

Minutes of the
NIU Board of Trustees
FINANCE, FACILITIES AND OPERATIONS
COMMITTEE MEETING
February 28, 2013

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Robert Boey at 10:48 a.m. in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Sharon Banks-Wilkins conducted a roll call of Trustees. Members present were Trustees John Butler, Anthony Iosco, Robert Marshall, Marc Strauss, Student Trustee Elliot Echols and Chair Boey. Not present were Trustee Wheeler Coleman and Board Chair Cheryl Murer. Also present were Committee Liaison Steven Cunningham, President John Peters and Board General Counsel Jerry Blakemore. With a quorum present, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

Confirmation of Open Meetings Act notification compliance was given by Board General Counsel Jerry Blakemore.

MEETING AGENDA APPROVAL

Chair Boey asked for a motion to approve the agenda. Trustee Strauss made a motion to approve the agenda, seconded by Trustee Iosco. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

It was moved by Trustee Strauss and seconded by Trustee Iosco to approve the minutes of November 8, 2012. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Chair Boey recognized the representatives of the University Advisory Committee, Dr. Alan Rosenbaum and Dr. Gregory Waas.

We have a full agenda today, the Chair said, including items of particular importance to the students and the university community as a whole. Those action items include: recommendations for student fees and room and board rates for the upcoming year that were developed through a collaborative process involving students and staff. These proposed rates and fees reflect the continuing budget challenges the university faces in Fiscal Year 2013-2014 and the concerted effort on the part of everyone involved in the fee process to keep fee increases as low as possible. Other action items on the agenda include fees for distributed learning courses; renewal of the College of Law Academic Excellence Fee, renewal of the Academic Program Enhancement and Instructional Technology Surcharge; eleven spending authorizations, contracts, contract renewals and RFP approvals; a lease renewal; three capital project approvals; three revisions/updates to Board *Regulations* for faculty, administrative and civil service employees benefits; and the naming rights authorization. Today's information items include an update on projects related to campus noninstructional modernization and capacity improvements, a Quarterly Summary Report of Transactions in Excess of \$100,000; and a Periodic Report on Investments.

PUBLIC COMMENT

The Chair asked Board General Counsel Jerry Blakemore if any members of the public had registered a written request to address the Board in accordance with state law and the Board of Trustees Bylaws. Mr. Blakemore noted that no requests had been received to address this Board Committee.

UNIVERSITY RECOMMENDATIONS

Agenda Item 7.a. – Fiscal Year 2014 Student Fee Recommendations

The first item on our agenda is our recommendations for student fees for Fiscal 2014, Dr. Williams said. As a reminder, the process by which we proceed in order to establish student fees. Each of the recommendations today come from a joint committee consisting of students, staff and, in some cases faculty, who review that particular fee area, make evaluations looking at all alternatives and options, and from those deliberations determine the recommendation for fees for the coming fiscal year. Some of these committees are faced with outside contracts that dictate the results of what they must look at for fee increases. These committee recommendations come to my office, my staff does a review, then they are forwarded to the President. The President convenes a meeting with the student leadership of our campus, including our Student Trustee and Acting Vice President of Student Affairs to review those recommendations. The President makes an assessment and then provides recommendations to this Board committee. When we entered the fee committee deliberations this year, the President, again, directed that the fee committees attempt to keep costs down and placed a 3.0 percent target for the overall impact on students.

For students who take the university-provided health insurance, the overall average increase is 2.77 percent, which came in under the President's guideline. Students who do not take the university-provided health insurance may opt out with proof of other health insurance coverage. For those students who have other insurance coverage and decide to opt out of the university-provided health insurance, their increase is at 4.16 percent.

Some areas did not have fee increases. The athletic fee recommendation of 4.5 percent primarily occurs due to the fact that a vast majority of our expense comes in the form of grant-in-aid for our student athletes. All of the fee increases, potential tuition increases, room and board increases, are reflected in those grants-in-aid, which increase on an annual basis, and they are subject to increases outside the athletic area. The bus increase was at 6.0 percent to cover still rising fuel costs. The contract includes provisions that adjust the amount based upon the cost of fuel, and I commend that committee on those negotiations. The health insurance recommendation may seem high at 12.3 percent but, that committee began with the carrier requesting a 22.1 percent increase, and they were able to negotiate a reduced increase of 12.3 percent without the loss of plan coverage. The health service fee has been impacted by an unfunded program mandate. By law we must provide the program, but State funding for those programs has been either reduced or eliminated.

Chair Boey asked for a motion to endorse the FY14 Student Fee Recommendations. Trustee Strauss so moved, seconded by Trustee Butler. The motion was approved.

Agenda Item 7.b. – Fiscal Year 2014 Room and Board Rate Recommendations

Again, Dr. Williams stated, the process for our room and board rate recommendations includes a representative committee of students and staff. They review all the services and needs of the residence system. The recommendations in aggregate add up to a 3.08 percent increase, again meeting the President's directive. For particular individual residence halls, it is a 1.9 percent increase and our board rates are increased 8.3 percent for an aggregate of 3.08 percent. We ask your approval. Our new residence hall and Northern View are not included in these increases because those rates already have been approved by the Board. Chair Boey asked for a motion to endorse the FY14 Room and Board Rate Recommendations. Trustee Strauss so moved seconded by Trustee Iosco. The motion was approved.

Agenda Item 7.c. – Fees for Courses Associated with Degrees and Certificates Offered Through Distributed Learning (Online)

This course fee item was discussed at length in the Academic Affairs, Student Affairs and Personnel Committee meeting earlier this morning, Dr. Williams noted. Because this is a financial matter, the Finance, Facilities and Operations Committee must approve the actual distributed learning fee request. Chair Boey asked for a motion to endorse the Fees for Courses Associated with Degrees and Certificates Offered Through Distributed Learning (Online). Trustee Strauss so moved, seconded by Trustee Coleman. The motion was approved

Agenda Item 7.d. – College of Law Academic Excellence Fee Renewal

The renewal of the College of Law Academic Excellence Fee does include an increase in the actual fee amount. This number was arrived at through consultation with the student groups. Dean Rosato introduced Dan Porter, President of the NIU Student Bar Association (SBA). The Student Bar Association has been a partner with us since 2010. This SBA has been wonderful in shepherding us along, making us accountable and being a wonderful consulting partner in establishing this fee. Chair Boey asked for a motion to endorse the College of Law Academic Excellence Fee Renewal. Trustee Strauss so moved, seconded by Trustee Iosco. The motion was approved.

Agenda Item 7.e. – Housing and Dining Services Cable Television Programming Package

An RFP process was established for the residence hall cable television programming package. This is the final choice from five bids that were received, Dr. Williams said. Chair Boey asked for a motion to endorse the Housing and Dining Services Cable Television Programming Package. Trustee Marshall so moved, seconded by Trustee Strauss. The motion was approved.

Agenda Item 7.f. – Fiscal Year 2014 International Programs Division Expenditures

The International Programs Division expenditure is an annual pass-through item for foreign study program. The budgeted amount has never changed over the years, Dr. Williams remarked. Chair Boey asked for a motion to endorse the FY14 International Programs Division Expenditures. Trustee Strauss so moved, seconded by Trustee Iosco. The motion was approved.

Agenda Item 7.g. – Fiscal Year 2014 NIU Foundation Professional Services Contract

Approval of the Foundation Professional Services Contract is another item that comes before the Board annually, Dr. Williams said. The university contracts with the Foundation for fundraising services and the like in support of the university mission. The contract renewal amount is the same as it was last year. Chair Boey asked for a motion to endorse the FY14 NIU Foundation Professional Services Contract. Trustee Strauss so moved, seconded by Trustee Iosco. The motion was approved.

Agenda Item 7.h. – Fiscal Year 2014 University Outreach Education Centers Catering Services Contract Renewal

This approval of renewal contracts for catering services for our Outreach remote campuses (Naperville, Hoffman Estates and Rockford) was developed through a competitive RFP process, Dr. Williams stated. The vendors will provide meals for breakfast and lunch for clients renting the facilities for events, seminars, meetings, etc. This is the first year of five one-year renewal options. Chair Boey asked for a motion to endorse the FY14 University Outreach Campuses Catering Services Contract Renewal. Trustee Strauss so moved, seconded by Trustee Butler. The motion was approved.

Agenda Item 7.i. – Fiscal Year 2014 Document Services Copier and Controller System Contract Renewal

The university contracts for copy machines used throughout the campus, Dr. Williams said. This is the first year of nine one-year renewal options. Chair Boey asked for a motion to endorse the FY14

Document Services Copier and Controller System Contract Renewal. Trustee Strauss so moved, seconded by Trustee Marshall. The motion was approved.

Agenda Item 7.j. – Fiscal Year 2014 ITS Document Services and Materials Management Copy Paper Contract Renewal

Approval is necessary for the purchase of paper, envelopes and other supplies, as needed, from July 1, 2013 through June 30, 2014 that would be used in the copiers just approved in Agenda Item 7.i. This is the fifth year of a five-year renewal option. Chair Boey asked for a motion to endorse the FY14 ITS Document Services and Materials Management Copy Paper Contract Renewal. Trustee Butler so moved, seconded by Trustee Strauss. The motion was approved.

Agenda Item 7.k. – Fiscal Year 2014 Materials Management Central Stores Commodities Contract Renewal

The commodities contract is used for the purchase of miscellaneous nonfood, food service related commodities such as napkins, disposable plates and carryout containers sold through Materials Management. This is the third year of a five-year renewal option. Chair Boey asked for a motion to endorse the FY15 Materials Management Central Stores Commodities Contract Renewal. Trustee Iosco so moved, seconded by Trustee Strauss. The motion was approved.

Agenda Item 7.l. – Fiscal Year 2014 NIU Outreach Radiation Oncology Physician Services Contract Renewal

The university provides a neutron therapy center at Fermilab that has been ongoing now for several years, Dr. Williams said. This service is an outreach program providing services to those who have various forms of cancer and the program has been very successful over the years. This item requests permission to renew on-site radiation oncology physician services at Fermilab in conjunction with the operation of the neutron center. Chair Boey asked for a motion to endorse the FY14 NIU Outreach Radiation Oncology Physician Services Contract Renewal. Trustee Iosco so moved, seconded by Trustee Strauss. The motion was approved.

Agenda Item 7.m. – Fiscal Year 2014 Student Accident and Sickness Insurance Contract Renewal

The university provides group health insurance, funded by student health insurance fees, to students and their families. The fee for student accident and sickness insurance was approved earlier in the FY14 student fee recommendations. Students may waive their participation in this plan if they have proof of other comparable health insurance. This is the eighth year of nine renewal options. Chair Boey asked for a motion to endorse the FY14 Student Accident and Sickness Insurance Contract Renewal. Trustee Marshall so moved, seconded by Trustee Strauss. The motion was approved.

Agenda Item 7.n. – Fiscal Year 2014 Transportation Services, Physical Plant and Capital Architecture Planning and Safety Motor Fuels

Pursuant to our process in prior years to have a cost-effective transportation program, Dr. Williams stated, we purchase both gasoline and biodiesel fuel on a bulk basis in support of our Transportation operations. The item before you is a result of our RFP process. Bill Finucane has worked very hard and diligently to secure these very competitive prices averaging \$3.37 per gallon for gasoline versus anywhere from \$3.75 to well over \$4.00 at the pump. Chair Boey asked for a motion to endorse the FY14 Transportation Services, Physical Plant and Capital Architecture Planning and Safety Motor Fuels. Trustee Strauss so moved, seconded by Trustee Iosco. The motion was approved.

Agenda Item 7.o. – Zeke Giorgi Law Clinic Lease Renewal

The Zeke Giorgi Law Clinic benefits not only the clients but also our law students, Dr. Williams commented. It is providing a vital service in the Rockford community, and its history and established

record are to be commended. Chair Boey asked for a motion to endorse the Zeke Giorgi Law Clinic Lease Renewal. Trustee Strauss so moved, seconded by Trustee Marshall. The motion was approved.

Agenda Item 7.p. – Electrical Infrastructure Campus Wide Replacement

You probably remember the time the electrical cabling on campus failed, Dr. Williams said, and we brought a piece of it in to show you. The President took that same piece down to Springfield with no impact, but he took it there to show them the types of issues we are facing. We have completed one phase of the improvement program and I have asked Jeff Daurer to give you a quick overview of some of the projects that have taken place and what our future plans are. Mr. Daurer stated that two years ago the Board approved the university's request to replace fifty-year-old electrical infrastructure on campus. We moved quickly to set a temporary generator in place at Swen Parson to make sure our computer room was backed up, Mr. Daurer reported. In the summer of 2012, our teams installed four miles of 4160 volt wire on the oldest sections of campus. Switch gears were replaced in twelve major buildings and permanent generators were installed in two strategic campus locations. Phase II will allow us to replace another 3.5 miles of cabling on the west side of campus, clean and test switch gear in 13 buildings, and replace several emergency high voltage lines.

Chair Boey ask for a motion to endorse the request for Electrical Infrastructure Campus Wide Replacement. Trustee Strauss so moved, seconded by Trustee Marshall. The motion was approved.

Agenda Item 7.q. – Campus Alert System – Upgrade Campus Buildings – Capital Project Approval

We began extension of our campus alert system upgrade for campus buildings several years ago, Dr. Williams said, and are now ready to begin Phase III. These upgrades provide an integrated system that includes the fire alarm system which has a voice enunciator and lighting for the hearing and visually impaired. We ask your approval for this extension. The item includes planning and all of the improvement costs. Chair Boey asked for a motion to endorse the Campus Alert System Upgrade - Campus Buildings - Capital Project Approval. Trustee Strauss so moved, seconded by Trustee Butler. The motion was approved.

Agenda Item 7.r. – Huskie Stadium Sound System and LED Ribbon Board Project

The Board previously approved replacement of the scoreboard in Huskie Stadium, Dr. Williams said. Due to the efforts of our athletic director, there is now an opportunity to enhance that system through the inclusion of an LED ribbon board, which would be placed along the sides of the stadium, and will improve the stadium sound system. Therefore, we would like to incorporate this in the scoreboard project. Chair Boey asked for a motion to endorse the Huskie Stadium Sound System and LED Ribbon Board Project. Trustee Strauss so moved, seconded by Trustee Iosco. The motion was approved.

Agenda Item 7.s. – Revision of Maximum Vacation Accrual Limitation for Nonexempt (Hourly) Civil Service Employees

The next three items are efforts on the part of the institution to make sure that employee benefits are provided evenly so that every employee classification has similar types of benefits, Dr. Williams said. Steve Cunningham is here to discuss these in more detail. This revision sets the maximum vacation accrual limitations available for nonexempt hourly civil service employees, which puts them on the same level of accrual capability as other employees. Chair Boey asked for a motion to endorse the Revision of Maximum Vacation Accrual Limitation for Nonexempt (Hourly) Civil Service Employees. Trustee Marshall so moved, seconded by Trustee Strauss. The motion was approved.

Agenda Item 7.t. – Technical Update – Faculty and Staff Educational Benefit Limitations

The proposed change under II.D.9.(a), provides that the not to exceed limit of two courses is replaced by eight credit hours in the educational benefit limitation, Dr. Williams explained. For three-quarter time employees, the limitation is six credit hours and for half-time employees it is four credit hours. These

changes will make this consistent with the actual practice. Chair Boey asked for a motion to endorse the Technical Update - Faculty and Staff Educational Benefit Limitations. Trustee Iosco so moved, seconded by Trustee Strauss. The motion was approved.

Agenda Item 7.u. – Revision of Vacation Accrual Limitations for Temporary Administrative Professional (SPS) Employees

In this case, Dr. Williams said, the vacation accrual limitation is adjusted for temporary administrative professionals, our Supportive Professional Staff group, so that it is more in line with benefits that other employees receive. Chair Boey asked for a motion to endorse the Revision of Vacation Accrual Limitations for Temporary Administrative Professional (SPS) Employees. Trustee Strauss so moved, seconded by Trustee Iosco. The motion was approved.

Agenda Item 7.v. – Illinois Shared Learning Environment Development Services RFP’s

Northern Illinois University will take the lead in operating this \$9 million grant by issuing subcontracts and administering the grant for DCEO. Chair Boey asked for a motion to endorse the Illinois Shared Learning Environment Development Services RFP’s. Trustee Strauss so moved, seconded by Trustee Butler. The motion was approved..

Agenda Item 7.w. –Naming Rights Authorization

This request would delegate the task of developing policies and procedures that would be applied to the naming of nonfacility areas of the university, such as rooms, classrooms, building wings and floors, theatres and the like, to the President of the university, Dr. Williams said. This would require the President to put forth a system of policies that would allow specific groups of the university to make recommendations regarding the naming of certain areas on campus. Under all circumstances, the naming rights are the prerogative of the Board of Trustees. Chair Boey asked for a motion to endorse the Naming Rights Authorization. Trustee Strauss so moved. Lacking a second, the motion was tabled.

Agenda Item 7.x. – Renewal of Academic Program Enhancement and Instructional Technology Surcharge

The Academic Program Enhancement and Instructional Technology Surcharge fee was established in 2003. The Board of Trustees approved renewal of the fee for an additional five years in 2007. In these ten years, Dr. Williams said, the impact of the fee in terms of technology enhancements has been very positive. The university requests authorization to continue the existing technology surcharge fee. Chair Boey asked for a motion to endorse the Renewal of the Academic Program Enhancement and Instructional Technology Surcharge. Trustee Strauss so moved, seconded by Trustee Iosco. The motion was approved.

UNIVERSITY REPORTS

Agenda Item 8.a. – Projects Related to Campus Noninstructional Modernization and Capacity Improvement – Update on Infrastructure Projects

Agenda Item 8.b. – Quarterly Summary Report of Transactions in Excess of \$100,000

Agenda Item 8.c. – Periodic Report on Investments

Dr. Williams called committee’s attention to the quarterly and periodic informational items included in this report for their review.

NEXT MEETING DATE

The Chair announced that the next meeting date of the committee had not been finalized and would be announced at a later date.

ADJOURNMENT

Chair Boey asked for a motion to adjourn. Trustee Strauss so moved, seconded by Trustee Iosco. The meeting was adjourned at approximately 11:31 a.m.

Respectfully submitted,

Sharon M. Banks-Wilkins
Recording Secretary

In compliance with Illinois Open Meetings Act 5 ILCS 120/1, et seq, a verbatim record of all Northern Illinois University Board of Trustees meetings is maintained by the Board Recording Secretary and is available for review upon request. The minutes contained herein represent a true and accurate summary of the Board proceedings.