereas, the current LMS is a solution with a shrinking share of the higher education marketplace, lacking many of the standard instructional and user-friendly access features expected by students and faculty, and

Whereas, a multi-disciplinary group of ISU faculty, advisors, students, and staff have recently completed a thorough review of several higher education focused product solutions and ultimately recommend Canvas, a LMS product owned by Instructure, as the desired future LMS provider for the University:

Therefore, be it resolved that the Board of Trustees authorizes the University to enter into a five-year contract, (August 1, 2022 through July 31, 2027), with Instructure at a total cost not to exceed \$2,350,000.

Board Action on: _____
Motion by: _____
Second by: _____
Vote: Yeas: _____ Nays: _____

Postpone: _____
Amend: _____
Disapprove: _____
Approve: _____

ATTEST: Board Action, July 22, 2022

Secretary/Chairperson

**Board of Trustees
Illinois State University
Authorization for Learning Management System Software Agreement**

A powerful, flexible learning management system is critical to instruction, student learning, and student success. The University’s current Learning Management System (LMS), ReggieNet, is based on Sakai. Unlike the LMS platforms used by most other universities, Sakai is open-source and is maintained and improved by volunteer software developers in the Sakai user community. While Illinois State has been a proud member of that group for nearly a decade, the community is shrinking. Increasingly, other colleges and universities are leaving Sakai for other products.

The shrinking community and lack of ongoing development has also caused Sakai to fall behind in delivering tools that have come to be expected by students and faculty, including more advanced instructional tools and user-friendly mobile application access.

In addition, Sakai’s shrinking market share disincentivizes third-party sources to devote resources to development for Sakai. Also, products from other educational software companies and textbook publishers are less likely to fully integrate with ReggieNet given the current reduced user environment.

In 2021, Provost Tarhule directed staff in the Office of the Provost along with partners in the Office of Technology Solutions to form a LMS Review Leadership Team and begin conversations with Deans, academic department chairs and directors, the President’s Cabinet, Student Government Association, and Academic Senate to gain feedback.

From there, an advisory team was formed with faculty members nominated by the Deans of each College and other support members recruited by the LMS Review Leadership Team. At the same time, the Office of Technology Solutions formed a group to ensure that the next LMS would integrate seamlessly with Illinois State’s existing digital infrastructure. This group conducted surveys to solicit campus-wide feedback on the requirements of such a system, conducted demonstrations with the reviewed vendors, and ultimately produced their final recommendation to the Provost in May 2022.

The advisory team recommended Instructure’s Canvas as the new LMS that best fit the current and future needs of learning and instruction at Illinois State. Instructure is recognized as a leader in the LMS marketplace, and currently offers LMS services at other State of Illinois’ institutions. Canvas is provided as a Service/Cloud Application, allowing for more effective and efficient continuity of learning operations. Canvas also provides more frequent updates for both security and product feature sets than Sakai, an important continuous improvement benefit for our students, faculty, and staff utilizing the software on a regular basis.

Projected five-year contract costs with Instructure, including 1st year implementation expenses, are as follows:

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Annual Licensing, Hosting, and Admin Support	\$250,000	\$462,500	\$462,500	\$462,500	\$462,500
1 time – Product Implementation & Migration	\$250,000				
Totals	\$500,000	\$462,500	\$462,500	\$462,500	\$462,500

5-year total	\$2,350,000
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Product implementation and final testing is planned during FY23 with full campus rollout in Fall 2023 (FY24). The University plans to fully decommission the current LMS (ReggieNet) sometime in FY24, thereby saving annual licensing expenses of approximately \$176,000 under the current support/hosting agreement with Sakai. The five-year contract period with Instructure would run from August 1, 2022 through July 31, 2027.

Source of Funds: General Revenue – Student Academic Enhancement Fees – Not to Exceed \$2,350,000

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

Resolution No. 2022.07/32
Authorization for Capital Project -
WGLT Relocation to Vidette Building

Resolution

Whereas, The Illinois State University “Vidette Building” located at 500 W. Locust Street was originally built in 1994, and is owned and operated by Illinois State University, and

Whereas, the newspaper newsprint industry has evolved and become more internet based resulting in print newspapers seriously declining in circulation and popularity. This reduces the need for physical space for the newspaper’s staff. As a result, the Vidette newspaper has evolved into an online digital format that requires minimal office space as a “home base”, and

Whereas, the University’s public radio station, WGLT, is currently located on the third floor of the “Old Union Building” at 251 S. School Street. This location on ISU’s Quad continues to be problematic for WGLT and its guests due to location awareness challenges, guest parking, and other access issues, and

Whereas, 500 W. Locust Street, the Vidette Building, has enough space to accommodate combined WGLT/Vidette operations and the University leadership has conceived a plan to relocate WGLT into the Vidette Building and strategically integrate its business and operational functions with those of the Vidette so as to enhance and expand both WGLT's public news service and 'hands-on' journalism opportunities for staff and students working at the Vidette newspaper:

Therefore, be it resolved that the Board of Trustees authorizes a capital project to plan, design, and renovate 500 West Locust Street for a combined WGLT Radio Station / Vidette newspaper facility at a total cost of not to exceed \$650,000.

Board Action on: _____
Motion by: _____
Second by: _____
Vote: Yeas: _____ Nays: _____

Postpone: _____
Amend: _____
Disapprove: _____
Approve: _____

ATTEST: Board Action, July 22, 2022

Secretary/Chairperson

**Board of Trustees
Illinois State University
Authorization for Capital Project – WGLT Relocation to Vidette Building**

This item requests Board of Trustees approval to spend \$650,000 to design, obtain necessary construction bids, award contracts, complete construction and move the WGLT Radio Station from the Old Union Building to the Vidette Building and combine with Vidette operations at 500 West Locust Street.

Background – The Illinois State University “Vidette Building” located at 500 W. Locust Street was originally built in 1994. The evolution of the newspaper newsprint industry has evolved and become more internet based resulting in print newspapers seriously declining in circulation and popularity. This reduces the need for physical space for the newspaper’s staff. As a result, the Vidette has evolved into an online digital format that requires minimal office space as a “home base”.

The University’s public radio station, WGLT, is currently located on the third floor of the Old Union Building on the ISU Quad. This current location is problematic for WGLT. This location is in the center of campus, has challenging wayfinding, parking and access issues and is not convenient for the radio station guests.

Justification – The objective of the project is to consolidate two university functions (WGLT and Vidette) into one space to increase efficiency. The proposed solution is to reduce the “Vidette” operations into the space necessary for a virtual university newspaper and combine operations with a relocated WGLT in the remaining majority of the Vidette Building space. This would provide much improved campus location awareness and more convenient access and parking for staff and radio station guests.

Project Scope – The scope of the project is to renovate approximately 1,500 square feet of the 3,921 square feet of available space at 500 W. Locust Street (former Vidette Office Building). New wall configurations will accommodate WGLT including two large “sound isolation” studios, three smaller voiceover/podcast studios along with all necessary ancillary offices and spaces. New finishes will be provided as needed to support the reconfiguration. The project includes a new standalone conditioned server room, provisions for new radio station equipment and electrical modifications. The project does not include a new or relocated radio station satellite receiver.

The proposed Schedule is a total duration of approximately 12 months after Board of Trustees approval for design, construction documents, bidding, contract awards and construction.

Resource Requirements:

Construction	360,000
Furniture, Fixtures and Equipment	220,000
Contingency	<u>70,000</u>
Total Project Cost – Not to Exceed	\$650,000

Source of Funding: General Revenue Resources

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

Resolution No. 2022.07/33
Authorization to Lease Property at
200 North Grand Avenue West,
Springfield, Illinois

Resolution

Whereas, the Board of Trustees of Illinois State University has the authority to lease real property; and

Whereas, Illinois State University desires to sublease real property for the purpose of establishing a location for the Mennonite College of Nursing in Springfield, Illinois; and

Whereas, Illinois State University has the opportunity to sublease approximately 9,990 square feet of customizable space from Memorial Health System so that the Mennonite College of Nursing can offer upper-level undergraduate nursing courses to cohorts at the proposed location in Springfield, Illinois:

Therefore, be it resolved by the Board of Trustees that:

1. The Board authorizes the President of the University to enter into an agreement with Memorial Health System to sublease the aforementioned real property subject to the following conditions: (a) the sublease term shall be for a period of five years with an option to renew for an additional five years; (b) the sublease payments are anticipated to be covered 100% by donor funds through a planned \$6 million grant from Memorial Health System; (c) the sublease shall include improvements to fit out the premises as classroom and laboratory spaces; (d) the annual sublease payments are currently scheduled to be \$286,685.00 per year for years one through five and increase to \$296,813.00 for years six through ten, if extended, subject to a one-time adjustment to cover tenant improvement costs above initial estimates provided that such increases are also covered 100% by donor funds from Memorial Health System; (e) the University will be responsible for additional operational costs estimated at \$110,000 per year for common area maintenance, property tax, utilities, janitorial & maintenance; (f) the University has the option to terminate the lease in the event donor funding is not available to cover the lease payments.
2. Therefore, be it resolved that the Board authorizes the University to enter into this lease agreement with Memorial Health System at an annual lease amount currently scheduled to be \$286,685.00 annually during the first five years, rising to \$296,813.00 for years six through ten, if extended, subject to the one-time adjustment to sublease payments to cover anticipated for tenant improvement costs above initial estimates, and additional operational costs incurred, subject to an approved donor gift agreement with Memorial Health System.

Board Action on: _____
Motion by: _____
Second by: _____
Vote: Yeas: _____ Nays: _____

Postpone: _____
Amend: _____
Disapprove: _____
Approve: _____

ATTEST: Board Action, July 22, 2022

Secretary/Chairperson

**Board of Trustees
Illinois State University
Authorization to Lease Property at 200 North Grand Avenue West, Springfield, Illinois**

Background:

Illinois State University proposes to partner with Memorial Health System (“Memorial Health”) in Springfield, Illinois to bring Illinois State University’s nursing program to the Springfield, Illinois community. Memorial Health has identified a need for more nursing professionals to serve health care needs throughout Central Illinois and has agreed to extend a ten-year community benefit grant to Illinois State University to use in expanding the University’s nursing program. Memorial Health will enter into agreements with the Illinois State University Foundation and Illinois State University to provide a \$6 million community benefit grant over a ten-year period to support this partnership. As part of this partnership, Memorial Health System will sublease premises located at 200 North Grand Avenue West to Illinois State University to offer upper-level undergraduate nursing students an opportunity to complete their Bachelor’s of Science in Nursing degree at the new Springfield, Illinois location.

200 North Grand Avenue West Building

The location at 200 North Grand Avenue West will include 9,990 square feet, approximately 24% of a larger facility leased by Memorial Health. Memorial Health has agreed to renovate the space to include fully built-out space for: two open concept classrooms, two skills labs, six offices, restroom facilities, and two conference room spaces. The location is in close proximity to Memorial Health hospital which will allow nursing students to have access to Memorial Health clinical placements, laboratories, and other opportunities within the system.

The proposed sublease shall be for a period of five years with an option to renew for an additional five years. The annual lease payments are currently scheduled to be \$286,685.00 for years one through five and increasing to \$296,813.00 for years six through 10, if extended, which is anticipated to be covered 100% through donated funds. As part of donor and program agreements, Memorial Health will provide annual donations of \$580,000 to Illinois State University, subject to Illinois State University meeting agreed-on enrollment targets for the site. The annual donation will cover program operation costs at the Springfield location, including the sublease payments for the new location. The sublease payments shall be adjusted on a one-time basis to account for tenant improvement costs above initial estimates, provided that the donor funds are also adjusted to cover the increased payments. In the event donor funds are insufficient to cover the annual rent, the parties have negotiated provisions in the sublease to provide for a teach-out of the cohorts and to end the sublease arrangements. The University will also be responsible for additional operational costs (estimated at \$110,000 per year) for common area maintenance, property tax, utilities, janitorial and maintenance.

Source of Funds: Total planned gift funds provided by Memorial Health over the ten-year agreement is approximately \$6 million, which includes funds set aside for the sub-lease agreement.

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

Resolution No. 2022.07/34
Authorization to Acquire Land and
Purchase Property at 715 and 755
Raab Road, Normal, Illinois

Resolution

Whereas, the Board of Trustees of Illinois State University has the authority to acquire real property for University use, and

Whereas, Illinois State University’s Master Plan 2010-2030: Looking to the Future, endorsed by the Board of Trustees on February 18, 2011, and updated on July 26, 2019, includes a recommendation to “Acquire strategic properties near the campus”, and

Whereas, Illinois State University became aware of the current owners’ interest in the sale of such a strategic property located at 715 and 755 Raab Road in Normal, Illinois, and entered discussions with the current owners to purchase the property, and

Whereas, this property is adjacent to University-owned property where the University’s Horticulture Center and Golf Course are located, and

Whereas, the University desires to acquire such real property:

Therefore, be it resolved by the Board of Trustees that

1. The Board authorizes the President of Illinois State University to enter into all necessary agreements to acquire the aforementioned real property for a total purchase price not to exceed \$4.1 million plus reasonable closing and related costs.
2. The Chairperson, the Secretary and the Treasurer of the Board and the members, officers, agents, and employees of the Board are hereby authorized and directed to do all such acts and to execute all such agreements and documents as may be necessary to carry out and comply with the provisions of this resolution, whether heretofore or hereafter taken or done, which actions shall be and are ratified, confirmed, and approved.

Board Action on: _____
Motion by: _____
Second by: _____
Vote: Yeas: _____ Nays: _____

Postpone: _____
Amend: _____
Disapprove: _____
Approve: _____

ATTEST: Board Action, July 22, 2022

Secretary/Chairperson

Board of Trustees
Illinois State University
Authorization to Acquire Land and Purchase Property at 715 and 755 Raab Road, Normal, Illinois

Illinois State University's *Master Plan 2010-2030: Looking to the Future*, endorsed by the Board of Trustees on February 18, 2011, and updated on July 26, 2019, presents a long-range plan for the physical development of the campus in size, form, character, and environment. Among the recommendations in the plan is to "acquire strategic properties near the campus".

Illinois State University became aware of the current owners' interest in the sale of a strategic property located at 715 and 755 Raab Road in Normal, Illinois and entered into discussions with the current owners to purchase the property. The property is of keen interest to the University as it sits adjacent to University-owned land where the Horticulture Center and Golf Course are located, less than 1 mile from Illinois State University's Alumni Center and 2 miles from main campus.

Through negotiations with the owners' representatives, the University and the owners have come to a tentative agreement on a purchase price of \$4.1 million plus reasonable closing and related costs. The property consists of approximately 4 acres of improved land with 2 existing buildings offering some 30,000 sq. ft. of usable space along with some 270 paved parking spaces. The buildings to be purchased will share an access road with an adjacent apartment building owned by the current owners. Moving forward, the parties will share expenses of maintaining the common access areas under a reciprocal easement agreement.

With the market value of the allotted parking spaces estimated at \$1.1 million, this allocates the remaining \$3.0 million towards the purchase of the 2 buildings which translates into an effective cost of renovated administrative and instructional space at only \$100 per sq. ft, substantially lower than current renovation costs (\$300 to \$400 per sq. ft.) being expended by the University on similar capital projects.

The building located at 715 Raab Road, Normal, IL is a single-story facility with approximately 20,000 usable sq. ft. that was originally owned and operated by Lincoln College as an administrative and classroom facility dedicated to serving undergraduate and graduate level students in the Bloomington Normal community. The exterior construction and interior spaces, including operating systems, are in quality condition.

The building located at 755 Raab Road, Normal, IL is a single-story facility with approximately 10,000 usable sq. ft. that is currently being leased to Tricoci University of Beauty Culture, LLC to serve as a hands-on education and training facility for students seeking careers in cosmetology, barber, and esthetics. The original lease terms extend for seven years, ending October 2024, with a single three-year option to renew at the sole discretion of the tenant. If tenant exercises the lease renewal option, the lease will expire in October 2027, whereby the university will gain sole access to the facility. The average annual lease rate is between \$100,000 to \$130,000 over the first seven years of the lease and will rise to approximately \$140,000 per year for the remaining three years of the lease, if extended. The University will acquire all the lessor rights, privileges, and obligations of the current lease upon purchase. The exterior construction and interior spaces, including operating systems, are in quality condition.

If approved, the University plans to use this newly acquired space to help facilitate the relocation of key facility services division personnel from the John Green complex, and other targeted spaces across campus, in order to provide the necessary faculty, instructional labs, and student collaboration space needed for the new College of Engineering being located in future renovated space at the John Green complex. This consolidation of certain facility division personnel into the 20,000 sq. ft. facility located at 715 Raab Road will also permit more efficient & effective use of existing administrative space by other academic and administrative offices that need to be located close to the main campus.

The purchase of these 2 buildings will also allow for the potential in the future to reduce the amount of 3rd party lease space and corresponding rent paid by certain university departments currently occupying space in Uptown Crossing. The annual lease costs for Uptown Crossing is approximately \$1 million per year and the current lease extends through 2027. The 10,000 sq. ft. facility located at 755 Raab Road, currently under lease by Tricoci, will also be evaluated for strategic use in a similar manner once the lease has ended and the property is fully transferred over to the University.

Source of Funds:

- 1) Auxiliary Facilities System - Parking Division Reserves – approximately \$1.1 million
- 2) General Revenue Reserves – approximately \$3.0 million

The appropriate legal documents will be executed to allow for a future decision to refinance all or part of this acquisition into long-term tax-exempt debt if the fiscal analysis proves strategically prudent.

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

**Resolution No. 2022.07/35
Approval of 2023
Board Meeting Calendar**

Resolution

Whereas, the Open Meetings Act requires that all public bodies approve and publish an annual calendar of meeting dates:

Therefore, be it resolved that the Board of Trustees hereby approves the recommended 2023 meeting calendar and requests that it be posted and published in accordance with the Open Meetings Act no later than December 1, 2022.

DATE	LOCATION	TIME
February 17, 2023	Illinois State University	Refer to posted agenda*
March 30 – 31, 2023	to be announced	Refer to posted agenda*
May 12, 2023	Illinois State University	Refer to posted agenda*
July 28, 2023	Illinois State University	Refer to posted agenda*
October 13, 2023	Illinois State University	Refer to posted agenda*
November 2 - 3, 2023	to be announced	Refer to posted agenda*

Board meetings are subject to call when needed if no regularly scheduled meeting has been established.

* NOTE: Please check monthly agenda for time and room location of meetings or call (309) 438-5677 for further information.

Board Action on: _____
Motion by: _____
Second by: _____
Vote: Yeas: _____ Nays: _____

Postpone: _____
Amend: _____
Disapprove: _____
Approve: _____

ATTEST: Board Action, July 22, 2022

Secretary/Chairperson

**ILLINOIS STATE
UNIVERSITY**

**BOARD OF
TRUSTEES**

Resolution No. 2022.07/36
Recognition of Former Trustee
Rocky Donahue

Resolution

Whereas, in the fall of 1995, the 89th General Assembly of the State of Illinois passed Senate Bill 241, which was sent to and signed by the Governor to become Public Act 89-0004, which established autonomous governing boards for seven state universities as part of a continuing evolution of the state's higher education system, and

Whereas, Rocco "Rocky" Donahue was appointed by former Illinois Governor Pat Quinn to the Board of Trustees of Illinois State University and participated in his first meeting on November 2, 2011, and

Whereas, Rocky Donahue accepted his responsibility as a member of the Board of Trustees and a representative of the State and its citizens to govern and to provide direction for the University. Mr. Donahue's understanding and appreciation of the values inherent in higher education enabled him to bring a level of expertise to the Board that was of great value and appreciated by his Trustee colleagues. He served the Board of Trustees with a high standard of professional integrity to the lasting benefit of Illinois State University:

Therefore, be it resolved that the Board of Trustees expresses its sincere appreciation to Rocky Donahue for his tireless efforts as a Trustee on behalf of Illinois State University and confers on him the honor and title of Trustee Emeritus for his outstanding service and dedication to Illinois State University.

Board Action on: _____
Motion by: _____
Second by: _____
Vote: Yeas: _____ Nays: _____

Postpone: _____
Amend: _____
Disapprove: _____
Approve: _____

ATTEST: Board Action, July 22, 2022

Secretary/Chairperson