

# SOUTHERN ILLINOIS UNIVERSITY – BOARD OF TRUSTEES

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CARBONDALE, ILLINOIS 62901



June 18, 2018

## NOTICE OF SPECIAL MEETING OF THE SOUTHERN ILLINOIS UNIVERSITY BOARD OF TRUSTEES

A special meeting of the Board of Trustees of Southern Illinois University has been called by the Chair, beginning on June 21, 2018, at 10:00 a. m., Evergreen Hall, Multi-Purpose Room 285, Southern Illinois University Edwardsville, Edwardsville, Illinois. Then there may be a possible meeting location change for an executive session in Evergreen Hall, Classroom 284, Southern Illinois University Edwardsville, Edwardsville, Illinois. For an executive session meeting, it is expected that a motion will be made to close the meeting to the public for the purpose of considering pending, probable or imminent court proceedings against or on behalf of the Board; and appointment, employment, compensation, discipline, performance, or dismissal of specific employees. The relevant sections of the Open Meetings Act Statute that allow for the closed session are 5 ILCS 120/2(c) (1), and (11). A roll call vote will be necessary to pass this motion and only the topics specified in the motion may be considered during the closed session. No final action will be taken in closed executive session.

C: Members of the Board of Trustees  
President Randy J. Dunn  
Chancellor Carlo Montemagno  
Chancellor Randall Pembroke  
Dean Jerry Kruse  
President's Staff  
Reporters who cover Board meetings

## AGENDA

### SPECIAL MEETING OF THE BOARD OF TRUSTEES OF SOUTHERN ILLINOIS UNIVERSITY

Thursday, June 21, 2018  
10 a.m.

Evergreen Hall, Multi-Purpose Room 285  
Southern Illinois University Edwardsville  
Edwardsville, Illinois

Then Possible Meeting Location Change  
for Executive Session to  
Evergreen Hall, Classroom 284  
Southern Illinois University Edwardsville  
Edwardsville, Illinois

Roll Call

#### OPEN MEETING ITEMS

- A. Public Comments and Questions
- B. Approval of Purchase: Public Broadcasting Service (PBS) Station Dues for WSIU-TV and WUSI-TV Programming Broadcasting Service, Carbondale Campus, SIUC
- C. Award of Contracts: Founders Hall Renovation, SIUE
- D. Approval of Purchase: Mailing Services, SIUE
- E. Approval of Purchase: P-Card Services, Carbondale and Edwardsville Campuses, SIU
- F. Authorization to Pursue Campus Funding Allocation Study and Engage Consultant
- G. Motion to Close the Meeting to the Public (Executive Session)

#### EXECUTIVE SESSION

- A. Consideration of and information regarding certain matters stated in the meeting notice.

## OPEN MEETING ITEMS

- A. Consideration of Release of Documents Provided Trustees Related to Recent Freedom of Information Act Requests
- B. Consideration of Administrative Leave of President
- C. Consideration of Appointment of Acting President

Adjournment

APPROVAL OF PURCHASE:  
PUBLIC BROADCASTING SERVICE (PBS) STATION DUES  
FOR WSIU-TV AND WUSI-TV PROGRAMMING  
BROADCASTING SERVICE  
CARBONDALE CAMPUS, SIUC

Summary

This matter seeks approval to pay the annual Public Broadcasting Service (PBS) dues to enable the broadcast of PBS programming on both WSIU-TV and WUSI-TV stations. The total cost is estimated at \$870,000 and will be funded by a grant from the Corporation of Public Broadcasting.

Rationale for Adoption

Since 1958, WSIU Public Broadcasting has provided programming and services to southern Illinois. In order to air the Public Broadcasting Service (PBS) programming, station dues must be paid annually. The dues are calculated by PBS based on a formula which considers non-federal financial support (NFFS), population share, and a base fee. The estimated dues for Fiscal Year 2019 beginning July 1, 2018, are \$870,000. This is an estimated cost for planning purposes. PBS states that the final bill may fluctuate slightly once they have certified each provider's NFFS.

In accordance with the Illinois Procurement Code and Board of Trustees policies, a sole source justification was submitted to the Chief Procurement Officer for review.

The payment will be funded from a grant from the Corporation of Public Broadcasting, a restricted account.

Considerations Against Adoption

Without the receipt of this grant to cover the dues, there will be no available programming to broadcast.

Resolution

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

(1) The annual dues payable to the Public Broadcasting Service (PBS), Arlington, VA, to enable the broadcast of PBS programming for WSIU-TV and WUSI-TV stations, will be paid for one year beginning July 1, 2018, at an estimated cost of \$870,000.

(2) Funding for this purchase will come from a non-appropriated restricted account, through a grant from the Corporation for Public Broadcasting to the SIUC Broadcasting Service.

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

AWARD OF CONTRACTS: FOUNDERS HALL RENOVATION, SIUE

Summary

This matter seeks to award contracts in the amount of \$25,344,290 for Founders Hall Renovation, part of the 21<sup>st</sup> Century Buildings Plan. The contracts for the renovation work shall be funded from the Facilities Fee.

Rationale for Adoption

On September 14, 2017, the SIU Board of Trustees provided project and budget approval in the amount of \$34,100,000 for the project Founders Hall Renovation, SIUE.

The core campus buildings on the Edwardsville campus were constructed in the 1960s and 1970s. While the buildings have been adequately maintained, the primary electrical, lighting, plumbing, window, and mechanical systems are original and the buildings were not designed to current life safety, energy, and seismic codes. The 21<sup>st</sup> Century Buildings Plan is a program that will renovate six core campus buildings in sequential order: Founders Hall, Alumni Hall, Rendleman Hall, Dunham Hall, Peck Hall and the Lovejoy Library.

Bids received on May 31, 2018, were favorable and awarding the contracts is requested. A summary of bids received is attached for review. The renovation of Founders Hall will be funded from the Facilities Fee. The 21<sup>st</sup> Century Buildings Plan was structured to be a “pay as you go” plan so no loan is anticipated for this project. The Chancellor and the Vice Chancellor for Administration, SIUE, have recommended this matter to the President.

Considerations Against Adoption

Renovation of Founders Hall will cause a temporary inconvenience to the faculty and students who have offices and classrooms in the buildings. Directional signage will help mitigate the inconvenience and temporary offices and classrooms have been provided in other buildings.

Resolution

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

(1) The contracts to perform construction services for the Founders Hall Renovation, SIUE, be and are hereby awarded to the following:

- a) General Work \$11,785,000  
River City Construction LLC, East Peoria, IL
- b) Electrical Work \$3,717,790  
Guarantee Electrical Construction Co., St. Louis, MO
- c) Heating Work \$3,718,320  
JEN Mechanical, Inc., Godfrey, IL
- d) Ventilation Work \$2,988,700  
France Mechanical Corporation, Edwardsville, IL
- e) Fire Protection Work \$1,044,480  
Boyer Fire Protection, Belleville, IL
- f) Plumbing Work \$2,090,000  
Bergmann-Roscow Plumbing, Inc., Belleville, IL

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

FOUNDERS HALL RENOVATION AND ADDITION  
RFQ 80035

<p>SOUTHERN ILLINOIS UNIVERSITY <b>EDWARDSVILLE</b></p>	
	BASE BID
<b>GENERAL CONTRACTORS</b>	
River City Construction LLC 101 Hoffer Lane East Peoria, IL 61611	\$ 11,785,000.00
Poettker Construction Co. 380 S. Germantown Road Breese, IL 62230	\$ 12,490,000.00
Tarlton Corporation 5500 West Park Avenue St. Louis, MO 63110	\$ 12,397,000.00
Interior Construction Services Ltd. 2930 Market Street St. Louis, MO 63103	\$ 13,878,000.00
<p>SOUTHERN ILLINOIS UNIVERSITY <b>EDWARDSVILLE</b></p>	
	BASE BID
<b>ELECTRICAL CONTRACTORS</b>	
Gurantee Electrical Const. Co. 3405 Bent Avenue St. Louis, MO 63116	\$ 3,717,790.00
K&F Electric, Inc. 2622 West Blvd. Belleville, IL 62221	\$ 3,902,556.00
Pyramid Electrical Contractors Inc. 300 Monticello Place Fairview Heights, IL 62208	\$ 4,059,000.00
<p>SOUTHERN ILLINOIS UNIVERSITY <b>EDWARDSVILLE</b></p>	
	BASE BID
<b>PLUMBING CONTRACTOR</b>	
Bergmann-Roscow Plumbing Inc. 56 Empire Drive Belleville, IL 62220	\$ 2,090,000.00

FOUNDERS HALL RENOVATION AND ADDITION  
RFQ 80035

SOUTHERN ILLINOIS UNIVERSITY  
**EDWARDSVILLE**

HEATING CONTRACTOR	BASE BID
JEN Mechanical Inc. 2813 West Delmar Avenue Godfrey, IL 62035	\$ 3,718,320.00
France Mechanical Corp. PO Box 646 Edwardsville, IL 62025	\$ 3,737,000.00
Rock Hill Mechanical Corp. 524 Clark Avenue Kirkwood, MO 63122	\$ 4,238,833.00

SOUTHERN ILLINOIS UNIVERSITY  
**EDWARDSVILLE**

VENTILATION CONTRACTOR	BASE BID
France Mechanical Corp. PO Box 646 Edwardsville, IL 62025	\$ 2,988,700.00
Hock, Inc. 512 South Breese Street Millstadt, IL 62260	\$ 3,347,160.00
Rock Hill Mechanical Corp. 524 Clark Avenue Kirkwood, MO 63122	\$ 3,510,813.00

SOUTHERN ILLINOIS UNIVERSITY  
**EDWARDSVILLE**

FIRE PROTECTION CONTRACTOR	BASE BID
Boyer Fire Protection 2425 Amann Drive Belleville, IL 62220	\$ 1,044,480.00
Kane Fire Protection 170 E. Alton Avenue East Alton, IL 62024	\$ 1,150,000.00

APPROVAL OF PURCHASE: MAILING SERVICES, SIUE

Summary

This matter seeks approval for the purchase of mailing services, on an as-needed basis, for the SIUE University community. The funding will come from various departments, as needed.

Rationale for Adoption

Various SIUE departments require mailing services. A multi-year bid contract will cost less than single purchases during the same time period and the services provided meet or exceed the bid limit annually. This matter would approve an initial one-year agreement with four, one-year options to renew.

The cost of the initial one-year contract for FY19 is approximately \$200,000, and will be funded by various SIUE departments. The total value of the five-year option agreement is approximately \$1,000,000. The actual cost is dependent on the need for mailing services by the campus community. Bids were solicited for the services in accordance with the Illinois Procurement Code and one response was received.

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

Consideration Against Adoption

Funds utilized for mailing services would not be available for other university departmental operations.

Resolution

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

(1) The contract to purchase mailing services for various SIUE departments is hereby awarded to Mailing Methods, Inc., Caseyville, Illinois.

(2) The cost of \$200,000 for the initial one-year contract period with the option to renew for four, one-year periods subject to continuing need, availability of funds, and satisfactory performance for a total cost of \$1,000,000 is hereby approved.

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

APPROVAL OF PURCHASE:  
PCARD SERVICES, CARBONDALE AND EDWARDSVILLE CAMPUSES, SIU

Summary

This matter seeks approval for a five-year credit card agreement with JP Morgan Chase for the Carbondale and Edwardsville campuses.

Rationale for Adoption

JP Morgan Chase is the current vendor of the SIUC and SIUE commercial credit card services (i.e. P-Card services). This agreement allows properly trained SIU employees to use a “University credit card” to make certain limited purchases. The services included in the agreement include monthly invoicing, transaction-level detail, individual card statements, and use of the program by the University Related Organizations (URO). The award criteria included streamlined reconciliation and payment processes and a competitive revenue share program based on the amount of combined charge volume.

As the campuses work together to seek efficiencies, Purchasing officials at SIUC and SIUE collaborated on this competitively bid solicitation through the Illinois Procurement Higher Education Consortium (IPHEC). JP Morgan Chase was the only respondent to the RFP. Since this is a zero-dollar contract (i.e. no payment required), SIU will not be writing a purchase order to the vendor.

Considerations Against Adoption

Use of a credit card program inherently increases the potential for fraud. The university has implemented procedures and strong internal controls intended to reduce the risk of fraud.

Resolution

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

(1) The commercial credit card services agreement for SIUC and SIUE be and is hereby awarded to JP Morgan Chase N.A., of New York City, NY for a five-year contract.

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

AUTHORIZATION TO PURSUE CAMPUS FUNDING ALLOCATION STUDY  
AND ENGAGE CONSULTANT

Summary

This matter seeks approval to authorize the SIU Senior Vice President for Financial and Administrative Affairs to engage an external consultant to review the existing allocation model and develop an allocation formula for the state general (General Revenue Fund, or GRF) appropriation among the SIU campuses.

Rationale for Adoption

At its March 2018 retreat, the Board of Trustees reached consensus that an analysis should be undertaken for the possibility of rebalancing the state appropriation support for the campuses, optimally through a formula-driven approach. A new GRF allocation formula model could more accurately reflect current operational factors for each campus, including enrollment, but also take into consideration other mission-defined variables such as research, asset preservation, student success, and the like.

It is acknowledged that any funding adjustments of a magnitude involving GRF monies would likely be accommodated through a phased-in approach, allowing each institution to more gradually adjust to changes to its revenue stream and the concomitant impact on ongoing operations.

It is anticipated that the development of a new allocation model for the general appropriation—which would involve selecting the key variables to be included under a formula approach, with their respective weightings, and running various hypothetical formulas to determine the impact of each on the campuses—along with a plan for its phased implementation would be completed within the next nine months at most, such that any reallocated funding could be initiated in FY20.

Given recent concerns raised by the campuses and other constituencies and news accounts surrounding this issue, it is recommended that any consultant to be engaged for this purpose should be fully independent and without any conflict of interest or pre-existing relationship with the SIU System or its respective campuses.

Considerations Against Adoption

Any financial adjustments arising from implementation of a formula-based allocation could negatively impact a campus for some period, thus adding to other financial challenges in the present fiscal environment. This impact should be mitigated in the long-term by an ongoing review process to evaluate the continuing appropriateness of the factors recommended by the consultant so the Board can consider needed

adjustments to the allocations annually depending upon changing conditions or other specific situations.

Resolution

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

(1) The Senior Vice President for Financial and Administrative Affairs of Southern Illinois University is authorized to engage a consultant consistent with all requirements of Illinois Procurement Law to develop and provide an implementation plan for an allocation formula for the state general appropriation among the SIU campuses.

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