A regular meeting of the Board of Trustees of the Nebraska State College System was convened at the Henry Doorly Zoo, City of Omaha, County of Douglas, State of Nebraska, on Friday, June 25, 1999.

In compliance with the provisions of Neb. Rev. Stat. Section 84-1411, printed notice of this meeting was mailed to each member of the Board of Trustees and was posted in the Office of the Secretary of the Board. In addition, copies of such notice were sent to the Associated Press, Lincoln Journal Star, and Omaha World-Herald on June 16, 1999. We, each of us, hereby acknowledge due and sufficient service to the above, the foregoing notice of the time and place and object of said meeting, and agree to meet in said meeting at the time and place presented.

Board Members attending:
Dr. Alfred Gigstad, Nebraska City
Ms. Frances Grimes, Grand Island
Ms. Willa Kosman, Scottsbluff
Mr. Steve Lewis, Lexington
Ms. Sheryl Lindau, Wayne
Mr. Jeff Renner, Bellevue

Board Member absent:
Dr. Doug Christensen, Lincoln

Student Board Members present:
Ms. Jessica Cady, Chadron State College
Mr. Robert Hollis, Peru State College
Mr. Dan Wetherell, Wayne State College

System Office Staff participating:
Dr. Carrol Krause, Executive Director
Dr. Donna Nelson, Associate Executive Director for Fiscal and Facilities Management
Dr. Larry Schultz, Associate Executive Director for Academic Affairs & Legal Services
Ms. Suzi Shugert, Director, Public Relations/Information
Ms. Kim Rauscher, Administrative Assistant

Others attending:
Dr. Thomas Krepel, President, Chadron State College
Dr. Ben Johnson, President, Peru State College
Dr. Ken Halsey, Interim President, Wayne State College
Dr. Joyce Hardy, Interim Senior Vice President for Academic Affairs, Chadron State College
Mr. Ed Hoffman, Vice President for Administration, Chadron State College
Dr. Jerome Martin, Interim Vice President for Academic Affairs, Peru State College
Dr. Susan Udey, Vice President for Administration and Finance, Peru State College
Dr. Jo Taylor, Vice President for Academic Affairs, Wayne State College
Mr. Andy Soll, Vice President for Administration and Finance, Wayne State College
Mr. Curt Frye, Vice President and Dean of Students, Wayne State College
Ms. Patsy Martin, Coordinating Commission for Postsecondary Education
Ms. Ms. Larry Scherer, Coordinating Commission for Postsecondary Education
Mr. Bill Beavers, Ameritas Investment Corporation
Mr. Lauren Wismer, Cline Williams Wright & Oldfather
Ms. Joni DeVries, Norwest Bank of Iowa
Mr. Bill Huey, Prochaska & Associates
Mr. Steve Riley, Prochaska & Associates
Ms. Wendy Hollis, spouse of Rob Hollis, Student Trustee

Press:
Ms. Karen Griess, Lincoln Journal Star newspaper

EXECUTIVE SESSION
The meeting was called to order at 8:35 a.m. A roll call was taken: Gigstad, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell were present. Grimes arrived at 9:00 a.m. Christensen was absent.

Mr. Renner moved and Mr. Lewis seconded a motion to go into Executive Session for the purpose of discussing personnel items. Gigstad, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.
Ms. Kosman moved and Mr. Lewis seconded a motion to go out of Executive Session at 9:15 a.m. and reconvene in a Strategic Planning Work Session at 9:30. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

**STRATEGIC PLANNING WORK SESSION**

The following issues and concerns were discussed during the Strategic Planning work session:

1. Declining proportion of state funds.

Dr. Krause explained that over the past fifteen years state funding has decreased from an 80%/20% split to a 66%/34% split, with students having to make up the difference through increased tuition rates. Discussion by Board members centered on two key elements: the need to solidify a partnership with the state through the establishment of a standardized formula for biennial funding, and to expand the bases of funding by developing more and better directed help from college foundations. Board members requested the System Office provide them with statistics and an outline for letters to be sent to state senators.

2. Declining population base.

Future enrollment trends at the State Colleges will be affected by population projections that reflect a continuing decline in the three rural service regions (the exception being the Lincoln-Omaha metro areas). Board members requested that discussions be held with the Coordinating Commission to review the former Kearney State College service region and assign those counties to the remaining three State Colleges.

3. Rapid changes in technology acquisition and utilization.

Dr. Krause emphasized the importance of the three campuses sharing courses to provide even more opportunities to students.

A recess was taken from 11:00 – 11:10 a.m.

4. A challenge to the System structure and existence.

As a result of the recent Legislative Session, LR 79 calls for an interim study to reorganize, streamline, and consolidate postsecondary educational and administrative services for state-supported postsecondary educational institutions. In addition, LB 816 requires the Coordinating Commission for Postsecondary Education to work with college and university governing boards to revise the comprehensive statewide plan for higher education by January 1, 2001. As information on these two items becomes available, it will be shared with Board members. Board members requested that the System Office provide them with information from other states that have changed their organization of governing boards.

A recess was called at 12:00 p.m. to prepare for a working lunch to be followed by the Public Session at 1:00 p.m.

**PUBLIC SESSION**

The Public Session was called to order at 1:00 p.m. A roll call was taken: Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Hollis and Wetherell were present. Cady returned at 1:10 p.m. Christensen was absent.

**APPROVAL OF THE AGENDA**

Ms. Lindau moved and Mr. Lewis seconded a motion to approve the agenda with the addition of items 14b) Peru State College, Sale of Surplus Property and 14c) Peru State College, Nicholas-Pate Hall and Davidson-Palmer Hall roof replacement and Delzell Hall partial roof replacement. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Hollis and Wetherell voted aye. Motion carried.

**NEW BUSINESS--CONSENT AGENDA**

Personnel Recommendations
Grant Applications:

Chadron State College
Program: Title III, Part A, Strengthening Institutions Program
Funding Source: U.S. Department of Education
Amount Requested: $863,820
Funding Period: 10/99 – 9/02
State Maintenance of Effort is required
Grant application would fund 13.125 FTE (10.0 FTE new positions)

Grant application would providing funding to develop program centers in the Chadron State College service region for delivering complete disciplinary degree programs and associated student services.

Wayne State College
Program: Student Support Services (S.T.R.I.D.E.)
Funding Source: U.S. Department of Education
Amount Requested: $250,000
Funding Period: 10/99 – 9/00
Grant would include Indirect Cost Funds for the College's use
Grant application would fund 5.13 FTE (1.00 FTE new position)
Grant application would provide funding to continue the STRIDE Office at Wayne State. The College has an award for a project period of 5 years (from 10/1/97–9/30/02), and this is an application for the funding for the third year of this project period. The program now serves 200 low income, first generation and/or physically handicapped students. The goal of STRIDE is to reduce the numbers of disadvantaged students dropping out because of academic programs and/or related difficulties. The application also requests approval to increase the number of students served to 275.

Grant Awards:

Wayne State College
Program: The Lessons of the Century
Funding Source: Nebraska Humanities Council
Amount Requested: $5,741
Amount Awarded: $5,000
Funding Period: 1999-2000
Grant application approved by the Board 4/1/99
Grant will require State Matching Funds of $7,640 for play production costs, a portion of the speaker's fee, phones, printing, postage and publicity.
Grant will require In-Kind Funds, including faculty and staff time on the project and the use of office supplies, equipment and facilities.
Grant award will provide funding for an art and humanities project built around the play Café Zeitgeist using film, lecture and seminar to be presented in October, with play author Bernard Kops spending several days on campus for the play and to visit with classes. It is intended to provide citizens of northeast Nebraska with a century's end retrospective on the treatment of minorities around the world.

Contracts:

Wayne State College
Location on campus: Rice Auditorium
Contracted work: Sidewalk/Site drainage redevelopment
Contract amount: $10,710
Fund source: LB 309 Funds
Contractor: Christiansen Construction Company of Pender, NE

Change Orders:

Wayne State College
Location on campus: Connell Hall
No. & Description: Change Order #11: Miscellaneous adjustments to specified work (5/7/99)
Change order amount: $9,990
Fund source: State Building Fund (General Fund)
Contractor: Beckenhauer Construction Inc. of Norfolk, NE
Location on campus: Connell Hall
No. & Description: Change Order #12: Miscellaneous adjustments to specified work (6/2/99)
Change order amount: $9,948
Fund source: State Building Fund (General Fund)
Contractor: Beckenhauer Construction Inc. of Norfolk, NE

LB 309 Fund Acceptance/Retrieval

Chadron State College
Acceptance of $65,000 for Burkhiser Complex fire sprinkler system
Allocation Date 4/21/99
Allocation Amount: $ 65,000
College Contribution: 65,000
Total Project Cost: $130,000

Peru State College
Retrieval of $16,130.54 for Library air conditioning cooling tower repair/replacement.
Allocation Date 7/6/98
Allocation Amount: $45,000.00
Retrieval Date 5/13/99
Retrieval Amount: 16,1303.54
Total Project Cost: $28,869.46

Campus Physical Plant Reports
Occupancy/Income Reports

Mr. Renner moved and Ms. Lindau seconded a motion to approve the Consent Agenda. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Hollis and Wetherell voted aye. Motion carried.

SUBCOMMITTEE AGENDA
Academic Affairs, Student Life & Personnel Subcommittee
Sheryl Lindau, Chair

1999-2000 Salary Recommendations
Ms. Lindau moved and Mr. Lewis seconded a motion to approve the 1999-2000 salary recommendations as submitted by the System Executive Director and College Presidents. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Hollis and Wetherell voted aye. Motion carried.

- CSC Salary Recommendations
- PSC Salary Recommendations
- WSC Salary Recommendations
- System Office Salary Recommendations

CEO Contract Extensions and Executive Director Retirement
Ms. Lindau moved and Mr. Renner seconded a motion to approve the 1999-2000 salaries as follows:
Dr. Carrol Krause, Executive Director: $131,000; and
Dr. Tom Krepel, President, Chadron State College: $119,000 plus a housing allowance of $14,000;
to accept the retirement of Dr. Carrol Krause, Executive Director, effective December 31, 1999; and
to approve the contract extension of Dr. Tom Krepel until June 30, 2001.

Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Executive Director Search Process
The timeline for the search process was reviewed; the position vacancy has been announced in several publications; applications and nominations will be submitted to the Department of Education; and initial screening will begin September 1. The Board appointed the following Search Committee:

Ms. Sheryl Lindau, Academic Subcommittee member, Committee Co-Chair
Ms. Willa Kosman, Academic Subcommittee member, Committee Co-Chair
Dr. Doug Christensen, Academic Subcommittee member
Ms. Jessica Cady, Academic Subcommittee student member
Presidential Associate Appointments
Ms. Lindau moved and Ms. Grimes seconded a motion to approve the designation of Presidential Associate for Mrs. Carol Krepel and Dr. Harold Stearns. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Resolutions Recognizing Dr. Ken Halsey and Dr. Leonard Skov
Ms. Lindau moved and Mr. Renner seconded a motion to adopt the following Resolutions of Appreciation for Drs. Ken Halsey (Wayne State College) and Leonard Skov (Peru State College):

Whereas, Dr. Ken Halsey has ably served the Nebraska State College System as Interim President of Wayne State College; and
Whereas, Dr. Halsey’s family has shared and supported his additional duties as such; and
Whereas, Dr. Halsey has prepared the College for new leadership; and
Whereas, Dr. Halsey has provided strong direction tempered with humor; and
Whereas, Dr. Halsey has initiated and supported campus-wide planning;
Be It Therefore Resolved, that the Board of Trustees of the Nebraska State College System thanks Dr. and Mrs. Ken Halsey for service to the System and to Wayne State College.

Whereas, Dr. Leonard Skov has ably served the Nebraska State College System as Interim President of Peru State College; and
Whereas, Dr. Skov’s service in Peru required a measure of inconvenience to his family; and
Whereas, Dr. Skov has assisted in preparing the College for new leadership; and
Whereas, Dr. Skov has provided strong direction tempered with humor; and
Whereas, Dr. Skov has initiated and supported campus-wide cooperation and optimism;
Be It Therefore Resolved, that the Board of Trustees of the Nebraska State College System issues this statement of thanks to Dr. and Mrs. Skov for service to the System and to Peru State College.

Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Business Affairs Subcommittee—Budget
Jeff Renner, Chair

Campus Recommended Depositories and Signatories
Mr. Renner moved and Ms. Grimes seconded a motion to approve the depositories and signatories as submitted by the State Colleges. Gigstad, Grimes, Kosman, Lewis and Renner; Cady, Hollis and Wetherell voted aye. Lindau abstained. Motion carried.

Distribution of Funds
Mr. Renner moved and Ms. Grimes seconded a motion to approve the following distribution of funds for the 1999-00 fiscal year:

<table>
<thead>
<tr>
<th></th>
<th>CHADRON</th>
<th>PERU</th>
<th>WAYNE</th>
<th>SYSTEM OFFICE*</th>
<th>TOTALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENERAL FUNDS</td>
<td>11,459,968</td>
<td>6,114,942</td>
<td>13,319,284</td>
<td>725,416</td>
<td>31,619,610</td>
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<tr>
<td>CASH FUNDS</td>
<td>4,677,179</td>
<td>2,776,415</td>
<td>7,070,908</td>
<td>0</td>
<td>14,524,502</td>
</tr>
<tr>
<td>SUBTOTAL</td>
<td>16,137,147</td>
<td>8,891,357</td>
<td>20,390,192</td>
<td>725,416</td>
<td>46,144,112</td>
</tr>
<tr>
<td>FEDERAL FUNDS</td>
<td>7,250,000</td>
<td>1,666,090</td>
<td>3,188,000</td>
<td>0</td>
<td>12,104,090</td>
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<tr>
<td>REVOLVING FUNDS</td>
<td>2,084,788</td>
<td>805,359</td>
<td>2,581,400</td>
<td>0</td>
<td>5,471,547</td>
</tr>
<tr>
<td>TOTAL</td>
<td>25,471,935</td>
<td>11,362,806</td>
<td>26,159,592</td>
<td>725,416</td>
<td>63,719,749</td>
</tr>
</tbody>
</table>
Preliminary Operating Budgets
Mr. Renner moved and Ms. Grimes seconded a motion to approve the preliminary 1999-2000 operating budgets as submitted by the System Office and the State Colleges. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Business Affairs Subcommittee--Physical Plant
Fran Grimes, Chair

Capital Construction Appropriations
Ms. Grimes moved and Mr. Lewis seconded a motion to approve the 1999-2000 and 2000-2001 expenditures of capital construction funding as appropriated by the Legislature and approved by the Governor as follows:

<table>
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<tbody>
<tr>
<td>Peru State College</td>
<td></td>
<td></td>
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<tr>
<td>Water System Improvements</td>
<td>$250,000</td>
<td></td>
</tr>
<tr>
<td>Library/Old Gym Planning</td>
<td>$115,400</td>
<td></td>
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<tr>
<td>Wayne State College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ramsey Theater</td>
<td></td>
<td>$772,970</td>
</tr>
</tbody>
</table>

Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Chadron State College, Miller Hall Substantial Completion Inspection Committee
Ms. Grimes moved and Mr. Renner seconded a motion to approve the substantial completion inspection committee for the Chadron State College Miller Hall renovation project as follows:

Fran Grimes, Board Member, Physical Plant Subcommittee Chair
Willa Kosman, Regional Board Member
Donna Nelson, Association Executive Director, Fiscal and Facilities Management, System Office
Steve Hotovy, DAS/State Building Division
Dave Cooper, construction inspector retained by the College
Ed Hoffman, Vice President, Administration and Finance, Chadron State College
Pat Colgate, Dean of the School of Education and Graduate Studies
William Roweton, Psychology Professor
Ann Burk, Coordinator of Computer Services
Joyce Hardy, Acting Senior Vice President for Academic Affairs
Tom Krepel, College President

Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Chadron State College, Maintenance Building Program Statement
Ms. Grimes moved and Mr. Renner seconded a motion to approve the Chadron State College Maintenance Building program statement. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Peru State College, Architectural Services Contract
Ms. Grimes moved and Mr. Lewis seconded a motion to authorize extension of Peru State’s architectural services contracts with Clark Enersen Partners to:

1) Extend the Campus Services Building contract to cover the schematic design, design development, construction documents and construction phases with the fee for those services, including reimbursables, not exceeding $160,000;

2) Extend the architect’s programming contracts to include professional services in updating the Peru State College campus master plan at a fee not to exceed $40,000.

Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Wayne State College, Naming of Studio Arts Building Graphic Arts Studio
Ms. Grimes moved and Mr. Lewis seconded a motion to approve the designation of the Wayne State College Graphics Art Studio in the Studio Arts Building as the Frey Graphic Arts Studio, in recognition of the contributions of Harold R. Frey and his late wife Mae (Langmack). Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Wayne State College, Naming of Studio Arts Building Sculpture Studio
Ms. Grimes moved and Mr. Lewis seconded a motion to approve the designation of the Wayne State College Sculpture Studio in the Studio Arts Building as the Mignery Sculpture Studio, in recognition of the contributions of Herb and Sherry Mignery. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Wayne State College, Recreation Center Floor Replacement
Ms. Grimes moved and Mr. Lewis seconded a motion to approve a contract with the firm of Kiefer Specialty Flooring, Inc. of Zion, Illinois in the amount of $140,257 to replace the sports floor in the Wayne State College Recreation Center. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Peru State College, Sale of Surplus Property
Ms. Grimes moved and Mr. Lewis seconded a motion to authorize Peru State College to waive building appraisal and to sell the Greenhouse (Building #69) to John Patterson, spokesman for the removal of the greenhouse committee, for $1,053 according to Policy 8003 in order to complete disposal of this building in a timely manner. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Peru State College, Nicholas-Pate and Davidson-Palmer Roof Replacement and Delzell Hall Partial Roof Replacement
Ms. Grimes moved and Mr. Lewis seconded a motion to approve a contract with the firm of Weathercraft Company of Lincoln in the amount of $168,395 to replace the roofs on Nicholas-Pat Hall and Davidson-Palmer Hall in the Centennial Complex on the Peru State College campus and to perform a partial roof replacement on Delzell Hall. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Business Affairs Subcommittee—Revenue Bond
Steve Lewis, Chair
Preliminary Revenue Bond Operating Budgets
Mr. Lewis moved and Mr. Renner seconded a motion to approve the preliminary 1999-2000 revenue bond operating budgets as submitted by the State Colleges. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

LB 1100 Bond Documents
Mr. Lewis moved and Mr. Renner seconded a motion to approve the following resolution authorizing the sale of LB 1100 bonds and approving related bond documents. Mr. Bill Beavers and Mr. Lauren Wismer were present to summarize the board documents and answer any questions.

RESOLUTION

I.
BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE NEBRASKA STATE COLLEGES (the "Board") that the Agreement by and between the Board and The Nebraska State Colleges Facilities Corporation ("NSCFC") dated as of such date as shall be determined jointly by the Executive Director and the President of NSCFC with respect to financing the deferred maintenance projects of the Nebraska State Colleges as authorized by Legislative Bill 1100, Ninety-Fifth Legislature, Second Session (the "Deferred Maintenance Project"), in the form attached hereto as Exhibit "A" and made a part hereof by reference, is hereby approved, adopted, ratified and affirmed together with such changes, additions, deletions or modifications as the Chair of the Board, College counsel and bond counsel shall approve as being in the best interests of the Board and the Nebraska State Colleges.

II.
BE IT FURTHER RESOLVED BY THE BOARD that the issuance, sale and delivery by NSCFC of its Series 1999 Bonds (Deferred Maintenance Project) in the principal amount of not to exceed $7,000,000 dated such date as shall be determined jointly by the Executive Director and the President of NSCFC (the ""Bonds""), to provide funds to finance the Deferred Maintenance Project as provided in the Bond Resolution adopted by the Board of Directors of NSCFC dated as of such date as shall be determined jointly by the Executive Director and the President of NSCFC (the "Bond Resolution"), a copy of which is attached hereto as Exhibit "B", the terms of which are hereby approved, adopted, ratified and affirmed together with such changes, additions, deletions or modifications as the Chair of the Board, College counsel and bond counsel shall approve as being in the best interests of the Board and the Nebraska State Colleges. The Executive Director, on behalf of the Board, is hereby authorized and directed to approve the principal
amount of Bonds to be issued and the principal maturities, interest rates, not to exceed six percent (6.00%), and redemption provisions thereof and to take all necessary actions and execute all necessary documents to effect the sale of the Bonds.

III.

BE IT FURTHER RESOLVED BY THE BOARD that the Continuing Disclosure Agreement dated as of such date as shall be determined by the Executive Director between the Board and the Trustee named in the Bond Resolution to satisfy the requirements of Rule 15c2-12 of the Securities and Exchange Commission with respect to the Bonds in the form attached hereto as Exhibit "C" and made a part hereof by reference is hereby approved, adopted, ratified and affirmed together with such changes, additions, deletions or modifications and the Chair of the Board, College counsel and bond counsel shall approve as being in the best interests of the Nebraska State Colleges.

IV.

BE IT FURTHER RESOLVED BY THE BOARD that the Depositary and Disposition Agreement dated as of such date as shall be determined by the Executive Director between the Board and the State of Nebraska acting through the Department of Administrative Services in the form attached hereto as Exhibit "D" and made a part hereof by reference, is hereby approved, adopted, ratified and affirmed together with such changes, additions, deletions or modifications and the Chair of the Board, College counsel and bond counsel shall approve as being in the best interests of the Nebraska State Colleges.

V.

BE IT FURTHER RESOLVED BY THE BOARD that the Executive Director is hereby authorized and directed to approve the sale of the Bonds on behalf of the Board to Ameritas Investment Corp. pursuant to (1) a Bond Purchase Agreement and (2) an Inducement Letter of the Board, each dated as of such date as shall be determined jointly by the Executive Director and the President of NSCFC, in the respective forms presented to the Board as Exhibit "E" and Exhibit "F", respectively, and made a part hereof by reference, which Bond Purchase Agreement and Inducement Letter are hereby adopted, ratified, affirmed and approved, together with such changes or modifications as the Chair of this Board, College counsel and bond counsel shall approve as being in the best interests of the Board and the Nebraska State Colleges. The Executive Director is hereby authorized and directed to approve the principal amount of Bonds to be issued and the maturities, interest rates, not to exceed six percent (6.00%), and redemption provisions thereof and to take all necessary actions and execute all necessary documents to effect the sale of the Bonds.

VI.

BE IT FURTHER RESOLVED BY THE BOARD that the members and officers of this Board and the officials of the Nebraska State Colleges, or any of them, be, and they hereby are, and each of them hereby is, authorized and directed to take any and all action including the execution of all papers, certificates, receipts and documents, they or any of them may deem necessary or desirable to effectuate, in accordance with the terms of the Resolutions pertaining thereto adopted at this meeting, the delivery and payment for the Bonds.

VII.

BE IT FURTHER RESOLVED BY THE BOARD that all actions heretofore taken for or on behalf of, or in the name of the Board, by any of the members or officers thereof or by any officers of the Nebraska State Colleges with respect to the authorization or offering for sale of said Bonds are hereby validated, ratified and confirmed.

Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Wayne State College, Terrace Hall Renovation Design Development Presentation
Mr. Lewis moved and Ms. Grimes seconded a motion to accept the design development documents for the Wayne State College Terrace Hall Renovation Project as developed by the firm of Prohaska & Associates of Omaha, NE; and authorize the college and firm to proceed with preparation of construction documents in anticipation of bidding the project. Mr. Bill Huey and Mr. Steve Riley of Prohaska & Associates presented an overview of the project. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Wayne State College, Use of Surplus Funds
Mr. Lewis moved and Mr. Renner seconded a motion to approve the following resolution authorizing the use of surplus funds for the Terrace Hall renovation project at Wayne State College.

WAYNE STATE COLLEGE
WAYNE, NEBRASKA

RESOLUTION TO WITHDRAW SURPLUS FUNDS
WHEREAS, Section 85-403 of Article 4, Chapter 85, Reissue Revised Statutes of Nebraska, 1943, as amended, provides for the "construction...remodeling...of Dormitories...and buildings and structures for...student and faculty unions or centers" with the cost thereof being financed by the issuance of "revenue bonds payable solely out of their revenue other than funds derived from taxation", and

WHEREAS, Section 85-408 of the same Statutes empowers the Board of Trustees to expend amounts from the Surplus Funds of those bond proceeds for the purposes in connection with renovating the facilities as the Board may determine, and

WHEREAS, Wayne State College and the Board of Trustees have determined that certain renovation is required in the residence halls on that campus to provide for quality, accessible living space for the students, and

WHEREAS, the architectural firm of Prochaska and Associates of Omaha, NE, has developed a Program Statement that provides preliminary design concepts and related projected costs for the renovation of Terrace Hall on the Wayne State College campus, and

WHEREAS, the Coordinating Commission for Postsecondary Commission has reviewed the project documents and proposed expenditure, as required in Section 85-1415, therefore,

BE IT RESOLVED, that the Board of Trustees does authorize Wayne State College to expend up to $1,800,000.00 in Surplus Funds to renovate Terrace Hall, and directs the System Office to seek the required approval of the Executive Board of the Legislative Council for the project and for expenditure of Surplus Funds, as required in Section 85-408 of the Reissue Revised Statutes of Nebraska, 1943, as amended. Subsequent to that approval, the College may commence with the normal procedures to be followed in a renovation project, as contained in Board of Trustees policies and directives.

CERTIFICATE

I, the undersigned, Carrol Krause, being duly appointed Executive Director for the Board of Trustees of the Nebraska State Colleges, hereby certify that the foregoing Resolution was adopted in a regularly called meeting of June 25, 1999.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 25th day of June, 1999.

____________________________________
Carrol Krause, Executive Director

APPROVAL

The foregoing resolution is hereby approved by the Executive Board of the Legislative Council on behalf of the Legislature of the State of Nebraska as provided in Section 85-408.

___________________________________________
George Coordsen, Chairman, Executive Board of the Legislative Council

Date

Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Peru State College, Use of Surplus Funds

Mr. Lewis moved and Ms. Kosman seconded a motion to approve the expenditure of $18,000 from Peru State College Revenue Bond Surplus Funds to retain Bahr, Vermeer and Haecker of Omaha, NE to conduct a campus facilities study of the residence halls on that campus. Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

INFORMATION ITEMS

Nominating Committee Report and Election of 1999-00 Board Officers

The Nominating Committee, consisting of Ms. Lindau, Ms. Grimes and Mr. Lewis, presented the following slate of officers to the Board and moved for their election:

Dr. Al Gigstad, Chair
Mr. Jeff Renner, Vice Chair
Gigstad, Grimes, Kosman, Lewis, Lindau and Renner; Cady, Hollis and Wetherell voted aye. Motion carried.

Presidents' and Student Trustees' Reports

Dr. Halsey, whose term as Interim President will end when Dr. Sheila Stearns arrives on campus July 1, expressed his
appreciation for all the assistance received from the Vice Presidents, Board and System Office during the past year. He reported that the Vice President for Academic Affairs and Vice President for Administration and Finance positions being vacated would be filled from within on an interim basis. He also announced the resignation of Phyllis Conner, Vice President of Development for the Foundation. Wayne State College has also been busy this summer hosting twenty-four separate camps for area students.

Dr. Krepel reported that the average ACT scores of Chadron State College students continue to be above the national average. In addition, both NCATE and the Department of Education reviews have been successfully completed. He reported on several student accomplishments and that the staffing reorganization has been completed with a savings of state funds.

Dr. Johnson reported on his first few days as President of Peru State College, stating that he has received a positive reception and many invitations to speak in the service region. He reviewed some key vacancies that have been filled recently and announced that a Foundation Executive Director has been hired.

Mr. Wetherell reported Wayne State College students are busy with summer classes.

Ms. Cady, on break from Chadron State College for the summer, reported that preliminary plans for several fall activities were developed prior to the break. She also reported that a candlelight vigil was held on campus following the Colorado Columbine High School shooting.

Mr. Hollis welcomed Dr. Johnson on behalf of the Peru State College students. He reported record summer attendance in satellite classes and that the Admissions Office has recently been remodeled.

ADJOURNMENT -- The meeting was adjourned at 2:30 p.m.