

Minutes of the
NIU Board of Trustees
FINANCE, FACILITIES AND OPERATIONS
COMMITTEE MEETING
August 28, 2014

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Marc Strauss in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Cheryl Ross conducted a roll call of Trustees. Members present were Trustees Robert Marshall, Cherilyn Murer, Robert Boey, John Butler, Marc Strauss, Anthony Iosco, and Student Trustee Paul Julion. Also present were President Douglas Baker, Committee Liaisons Bill Nicklas and Nancy Suttentfield, and Board General Counsel Jerry Blakemore.

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

A motion to approve the agenda was made by Trustee Julion and seconded. The motion was approved.

REVIEW AND APPROVAL OF MINUTES

Trustee Boey made a motion to approve the minutes of the May 29, 2014 Committee meeting. The motion was seconded by Trustee Iosco. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Chair Strauss invited comments from members of the advisory council. Jay Montiero welcomed everyone back for a new academic year and congratulated Student Trustee Paul Julion, saying he will surely be an excellent Trustee. Rebecca Shortridge from the Department of Accountancy introduced herself and had no comments.

Chair Strauss noted that today we have reports from fiscal year '14 which just ended. We're going to try to deal with finalizing our budget for 2015, which we couldn't do until we had some greater data about enrollment and what was going to happen with the state budget. Due to the way that the state maintains the calendar, we're going to start taking a look at fiscal year 2016, which will be in part an exercise in pure fancy, but we're required to submit documentation concerning our plans for the coming year on a schedule that doesn't allow for a very orderly consideration of those items. We have a couple of other action items that are more traditional for the committee for the approval of appropriation for purposes, and we'll get to those in due course. So with this confluence of different budgets, I simply encourage my colleagues to keep your fiscal years straight. This is also a culmination of some of the educational effort that we've undertaken over the last year, where we have in various order considered what our budget process would look like; where we've taken a look at what our capital budget looks like with regard to auxiliary funds, but not with regard to non-auxiliary funds; and we've also had some conversation about what we want to get to regarding a capital budget. So this will be a good opportunity to try to draw together what we've done over the last year and then take a look at these three fiscal years. I think that concludes my remarks and with that I'll turn the microphone over to Nancy Suttentfield for the university recommendations.

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.

UNIVERSITY RECOMMENDATIONS/REPORTS

Agenda Item 7.a. – Fiscal Year 2015 Internal Budget

Nancy Sutfenfield presented the FY 15 operating budget recommendations. I'd like to limit my comments just to some of the key features that I'd like to remind you about that helped guide us to the development of these recommendations, and then I'd like to highlight some of the considerations that were very much on our mind as we put together these recommendations starting at a macro level, a strategic level, and then a fiscal level. Then I'll conclude with a really quick overview of the budget itself so that we can then move on to questions. The first couple of points that I'd like to make is in the lengthy summary in the advanced materials we've traced through the journey thus far towards sustainability. We've traced through the first phase of that journey, but there are a couple of things that I'd like to just touch upon briefly to set the stage. The first one is that the budget that we have in front of the board for approval reflects a new joint oversight approach that is very much focused on sustainability. The elements of the new approach start with the importance of a partnership between the executive vice president and provost who insures an academically responsive approach in putting together a budget. The emphasis there is on sustainability with respect to the mission, sustainability with respect to academic priorities, giving the attention to students that they need to be successful, and importantly, engagement and involvement with our internal governance bodies. The role of the chief financial officer in this new model is one that focuses on fiscal responsibility. That just simply means prudence in all recommendations and decisions that involve the universities budget and finances starting with balanced budgets, but looking at many more issues that lead to sustainability over time. We had talked previously about the importance of having guided principles that are centered on alignment, clarity, transparency of information, and the paramount principle of sustainability. I'd like to just say a few more words about alignment and not a great deal more about the principles because I think the principles are more or less self-evident in the recommendations that you have. When I talk about alignment, I talk about alignment with the core missions of the university; alignment with everything that we're trying to do to assure student's success; in the coming fiscal year the immediate student retention priorities that we have; and, all of the other support obligations that we have to our faculty, staff, and students as well as to the public at large. When I talk about alignment, I also talk about alignment of both our resource allocation recommendations with authority not just responsibility and accountability but alignment of resources to carry out responsibilities and to be properly accountable for results. Alignment also means that now that we have lower baseline revenue because of the trends that we've reviewed and discussed in previous years that we're matching lower baseline expenses against that revenue to get us to a balanced budget. Alignment is very important in all of these respects because alignment contributes to program vitality which drives the revenue for our future and leads to fiscal sustainability. I've talked about the key features that lead to the development of the budget. I'd like to talk about several things that I believe are important considerations to be aware of as you look at the budget itself in just a couple of minutes. At the macro level we've done our best to pay attention to all of the uncertainties and unknowns and the complex interactions between all of those along with what we do know. I've mentioned the fact that we're very much aware that there are potential reductions coming at the state level in the form of our state appropriation, and if in fact we are placed in a situation where as the result of decisions that come from the court we have costs shifted to use associated with the state pension plan, that of course is almost like an appropriation reduction. We know that we're in a very competitive and dynamic landscape with respect to sister institutions in the state of Illinois, with respect to community colleges, with respect to on-line providers of education. Finally, as we touched upon in an earlier presentation about the international pipeline, we're constantly attuned to shifts that are taking place among the pipelines and within the pipelines not only from international sources but in partnerships with community colleges. We're even starting to talk about the opportunities that may exist in adjacent

states. On the revenue side we have many pricing options that we're looking at and other ways to enhance revenue. All of those things were on our mind even though we haven't reflected them in the recommended budget. So that's the macro level. At the strategic level, we've also paid very close attention to our primary responsibilities as leaders of the institution. We have given foremost attention to our students and their education. We're here to help them succeed and our budget reflects their priority. The second responsibility is elimination of any potential for a structural deficit in the current fiscal year to build a solid foundation going forward. We're very much aware of the weakness in our revenue drivers, and we're aware of the pricing constraints that we have in our market and with respect to students and their families and what they are able to pay. We're very much aware of the cost drivers that we have represented by significant commitments that we have to the people that we employ as well as the scholarship aid that we provide. And thirdly, in the realm of strategic, we have done our very best in these budget recommendations to reflect an allocation of resources that go to the highest and best uses with all the competing priorities considered. In the third category of considerations, once we get down to the micro level and we're looking at the fiscal situation itself, we've given our strongest focus on the largest area of expense in our budget and that's the 60 to 70 percent of our budget that is devoted to people. The approach that we've taken is to rely upon attrition versus potentially painful workplace reductions. We've managed our vacancies and our rehire approvals very strategically, and at the same time we've kept some of our powder dry from vacancies that we have not yet authorized for refill. Again, just the point that I made previously, the overall approach in the budget-level decisions that were made was to realign our baseline revenue and our baseline expenses so that we would be in equilibrium. I'd like to turn your attention now to the budget itself which is in your materials. If you have paper copies or on-line copies, those of us at the table here have a table three in front of us which is the summary of the budget. I'll just quickly walk you through what this represents. It's a different presentation than any of us have seen previously as part of our efforts to be much more clear and transparent about the budget information that we all need to understand. Just walking across the top of the page, the columns as well as that first row, you will see information that you've previously seen that identifies projected revenue from each one of our primary revenue sources. Then down the page by row, we have listed in descending order of the size of the allocation from the appropriation and income fund since that revenue source is in fact our source of general operating revenue and is our largest source of income. That is our appropriation from the state and tuition and certain fees that our students pay. If you look at the top of the page you'll see the 233.9 million dollars coming from those sources allocated by division according to the size of the allocation. As you move to the right, at our May meeting, we had an extended discussion about revenue bond facilities and auxiliary operation. So you have two columns side by side. The first column there, the revenue bond facilities, represents the revenue and the expenses that come from the operation of activities in facilities that were originally financed from revenue bonds. Right alongside that column is all of the other auxiliary activities. Most of what you see there represents athletics activities. Twenty-three million dollars is coming in; thirteen million is going out for athletics so that is a very different source of auxiliary income than the revenue bond facilities. Then working our way across the page, what we call local funds represents activities that generate income. That income covers the expenses and often leaves a little balance on the bottom line from those activities; things like our regional centers in Rockford and Naperville as well as conferences that we hold throughout the year where the conference income exceeds the actual expenses. Then we get to the gifts and grants and contracts column where we're reflecting the revenue that we receive from sponsored contracts, which Vice President Rigg reviewed with us earlier, along with other contracts. There are expected deliverables associated with the revenue that comes in for those sponsored projects. They have a finite duration, usually a year sometimes several years, but when the funding expires, the expenses go away. Then of course there's gift revenue that is also dedicated for specific purposes in many cases. Finally, in the two columns that I left as paper copies at the place of every member of the committee at the table, we have listed in order of descending amount the percentage of the total appropriation and income fund that's been allocated out to the different divisions, and then we've done the same thing, the percentage according to their total funds, from all different sources. So that is an overview of the recommended budget for fiscal '15. The budget is in balance based upon what we know at this time and based upon certain assumptions that we've made that are described in greater detail in the advanced materials. It reflects an emphasis on retention; it adheres to our guiding principles; and, it certainly enhances clarity and transportation with the kind of information that we've begun to present with you today. But we know

that to maintain lasting fiscal sustainability/equilibrium, we need to monitor our environment continuously, we need to complete strategic planning, we need clear priorities, and we need to update as the environment changes. So I will stop here with the recommendation and invite questions for either myself or Executive Vice President and Provost Lisa Freeman.

Chair Strauss asked for a motion to approve the FY15 internal budget as represented on tables 1, 2, and 3. Trustee Boey made the motion, and Trustee Murer seconded the motion. There was discussion regarding the item. Trustee Boey asked for clarification regarding the total income of \$426 million and the \$700,000 remaining for contingencies, after expenses. Nancy Suttentfield noted that is correct, but within the other operating expenses managed centrally line includes approximately \$7 million that was recaptured from vacancies that were not authorized to be refilled. Trustee Boey asked if those two figures combined totaled approximately 2% of the operating budget, Nancy Suttentfield responded that's correct.

Trustee Butler reminded the Board that this is dependent on enrollment meeting forecasted levels, and assuming there's no state rescission, or some other budget development, and assuming there's no shift of pension costs and so on; so, based on the best available information today.

Trustee Murer asked if off-site campuses, such as Naperville and Hoffman Estates, are considered in the equation. Are they a positive revenue source because of all the out sourcing that we do in the use of those buildings, or are they still more of an expense line item for facilities for classes? Anne Kaplan noted these sites come close to netting out. Trustee Murer responded, is our objective to be budget neutral so that this revenue then offsets the cost of having these facilities, or is there potential for these venues to actually be a significant, additional revenue source? President Baker said our three branch campuses in Rockford, Naperville, and Hoffman Estates are tremendous opportunities. Currently we're basically breaking even, and we're doing it with a lot of conferencing and group kinds of activities. We're building out into the communities and doing our outreach through those, and doing positive things in the communities, but there's also a capacity to teach at those physical facilities better than we do. In Hoffman Estates, we've got big corporations across the street from us. You know those are real opportunities for us to reach out and try to develop academic programming or certificate programming with them. So we're looking at how we might go ahead and do that. In the past I don't think we've pursued that maybe as aggressively as we're talking about doing now. So as we look at our enrollment goals, there are different niches to look at. One is the traditional 18-24 year old group, another one is adult learners. Adult learners are often time and place bound, and there maybe solutions on-line but there may be physical solutions in those neighborhoods that have lots of people around them or corporations around them. So we are looking at those, and I think it's a real opportunity for us.

Chair Strauss thanked all the people who were involved in getting us to this point. I applaud the effort to get us to full transparency here so adopting budget principles, trying to adhere to those, having a presentation that allows us to see by functional area and line item what we're doing is a great advance over what it is that we were looking at previously. I know that we've had discussions before about getting to a final step in this process which is to be able to fully explain in the normal budget process what happens in that general university expense and pending allocation line item, and hopefully by next year we'll have enough opportunity to finish getting through those things and also be able to consider the capital budget, but this is a great step forward. I'm very appreciative of the effort that went into this. So if there are no other comments, I have a motion and a second, all those in favor? The Trustees voted aye, and the motion was approved.

Agenda Item 7.b. – Fiscal Year 2016 Budget Request Guidelines

Nancy Suttentfield presented the fiscal 2016 budget request guidelines for operations and capital which we are required every year, at this time, to submit to the IBHE. The budget request document, which we submit to the IBHE, kicks off the entire annual budget cycle. In October we will be visiting with members of the IBHE to review the budget situation and our request. From there it moves through the IBHE review process, then on to the governor, and the legislature. The guidelines that we have presented will in fact

be used to develop a budget proposal. Included in the budget guidelines are a set of cost escalation factors for such areas of expense as salaries, utilities, and library materials. At this time we also have the opportunity to make requests to establish or enhance academic programs as well as put additional funds into our deferred maintenance. The guidelines that we are recommending to be used for the submission of our budget request are very similar to guidelines that we've used in previous years. Chair Strauss asked if Table 1 in the item reflects the submission for the 2016 budget to the IBHE, and Nancy Suttentfield confirmed that is correct. A motion made by Trustee Boey was seconded by Trustee Butler, and the motion was approved.

Agenda Item 7.c. – Fiscal Year 2016 Appropriated Capital Budget Request

Vice President Bill Nicklas presented the 2016 appropriated capital request. As Chair Strauss mentioned at the outset of the meeting, we have a number of different budget cycles to address today. This is a type of request that we are obliged to present every year around this time. The IBHE fields a request from member universities, and in this case, our FY16 appropriation requests are to be submitted by October 15th. You'll see in your background that there are two pieces to this; one includes the large capital projects, and as the board is aware, there is no capital appropriation in FY15. Many of the items here are going to look familiar. It is, I should say parenthetically, our intent and the president's intent to do a thorough-going analysis of the condition of all of our major buildings so that we can more scientifically prepare this type of a list going forward. At this point, with the information we have available to us, we're proposing the projects as presented in the spreadsheet on page 48. The other piece is something we call capital renewal projects. You will see a lot of things such as steam tunnel rehab work, roof replacements, and so forth. They add up of course every year. We are hoping to get support for all of these. A motion to approve was made by Trustee Marshall and seconded by Trustee Iosco. Chair Strauss asked if he understands correctly that these priorities are the same as they have been, there are no new items, but the dollar amounts have been adjusted. Bill Nicklas answered that's correct. The motion was approved.

Agenda Item 7.d. – Fiscal Year 2016 Nonappropriated Capital Budget

Nancy Suttentfield presented Item 7d. If you will recall the discussion that we had in May about the non-instructional facilities and the dedicated reserves that are established for reinvestment in those facilities according to state regulations, each one of the projects here is being funded from those reserves. The projects have been identified through a collaborative process with representatives from housing, dining, and athletics participating along with colleagues and facilities. IBHE specifically requires approval of non-instructional capital projects that exceed \$2 million, but there are no projects on this list that exceed that amount. A motion to approve the item was made by Trustee Murer and seconded by Trustee Iosco. A discussion followed. Chair Strauss asked if staff would return for specific project approval for items in this request. Nancy Suttentfield said no, as I understand the process, once you approve this list of projects as a request that goes to IBHE, you have approved this as the capital budget for non-instructional facilities for next year. It's a bit out of sync with our other capital budget. It's something we're going to need to look at as we put together a new capital budget process so that we can look at everything together for the same year.

Chair Strauss said I'm interested in FY16; what do we believe the revenue bond funds generated produce in addition to the reserve? So we got to a number where we knew what the reserve was at a point in time, and we've approved the use of some of those funds, but every year we have some income that's coming in and there's an addition to the reserve. In order to try to keep mental track of this, what I want to see is whether we can get some idea about whether we're reducing further the \$61 million dollar figure or will the figure be larger by the time we get to FY16? Nancy Suttentfield said the \$61 million that we talked about in May was reduced immediately by \$6 million dollars for the two projects that were authorized from that funding source; the demolition of Douglas as well as advanced planning for Holmes and peripheral improvements there. So that brought us down to \$55 million. The reserves have not been touched for capital projects that were not previously approved in the budget. The calculation that I have done was to determine whether or not, with the approval of these projects even within current year

outflows and projected inflows into those reserves, we still remain within the max/min ranges that are prescribed under the state regulations from the Legislative Audit Commission. We're keeping the reserves at the required levels, and as long as we don't spend more than we add every year, we're in good shape. Chair Strauss said I'd like specific information when it's available. Trustee Boey asked what the reserve figure is now. Nancy Suttentfield said the \$60 million was roughly half and half, Build America Bonds proceeds and the other half a combination of reserves and cash balances.

The Trustees continued to discuss the reserve figures. Chair Strauss noted the \$55 million figure includes bond proceeds as well, so when those funds are spent they're not going to replenish. So, the true reserve number is approximately \$30 million dollars for the auxiliary system. Trustee Murer asked for a historical perspective over the last three or four years in terms of what it has been? Have we stabilized? Nancy Suttentfield said yes we can go back and look over the last several years to see what the changes were with the inflows and the outflows in the reserves.

Chair Strauss said just for clarity, I know these are difficult concepts to retain if you don't use them every day. So again, I don't want there to be a misconception, these are the revenue bond reserves. These aren't funds that are generally applicable across campus. What I want to do is avoid the creation of an impression that there is \$30 million dollars available for use for any purposes. It's restricted in terms of its purpose from when those funds were derived, and we have bond covenants that require us to keep on hand a certain amount of money. Trustee Murer said that's a point of great clarification. Are we saying that when you use the word reserve is it all restricted? Nancy Suttentfield said yes. Trustee Murer said are there any other reserves that are non-allocated reserves? Nancy Suttentfield said no, not for facilities. Trustee Murer said what I'm asking now is more of a general question, not just related to facilities. That's where I'd like to see a table if we could. Trustee Butler noted the first question was whether or not the items listed here will come back to the board for individual approval. Chair Strauss responded, the answer as I understand it is no. When we approve this item we are approving the expenditure of these funds within FY16 for these purposes. The Trustees voted aye, and the motion was approved.

Agenda Item 7.e. – ITS Oracle Exalogic Hardware and Software

Brett Coryell presented Item 7e. The software that provides the HR Finance and Student capabilities for the institution is called PeopleSoft. PeopleSoft is sold by a vendor called Oracle, and at the highest level of generalization, the PeopleSoft architecture has three layers. The bottom layer is the database; the top level is a data warehousing capability; and the middle layer is what most people use every day. It provides the web function and the application servers. This layer is eight to ten years old today. Most of the servers have already served two complete duty cycles. The newer ones that are only eight years old are the recycled database servers that we refreshed in 2012; so the equipment is ready for refresh and renewal. After analysis of the different options that we have available, such as using our virtual server capabilities or purchasing an engineered system from Oracle, we've determined the most cost effective solution is to buy the engineered system from Oracle. I'm happy to explain that decision or to answer any questions. A motion to approve was made by Trustee Boey and seconded by Trustee Iosco. Trustee Boey asked why Oracle? Brett Coryell answered; we could buy servers from many different companies. Oracle would be happy to sell of us servers; so would Cisco, Dell, and other vendors, but what we're buying is not a set of servers on which we would install the hardware and software. That capability we can already do today. That would be for our own virtual server or private internal cloud server environment. What we're buying from Oracle instead is an already engineered system. It's a set of hardware that they specially manufacture. It comes with the software already preloaded as well as certain extra templates that we can use to rapidly spin up development, test, or sandbox environments. Essentially the system is already preconfigured to connect to its sister systems at the database layer and the data warehouse layer, and it requires no extra installation from us. So we're buying a total turnkey solution, almost an appliance if you will. Trustee Murer said when this was originally presented to the board 8 or 10 years ago PeopleSoft was presented to us as state-of-the-art. I trust that this new methodology that you're using would also equate to being state-of-the-art or are we just trying to do the best we can from a cost efficiency perspective in matching what we already have, and would there have been something better if you had had that latitude? Brett Coryell said for an IT person that's actually a

very interesting question, and it makes me sort of carve out a fine line of answers. So if you'll permit me I'd like to answer that in two different ways. The first is to say that if we're staying with PeopleSoft, and that's a huge decision right there. The cost and pain and expense and time that would go into switching away from PeopleSoft is a very large effort. If we're staying with PeopleSoft, and this is the state-of-the-art; it's the future direction for Oracle, we've already bought into the same engineered solution at the two other layers. The database layer was already approved and installed several years ago. The data warehouse layer has already been approved, purchased, installed, but is not currently in use right now, but the same type of engineered system is already in place. This is the third component of their forward-looking, future-engineered system platform. So this is absolutely the completion of a long term plan that's well positioned. The flip side of that is that we might consider not staying with Oracle or with PeopleSoft, and in that regard, there are only a few competitor solutions. One is SAP, which I'm sure many of the board members are familiar with. Another is Banner, which is very common in higher education, and their systems are probably about like PeopleSoft. I have been at schools that have done Banner for the student system; SAP for finance. I've been at PeopleSoft schools. They're all roughly the same. We can have preferences but none really substantially ahead of another. There is one other option that we're making the smallest steps towards exploring and that is the person who originally founded PeopleSoft has a new company called Workday. And Workday is getting some traction. We've had a few meetings. We have a few more coming up in the next couple of weeks to see whether or not a sort of high-risk, high-reward move away from PeopleSoft would be warranted. It's going to take us tens of person years and probably a million dollars of cost to really revitalize all of our current business processes inside of PeopleSoft. So I'd like to spend a hundred hours talking to the Workday vendor before we go down that road. In that respect, I think there probably is a more modern offering out there. It would of course be less mature, but it would be more state-of-the-art.

Chair Strauss said if we were to move in that direction the time table for that would take us beyond the expected useful life of what it is that you're proposing, correct? Brett Coryell said, yes, in the best case, we could begin in a year or two, but we wouldn't finish migrating HR, finance, and student until at least five years from now, which would be the expected life of this purchase. Trustee Marshall asked if there is a lifespan on this. Brett Coryell said yes, I would expect it to last four or five years. The Trustees voted aye, and the motion was approved.

Agenda Item 7.f. – Grant Central Core – Roof Replacement Capital Project Approval

Bill Nicklas said this item comes from the operations division to this agenda, but it came to the operations division with a blinking red light from Housing and Dining Services. We're talking about the central core roof at Grant Hall. The current roof reached its useful life several years ago. It is a traditional, 3-ply, built-up roof, three layers of felt, mopped with asphalt in between, but it has an unconventional top layer to it. It's a membrane of about an inch in thickness that was applied in three-foot by six-foot sections. Because it's so thick, it could not be applied in large rolls. Then it was sheet-mopped on top as a protection against projectiles that seemed to regularly find their way out of windows in the residence hall. It's been generally successful in repelling those; although a 4x4 a couple of years ago penetrated the roof and almost the deck underneath. In any case, what makes this so urgent is that the seams between all the sections on this 59,000 square foot roof are beginning to separate and the plies below have separated in many places. The result is that, as we have seen particularly in recent weeks from recent torrential downpours, we have water pouring in at a rate and in so many different areas, it's just impossible to contain it in buckets and other ways. So, this very important common area in the central core is practically uninhabitable when there is a threat or the actuality of rain. And so we come to you with an urgent recommendation for approval. It is a substantial cost at \$812,000. Now what's proposed is to put on another built-up roof. We could look at a roof that would have a shorter life such as a single membrane, though we'd probably have to put a protective membrane on that as well. That might have a 15-year life to it. What is a disadvantage for the board, and also for us at this point, is that because we have just begun the process of assessing the future uses of many of our major buildings on campus and the many questions that go with that, we're not at a point today to say whether this should be a 15-year or a 20-year or a 30-year roof. We come to you with what is conventional and we feel, as we go to bid, will probably be a competitively priced type of roof. Trustee Boey made a motion to approve Item 7.f,

and the motion was seconded by Trustee Iosco. Trustee Boey said I understand roofing problems a little bit, and I certainly want to get this done now before the whole thing starts to collapse. Trustee Butler asked if this is the entire amount for the project; this will get a roof finished on Grant? Bill Nicklas said just the central core, not the tower. The trustees voted aye, and the motion carried.

Agenda Item 7.g. – Montgomery Hall and Psychology Building Animal Facility Renovation

Bill Nicklas said this also is an item of urgency. The Montgomery Hall and Psych building are facilities where animal studies and experiments are conducted on a regular basis. We have, in this case, a need for a new mechanical and HVAC system. We do not have any reliable humidity control or temperature control in these facilities, and we haven't for a long time. We are now at the point where we no longer comply with regulations and standards that are set by the Association for the Assessment and Accreditation of Laboratory Animal Care International, and it's important to have this work done in order for us to be able to continue to conduct these experiments. So we recommend this to the board. A motion to approve the item was made by Trustee Murer and seconded by Trustee Iosco. The motion was approved.

OTHER MATTERS

None.

NEXT MEETING DATE

The next meeting of the FFOC will be November 6, 2014 at 1:30p.m.

ADJOURNMENT

A motion to adjourn was made and seconded, and the meeting was adjourned.

Respectfully submitted,

Cheryl Ross
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.