

Minutes of a
Special Meeting of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
February 27, 2014

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair John Butler at 1:53 p.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 Robert Boey, Wheeler Coleman, Anthony Iosco, Robert Marshall, Cherilyn Murer, Marc Strauss, Student Trustee Elliot Echols and Chair John Butler. Also present were Board General Counsel Jerry Blakemore and President Douglas Baker. With a quorum present, the meeting proceeded.

VERIFICATION OF APPROPRIATE NOTICE OF PUBLIC MEETING

Confirmation of Open Meetings Act public notice compliance was provided by Board General Counsel Jerry Blakemore.

MEETING AGENDA APPROVAL

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

CHAIR'S COMMENTS/ANNOUNCEMENTS

Chair Butler recognized members of the University Advisory Committee: Alan Rosenbaum, Deborah Haliczner, Andy Small, Greg Waas, Rosita Lopez and Dan Gebo.

I would like to commend President Baker and the new administration for their insightful and creative approach to dealing with some of the challenges that are facing the university, Dr. Rosenbaum commented. The issue before the Board today in which the cost of attendance is dealt with as a single entity, and early enough so that prospective students and their families can make informed decisions about NIU, is a great example of this. I would also like to comment on some of the discussion at this morning's Finance, Facilities and Operations Committee meeting. While I fully endorse the importance of keeping a NIU education affordable, and appreciate that the students have an advocate in the Board of Trustees, as the representative to the Board of Trustees of the employees of NIU, the UAC has a responsibility to make sure that the Board remains mindful of the importance of a strong faculty and employee base to this university. That was notably absent from this morning's discussion. This university is only as good as its faculty. Regardless of how affordable we are, we will not attract and retain students absent a first-rate faculty. Yesterday afternoon, Doris Macdonald presented at the University Council on the upcoming HLC site visit. She noted that there was not a committee chair from the College of Education and then explained that all three faculty members who had participated from the College of Education have accepted jobs elsewhere. Vice President Cunningham is present today indicating that we have had a 40 percent turnover in faculty, and much of that is due to strong middle-career faculty being recruited to jobs at other universities. There is data indicating that the quality of the faculty is the most important consideration of students in selecting a university. We have a crisis, and a significant part of that is we increasingly do not have a competitive salary and benefit package. Faculty are sharing the pain, and that goes double for our lowest paid Operating Staff employees. I appreciate that we do not want to balance the budget on the backs of our students, but would also ask that in those discussions we are also mindful of the fact that we do not want to balance the budget on the backs of our faculty and employees either. We know the President and the Board recognize this, we just ask that it be kept in the discussion when you are debating the necessity of a 0.5 percent per year increase in tuition that does not cover even an increase in the cost of living.

Chair Butler asked the Board members if they had any comments to Dr. Rosenbaum's statements, due to the substantive nature of his comments. Trustee Coleman said that he appreciated Dr. Rosenbaum's statements that also had been expressed in prior meetings of the Board when we have had similar discussions. I simply want to say that we have a crisis here, he said, and it can no longer be business as usual. NIU had an enrollment of 25,000 students ten years ago. We are now down to 19,500 students. Eleven years ago, we had one faculty member per 20 students. Today, we have one faculty member per 15 students. What I was trying to say earlier is that we all have to pay our fair share. We cannot continue to lose students at this rate. We will not be able to give fair wages to our professors and our employees because we will not have the students, which is the primary reason we are here. I am looking at the numbers and the ratios from ten years ago and today. I understand that we are concerned about the salaries of our professors and our employees and making sure they have fair wages, and I am not opposed to that. I want this institution to succeed. But we have to make some tough decisions. At some point we have to look at the expense side of this organization and address it.

I will say only that today we are meeting to perform important university business, Chair Butler remarked. The setting of tuition, student fees and room and board rates, is very important to us. Also, I want to remind my Board colleagues that we are scheduled to convene a public meeting of this Board on Monday, March 3, beginning at 11:00 a.m., where we will meet with the representatives of the Higher Learning Commission evaluation team.

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 Board of Trustees *Bylaws*. Mr. Blakemore stated that no requests had been received.

PRESIDENT'S REPORT NO. 89

Agenda Item 6.a. - Refinancing of Revenue Bonds

The Refinancing of Bonds is for our Naperville Campus, Dr. Baker said, and will save us roughly a million dollars over the course of the refinance. Trustee Strauss moved to approve the item, seconded by Trustee Boey. The motion was approved.

Trustee Strauss made a motion to delegate to the President the authority and responsibility to establish a bond compliance and management policy.

Said policy to provide for guidelines and procedures for the issuance and post-issuance compliance in connection with bond transactions. Such policy to include but not be limited to:

- (1) The designation of a Bond Compliance Officer and Bond Compliance Committee;
- (2) The listing of outstanding bonds, listing of facilities and assets financed, refinanced or reimbursed with bond proceeds;
- (3) Recordkeeping, review and reporting requirements;
- (4) Responsibilities associated with Securities Law Requirements, disclosure requirements, procedures and the maintenance of tax-exempt or tax-advantage statutes;
- (5) Periodic reports to the Board of Trustees on the status of bond projects and activities.

The President is further delegated the authority and responsibility to approve such management policy and implement said policy consistent with this delegation.

Chair Butler asked for a second to the motion to approve the delegation of presidential authority for the bond refinancing. Trustee Boey seconded the motion. The motion was approved.

Agenda Item 6.b. - Tuition, Student Fee, and Room and Board Recommendations

We spent a good deal of time on tuition, fees, room and board recommendations in our meeting earlier today, President Baker said, and I thank you for your conversations there. Trustee Coleman is absolutely correct, we do need to reduce our expenses, and we will work on that diligently in the coming months. However, we are hoping that we can go forward with the changes we suggested earlier to give us time to make purposeful reductions in our expenses. We are requesting a 2.0 percent increase for undergraduate students, a 1.9 percent increase for graduate students and a 0.95 percent increase for law students. There would be a concomitant reduction in room and board rates of 2.7 percent, which would offset one-to-one the increase in tuition for first year students living in residence halls. Chair Butler asked for a motion to approve the proposed Tuition, Student Fee and room and Board Recommendations Trustee Murer moved to approve the motion, seconded by Trustee Strauss. Trustee Coleman requested that a roll call vote be taken. Chair Butler asked for a roll call vote, which was as follows:

Trustee Boey	Yes	Trustee Coleman	No
Trustee Iosco	Yes	Trustee Marshall	Yes
Trustee Murer	Yes	Trustee Strauss	Yes
Student Trustee Echols	No	Chair Butler	Yes

The motion was approved with six voting Yes and two voting No.

EXECUTIVE (CLOSED) SESSION

Chair Butler asked for a motion to close the public meeting to conduct a closed session to discuss the following subjects authorized by the Illinois Open Meetings Act, as amended: Personnel Matters as generally described under §2(c)(1), (2), (3) and (21) of the Open Meetings Act, and Litigation and Risk Management Matters as generally described under §2(c)(11) and (12) of the Open Meetings Act. Trustee Strauss so moved, seconded by Trustee Iosco. A roll call vote of the Trustees to recess to Executive Session was as follows:

Trustee Boey	Yes	Trustee Butler	Yes
Trustee Iosco	Yes	Trustee Marshall	Yes
Trustee Murer	Yes	Trustee Strauss	Yes
Student Trustee Echols	Yes	Chair Butler	Yes

A roll call vote of the Trustees to recess to Executive Session was unanimous.

BOARD OF TRUSTEES MEETING RECONVENED

Chair Butler reconvened the public meeting of the Board of Trustees at approximately 3:24 p.m.

ADJOURNMENT

The Chair entertained a motion to adjourn. Trustee Coleman so moved, seconded by Student Trustee Echols. The meeting was adjourned at approximately 3:25 p.m.

Respectfully submitted,

Sharon 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.