

Minutes of the
NIU Board of Trustees
FINANCE, FACILITIES AND OPERATIONS
COMMITTEE MEETING
May 23, 2013

Before I go into the regular program agenda of the Finance, Facilities and Operations Committee, Chair Boey said, I would like to take this time to publicly acknowledge Dr. Eddie Williams, a very important person who over the past four decades has been so influential in making NIU what it is today. I have known Dr. Williams as this committee's staff liaison since 1996, when the Board of Trustees first came into existence. I have had the privilege of working with him as chair of this committee as well as a committee member. Throughout the years, he has provided this committee with exemplary service just as he has the university.

Dr. Eddie Williams is the gentle giant who has guided the university's finance, planning, facilities and operations for more than two decades. He has, without a lot of fanfare, kept NIU's fiscal house in order during prosperity and also during difficult financial times. He has done things to help NIU that the majority of people do not know about it, and he is always ahead of the curve in anticipating trends in finance, making adjustments on the front end so that the impact of things, such as budget cuts do not adversely affect those who work here or the students we serve. Eddie's creativity in the area of finance has made numerous things possible for so many on campus. For example, you need to look no further than the innovative public/private partnerships used to construct the first new residence hall on campus in 40 years. In fact, you do not have to look very far on this campus or our other regional campuses to see the incredible impact he has had on NIU, the green space and beautification, construction of new buildings, renovations of existing structures, and the world-class facilities. This, Eddie, is your legacy.

Dr. Williams, thank you for your service. Thank you for your devotion. Thank you for you being true to NIU. We wish you and Shirley a happy, healthy, lengthy journey in your retirement. Thank you.

Dr. Williams, I was a student in 1978, Trustee Coleman commented. I had an opportunity to meet you back then, and I have to tell you that as a young student looking for a mentor on campus, a positive image, someone that I could look up to, it was great to be able to see somebody who was a part of the administration and adding meaningful value to the institution, that I could be proud of as a student. Now, 35 years later, for me to be able to say I had the honor of working with you as a member of the Board in a different capacity, is truly an honor. I want to thank you for what you have done for this institution, and I want to thank you for being a role model to so many individuals that you have no clue you have positively impacted. Thank you.

We need to always remember is that we are a lifetime of our experiences. Trustee Murer remarked. When we reflect on, you, Dr. Williams, we reflect on the lifetime of your accomplishments, and the lifetime of the impact that you have had on students like Wheeler or people like me, because you lead with your spirituality, which defines who you are. The smile that you always have whenever you greet individuals will be something that will remain in this room whether you are here or not. We thank you.

My colleagues have probably said many of the words, Trustee Marshall commented, so with all reverence, thumbs up for a job well done.

I met Dr. Williams in 1992 when I became the student member of the Board of Regents, Trustee Butler said, and I have enjoyed a long and very positive relationship with him. I have a great deal of respect for you. We worked together along with Dr. Admasu Zike on the Center for Black Studies, the parking garage and the Campus Life Building. Since that time, I left the university, came back and we have worked closely together in this new capacity. Oftentimes, I tell people that you do not know Eddie Williams until you sit in an executive session with him and learn about the very complex and intricate

nuances of a financial issue, and that is when you really see this man work. He has an outstanding mind, and we have been very lucky to have him working with us all these years. The best to you and your family.

Again, Eddie, thank you for all the years that you have been helpful to me personally, Trustee Boey said. You have always been true to NIU, and because you stayed true, we are where we are today. God bless.

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Robert Boey at 10:30 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, Wheeler Coleman, Anthony Iosco, Robert Marshall, Marc Strauss, BOT Chair Cheryl Murer and Chair Boey. Also present were Student Trustee Elliot Echols, 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

Review and approval of the minutes of November 8, 2012 was deferred to the next scheduled meeting.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Today's agenda includes several items that require committee approval, Chair Boey said, among them are: Interim Approval of the Fiscal Year 2014 Internal Operating Budget; Renewal of the Fiscal Year 2014 Solid Waste Removal and Recycling Contract; Approval of an Amendment and an Expenditure Authorization for two University Outreach grants; Permanent Easement; and Contract for University Business Analytics and Data Warehouse License Migration, Implementation, Maintenance Fee Restatement and Extension of Caps. The committee will receive reports including: Update on Summer Improvements, Quarterly Report of Transactions in Excess of \$100,000, Periodic Report on Investments, and Semiannual Progress Report of Active Capital Projects.

Chair Boey recognized University Advisory Committee representative Dr. Gregory Waas.

PUBLIC COMMENT

No one registered a request to address the meeting of this Board Committee in accordance with State law and the Board of Trustees *Bylaws*.

UNIVERSITY RECOMMENDATIONS

Dr. Williams, we first started working together in 1990 when I joined the Chancellor's Office staff, Dr. Cunningham remarked. By then, you already had 20 years of experience in doing these things and

have built a wonderful legacy for this university, its staff and its students. We much appreciate and thank you for the way you have prepared us for the future.

Agenda Item 7.a. – Fiscal Year 2014 Internal Operating Budget Interim Approval

Every year we request interim approval of the internal operating budget. The FY14 budget is really a copy of the FY13 budget. It provides spending authority going into Fiscal Year 2014, until the legislature completes its work and passes a final budget. We will update this budget at the September Board of Trustees meeting.

We will enter FY14 with this interim budget. There will not be any major changes in the budget other than planning for finalization once the legislature completes its work. I have consulted with Dr. Baker about the budget on several occasions and he has numerous thoughts on the process going forward. Dr. Cunningham recognized Mike Mann, the new Assistant Vice President for Budgeting and Finance, who will be assisting the new administration on the budgeting process.

Chair Boey requested a motion to endorse the FY14 Internal Operating Budget Interim approval. Trustee Murer so moved, seconded by Trustee Strauss. The motion was approved.

Agenda Item 7.b. – Fiscal Year 2014 Waste Management and Utilities – Solid Waste Removal and Recycling at NIU DeKalb Contract Renewal

Renewal of the university's contract with Waste Management for solid waste removal and recycling on the DeKalb campus is required, Dr. Cunningham said. This is the fifth year of nine renewals. Chair Boey asked for a motion to endorse the FY14 Waste Management and Utilities-Solid Waste Removal and Recycling at NIU DeKalb Contract Renewal. Trustee Coleman so moved, seconded by Trustee Butler. The motion was approved.

Agenda Item 7.c. – University Outreach – Research Grant Amendment for the Northern Illinois Proton Treatment and Research Center

The University Outreach grant for the Northern Illinois Proton Treatment and Research Center (NIPTRC) is through a grant with Louisiana State University (LSU) to conduct research on long-term particle beam effects on patients. This grant-funded subcontract is being amended to increase the contract with the LSU Agricultural and Mechanical College to continue to perform project research for the Northern Illinois Proton Treatment and Research Center. Chair Boey asked for a motion to endorse the University Outreach-Research Grant Amendment for NIPTRC. Trustee Murer so moved, seconded by Trustee Strauss. The motion was approved.

Agenda Item 7.d. –University Outreach – Illinois Shared Learning Environment Grant Expenditures

The Board approved Phase 1 of the Illinois Shared Learning Environment Grant at its March 21 meeting, Dr. Cunningham stated. Phase 2 will provide expenditure authority for the \$6 million remaining on the grant. The ISLE project leverages IT for learning environments from K-12 forward. Dr. Cunningham recognized Jonathan Firr, the principal investigator on the grant. The grant expenses will be completely funded through the DCEO capital bill award. Chair Boey asked for a motion to endorse the University Outreach-Illinois Shared Learning Environment Grant Expenditures. Trustee Strauss so moved, seconded by Trustee Iosco. The motion was approved.

Agenda Item 7.e. – Permanent Easement

A permanent easement is requested by the city of DeKalb for the roadway entrance into the new police station being constructed on Lincoln Highway, Dr. Cunningham said. This is a small, approximately 300 square foot triangle at the corner of our property at the intersection of Lincoln Highway and Carroll Avenue. Chair Boey asked for a motion to endorse the permanent easement request from the City of

DeKalb for the new police station. Trustee Strauss so moved, seconded by Trustee Iosco. The motion was approved.

Agenda Item 7.f. – Academic Affairs/Finance and Facilities/ITS – University Business Analytics and Data Warehouse License Migration, Implementation, Maintenance Fee

In 1997, Dr. Cunningham explained, the university adopted PeopleSoft as its platform for Enterprise Resource Planning. The Financial and Human Resource Systems were implemented in advance of the Y2K issues. More recently, the Student Administration System was implemented. The Payroll System and a number of other applications are also part of this suite. Periodically, we had to update our licenses and maintenance agreements with PeopleSoft. Oracle acquired the PeopleSoft Corporation around 2005. That was a positive development because Oracle brought with it a much higher threshold of capability with respect to the development of this IT architecture. As of FY14, a number of our licenses are expiring and need to be renewed. Oracle's fiscal year ends as of June 1, so our IT team has been working to negotiate an upgrade or a renegotiation of the licenses and maintenance fees on our current products. This item also sweeps in the latest version of the Oracle Data Warehouse business intelligence software needed to make the information based budgeting decisions, etc. in the future. This item is cosponsored by Provost Alden and the Academic Affairs Division; Wally Czerniak and the Information Technology Services Division; and the Finance and Facilities Division. It is very cross functional, so all of the divisions of the university have to collaborate with systems like this. Dr. Cunningham introduced university members of the team working with Oracle to implement the different aspects of the Enterprise Resource Planning System: Steve Pace from Finance and Facilities, Celeste Latham from Human Resource Services, Nick Choban from Information Technology Services, and Jeff Reynolds from the Academic Affairs Division.

Northern has a very good record in fully implementing Enterprise Resource Planning capabilities, maintaining them, consistently updating, and achieving this with remarkable cost efficiencies compared to many universities.

Of the costs that we would otherwise have accumulated under the current fee structure, even with the new technology, we will save about \$320,000 a year because all of our licenses and maintenance agreements will be bundled together and in the same timeline, and we negotiated caps for the annual renewal. The pricing guarantee ends as of June 1, Dr. Cunningham explained. We are asking your endorsement so that we can seek full Board approval in the Special Board Meeting later today in order to make that deadline.

Chair Boey asked for a motion to endorse the Academic Affairs/Finance and Facilities/ITS – University Business Analytics and Data Warehouse License Migration, Implementation, Maintenance Fee. Trustee Strauss so moved, seconded by Trustee Coleman. The motion was approved.

UNIVERSITY REPORTS

Agenda Item 8.a. – Summer Improvements Update

Dr. Cunningham asked Jeff Daurer, Associate Vice President for Facilities Operations, to give a brief presentation on the summer projects being implemented around campus this summer.

This morning I am going to quickly run through some of the projects we will be pursuing over the summer, Mr. Daurer said. As many of you probably have noticed, we started moving quickly after graduation in mid-August and have made a great deal of progress. Assisting me today is our draftsman, John Moluf, who designed this map layout.

Lighting upgrades are being made in Stevenson Towers as well as the university circle, in the Psych-Math Building, and at the northwest corner of Holmes Student Center replacing older light fixtures with the new Q-tip style campus standard.

There are five major electrical substations on campus. They are not very attractive and they are not mobile, but they are necessary. We are attempting to screen four of those this summer: the stadium, Glidden, Carroll and Lucinda substations. Additionally, as you heard at the February committee meeting, we will be pursuing more high voltage cabling replacement. This summer replacement of some of that 50- and 60-year-old cabling will be at the southeast corner of campus near the science buildings.

Two fountains are being added to campus this summer. People enjoy them aesthetically, they add to our water quality by oxygenating it, which reduces seaweed and other obstructions that would cause drainage problems in a storm.

Landscaping improvements are being made all across campus. Some of the old exterior furnishings will be replaced with the black steel campus standard, seeding will be done in many places, backfilling of ruts, cowpath improvements, generally pruning and replacing of dead trees.

Pedestrian walk path concrete and flatwork is being replaced throughout campus. Stairs are being removed where possible and repoured to include ADA-compliant slopes.

It was a rough winter, and major sections of our roads are going to be replaced this summer. At Stevenson Towers on Stadium Drive West, and on Stadium Drive North next to the Chessick facility, large storm water sewer pipes are being installed, and those roads will be repaved after that pipe work is completed. Now that the renovations at Grant and the new residence hall have been completed, those roads also will be repaved. Additionally, patchwork will be used to fill potholes at the Music Building on the north side, the bus circle drive, Neptune and several other areas.

Bridges and stone repair will be ongoing through the summer. The columns at the Recreation Center have some spalling and they will be repaired. Repairs will also be made to the bridge next to Neptune, between the circle drive and Neptune. Stonework will be done at Davis, Faraday and Swen Parson Halls.

Several roof replacements are also planned for this summer. Three of these projects are Capital Development Board related – the Music Building, Montgomery Hall and Zulauf. One project I am particularly excited about doing this summer, Mr. Daurer said, is using the old slate harvested from Gilbert Hall during its renovation to repair the roof on Neptune North. Since these two buildings are about the same age, the color fading of the tiles from Gilbert should be a match for the Neptune tiles. Also, the Fieldhouse roofing is being replaced and finishing work is being done at the Recreation Center.

The Davis Hall exterior trim is being painted, the residence halls, especially Northern View, are being addressed, and some work will be done at the Television Center.

Building Services will be cleaning windows on most of the campus. They will be pressure washing sidewalks and some of the buildings.

Four major projects should be completed this summer and fall – the campus recreation fields to the west; the Chessick Practice Center; Grant Towers North, D Tower; and Gilbert Hall.

Four major parking lots are being completely redone: Lots 2 and E south of Anderson, and Lots K and L, across from the stadium, and Lot 13 by Montgomery Hall.

A number of these projects will be completed by internal personnel in the Physical Plant and our trades, Mr. Daurer said. They have the opportunity to look at a project and price it to determine whether it can be done competitively internally versus externally. If we have to go external, there are bidding procedures. Capital Development Board (CDB) projects are managed by the CDB in coordination with our staff.

We chose this map for the presentation because (1) everybody can see what projects we are working on and when, and (2) campus leadership will be able to use the map for their event planning throughout the summer. This information is posted on our website at http://www.niu.edu/campus_improvements/maps/2013-Campus_Improvements_Current.pdf and will be updated weekly.

I want to thank the men and women in Finance and Facilities who work so hard on these various projects, Mr. Daurer concluded, and I thank Dr. Williams for helping me to become a servant for the university.

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

Agenda Item 8.c. – Periodic report on Investments

Agenda Item 8.d. – Semiannual Progress Report of Active Capital Projects with a Budget Over \$100,000

Dr. Cunningham called the committee's attention to these required informational periodic reports for their review.

NEXT MEETING DATE

Chair Boey announced that the next meeting of the Finance, Facilities and Operations Committee was scheduled for Thursday, August 29, in DeKalb.

ADJOURNMENT

There being no other matters, Chair Boey asked for a motion to adjourn. Trustee Murer so moved, seconded by Trustee Strauss. The meeting was adjourned at approximately 11:19 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.