



BOARD OF TRUSTEES

Finance, Audit, Compliance, Facilities and Operations Committee

August 16, 2018

A G E N D A

**NIU Board of Trustees
FINANCE, AUDIT, COMPLIANCE, FACILITIES AND OPERATIONS COMMITTEE
9:10 a.m. – Thursday – August 16, 2018
Board of Trustees Room
315 Altgeld Hall**



1. Call to Order and Roll Call
2. Verification of Quorum and Appropriate Notification of Public Meeting
3. Meeting Agenda Approval *Action*.....i
4. Review and Approval of Minutes of: May 10, 2018 *Action*.....1
June 14, 2018 *Action*.....9
5. Chair's Comments/Announcements
6. Public Comment*
7. University Recommendations
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9. Other Matters
10. Next Meeting Date
11. Adjournment

*Individuals wishing to make an appearance before the Board should consult the [*Bylaws of the Board of Trustees of Northern Illinois University, Article II, Section 4 – Appearances before the Board.*](#) Appearance request forms will be available in the Board Room the day of the meeting. For more information contact Chelsea Duis, (cfrost1@niu.edu) Recording Secretary to the Board of Trustees, Altgeld Hall 300, DeKalb, IL 60115, 815-753-1273.

Anyone needing special accommodations to participate in the NIU Board of Trustees meetings should contact Chelsea Duis at (815)753-1273, as soon as possible.

Minutes of the
NIU Board of Trustees
FINANCE, AUDIT, COMPLIANCE, FACILITIES AND OPERATIONS
COMMITTEE MEETING
May 10, 2018

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 10:16 a.m. by Committee Chair Tim Struthers in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Vicky Rippberger conducted a roll call of the trustees. Members present were Trustee Dennis Barsema, Trustee Veronica Herrero, Trustee Giuseppe LaGioia, Trustee Eric Wasowicz, and Committee Chair Tim Struthers. Members absent were Trustee John Butler and Board Chair Wheeler Coleman. Also present were Acting President Lisa Freeman, Committee Liaison Sarah McGill, Acting Vice President and Provost Chris McCord, Deputy General Counsel Greg Brady, and Board Liaison Matt Streb.

VERIFICATION OF QUORUM AND APPROPRIATE NOTICE OF PUBLIC MEETING

General Counsel Greg Brady indicated the appropriate notification of the meeting has been provided pursuant to the Illinois Open Meetings Act. Mr. Brady also advised that a quorum was present.

MEETING AGENDA APPROVAL

Chair Struthers explained that the order of the agenda for this meeting is slightly different than in the past indicating the importance to present the Quarterly Financial Summary and the Internal Budget Reports at the start of the agenda in order to provide context for items that follow.

A motion to approve the agenda was made by Trustee Dennis Barsema; seconded by Trustee Veronica Herrero. All were in favor. The motion carried.

REVIEW AND APPROVAL OF MINUTES

A motion to approve the minutes of the February 15, 2018 meeting was made by Trustee Giuseppe LaGioia; seconded by Trustee Eric Wasowicz. All were in favor. None were opposed. The motion carried.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Chair Struthers offered comments regarding the financial statements. The 2017 audit indicated that NIU lost \$30M. This significant amount was fueled largely by the state appropriation received being \$34M below the "targeted expectation". This follows a larger operating loss in 2016 of \$46M. These operating results have created a 'fragile' balance sheet. As of June 30, 2017, NIU reported only \$11M of net working capital. Equity in the institution is \$194M with total liabilities of \$436M resulting in substantially more debt than equity funding of our asset base. Based on internal reports, 2018 is looking better than 2017, mostly related to the \$48M more in state appropriations. The current draft of the 2019 budget is showing a deficit of \$5M. In short, given the recent operating losses, budget shortfall, and fragile balance sheet, there needs to be structural reform in the operating model for sustainability.

Chair Struthers also shared a brief update of the 2010 bond issue. Chapman and Cutler was engaged to conduct a review of the proposed use of the 2010 Build America Bonds to advance the renovation of the Holmes Student Center. After review of appropriate documentation including the act, the bond resolution, and the notification of sale; the official statement; the tax certificate; and the undertaking in their work, Chapman and Cutler determined that the renovation is a permissible project under the act. It was noted that the fact that the University did not spend at least 85% of the Build America Bond proceeds within three years of the date the bonds were issued does not adversely affect the status of the bonds, and no notice to or consent of the bond holders is required to expand the bond proceeds on the renovation of the Holmes Student Center. The full report is available on the Administration and Finance website.

PUBLIC COMMENT

General Counsel Greg Brady indicated that there was one request for public comment.

Derek Van Buer spoke regarding the use of bonds and the reserve funds as noted in the May 29, 2014 presentation by the interim CFO at that time.

UNIVERSITY FINANCIAL UPDATE

Information Item 7.a. – Quarterly Financial Summary

Sarah McGill explained this report is still a work in progress and will continue to be refined. Overall, NIU is in a positive position relative to the budget for FY18. Although revenue is down as compared to the third quarter of FY17, NIU has continued to maintain an aggressive stance on expense control. Ms. McGill noted that the state is ahead in the timing of reimbursements to NIU; however, tuition and fees are down due to the mix and level of student enrollment. It is anticipated that NIU will end the year in a position slightly better than budget.

There were no questions or discussion.

Information Item 7.b. – Fiscal Year 2019 Internal Budget

Sarah McGill began by pointing out that the state has gone 700 days without a budget stating that NIU is making progress to reestablish financial equilibrium. This will include establishing best practices and processes in support of longer term budgeting with identified and sustained revenue and expense levels. At this time, the University is putting forth a preliminary budget for FY19, projecting a gap of \$5.1M between projected revenues and expenses. The gap is attributed to increased costs of debt servicing in support of housing and dining operations, decreased revenue related to expected changes in enrollment, a commitment of University funds to capital projects and deferred maintenance, and the FY18 salary increment program. As the FY19 budget process began, there was a gap of approximately \$20M. Divisions across the University identified opportunities for increasing revenue and decreasing expenses. In order to further close the gap, NIU is looking at the final amount from the state appropriation, updated enrollment projections, fundraising support from the Foundation, as well as potential funding from the state in support of capital projects and deferred maintenance. A balanced budget will be presented to the Board at the June meeting.

A brief discussion ensued regarding the increase on the expense side between FY18 and FY19. This is due to an increase in capital projects and deferred maintenance as this has been the first thing to go in previous years. The expense increase is also due to the amount of debt servicing in support of some of the auxiliary operations mainly related to housing and dining.

UNIVERSITY RECOMMENDATIONS/REPORTS

Action Item 8.a. – Mass Transportation Inter-Governmental Agreement Approval

Sarah McGill explained that NIU, as a member of the DeKalb/Sycamore Area Transportation Study planning organization, has been participating in the development of a strategy to transform mass transportation support for the community. Through this study it was determined that transportation needs of the University and local community would be best provided under a consolidated operation with the City of DeKalb. To facilitate this, an inter-governmental agreement between the University and the City of DeKalb is required.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Eric Wasowicz; seconded by Trustee Dennis Barsema.

Chair Struthers mentioned that NIU currently spends approximately \$4M per year on transportation. This new arrangement will cost \$3M per year and will provide a more efficient level of service.

Trustee Wasowicz asked who was representing the University along with the city. Ms. McGill answered, John Heckmann.

All were in favor. None were opposed. The motion carried.

Action Item 8.b. – Fiscal Year 2019 Campus Busing System Contract Extension

Sarah McGill indicated that the current campus busing contract ends June 30, 2018. This contract will need to be extended until December 31, 2018 to provide transportation until the January, 2019 start of the inter-governmental agreement that was just approved.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Eric Wasowicz; seconded by Trustee Veronica Herrero.

A question was raised if this contract could be further extended if the inter-governmental agreement is not finalized by January 1, 2019. John Heckmann confirmed he will remain on top of this.

All were in favor. None were opposed. The motion carried.

Action Item 8.c. – Fiscal Year 2019 Intercollegiate Athletics Secondary Student Health Insurance Contract Renewal

Sarah McGill explained the need for annual Intercollegiate Athletics Secondary Student Health Insurance. The cost of this insurance is approximately \$315,000.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Veronica Herrero; seconded by Trustee Eric Wasowicz.

A discussion ensued suggesting the possibility of NIU pooling this risk with other universities. Ms. McGill will follow up to see if there have been discussions with other universities.

All were in favor. None were opposed. The motion carried.

Action Item 8.d. – Fiscal Year 2019 Intercollegiate Athletics Air Charter Services for Football Team

Sarah McGill indicated the need to purchase air travel for NIU's football team for the academic year 2019 season. The approval amount being requested is \$400,000.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Veronica Herrero; seconded by Trustee Dennis Barsema.

All were in favor. None were opposed. The motion carried.

Action Item 8.e. – Fiscal Year 2019-2021 DoIT Renewal of Onbase Software Maintenance

Sarah McGill explained the need to renew the Onbase Software Maintenance agreement for one year with two additional one-year renewal options. The three one-year renewals will achieve a \$31,677 savings over the contract term as compared to single-year pricing. The amount being requested is for the total amount of the contract, \$431,000.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Dennis Barsema; seconded by Trustee Veronica Herrero.

A question was raised about the actual savings. Ms. McGill responded, by approving the three-year contract NIU won't receive the normal increases of a year-by-year contract. Questions were also raised, and clarification provided, surrounding the satisfaction and actual use of Onbase. Matt Parks explained that Onbase has grown on campus over the past couple of years and has proven to be very useful to almost 25 departments. There is room for growth, and there is an Onbase team that will work with departments to determine how Onbase can serve their business needs. Onbase will further optimize NIU's paper/printing reduction efforts. Acting President Freeman added how she has personally seen Onbase used and its growth on campus.

All were in favor. None were opposed. The motion carried.

Action Item 8.f. – Fiscal Year 2019-2021 DoIT Blackboard Software License

Sarah McGill indicated the need to purchase Blackboard Inc. Lean Suite, which includes Learn, Community System, Content System, and Collaborate for a three-year term. This is a virtual learning environment and course management system. This technology is used by approximately 8,500 faculty and students across campus.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Veronica Herrero; seconded by Trustee Dennis Barsema.

A discussion ensued as to the quality of this product and if the University has looked elsewhere for this technology. Matt Parks explained that Blackboard has the market share so they are dominant, although there are two others, Moodle and Canvas. Blackboard does get heavily used around campus, second only to the Microsoft 365 portfolio. There's a large stakeholder group that would need to be put together across the academic areas of campus if there was a desire to make a move from Blackboard. This would take a couple of years to accomplish. Further clarification was provided regarding the pricing of Blackboard. Mr. Parks explained that Blackboard will be moving to the SAS environment, which will be a cost savings to the University. The cost for the three-year contract was negotiated down as compared to what the cost would have been year-by-year. Acting President Freeman pointed out the need for training and the associated costs involved if NIU were to make a change.

Trustee Wasowicz expressed his concern with Blackboard's dominance in the market and perceived lack of innovation driving the product to be marginal. He understands there are better solutions available and more economical but Blackboard's deep "hooks" into existing University operations makes it difficult to change. He is hopeful NIU would look at other options well ahead of the next contract renewal.

A roll call was performed. Trustee Dennis Barsema, Trustee Veronica Herrero, Trustee Giuseppe LaGioia, and Committee Chair Tim Struthers all voted yes. Trustee Eric Wasowicz was opposed. The motion carried.

Action Item 8.g. – DoIT Network Access and Security Refresh and Upgrade

Sarah McGill indicated the need to purchase Cisco network and security equipment to modernize NIU's enterprise campus network to position NIU to respond to today's needs and future requirements. The University will be entering into a three-year lease agreement with annual payments of \$537,000. An additional \$60,000 will go towards funding power upgrades to be executed by NIU's physical plant. The total amount being requested is \$1,670,000.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Veronica Herrero; seconded by Trustee Dennis Barsema.

A discussion ensued about the entire network infrastructure. Matt Parks explained, there are many access layers within the campus buildings that have been in service for several years. These are failing, making it difficult to engage with applications, whether it be on the premises or in the cloud, to access information and are beyond vendor support. This project will touch approximately 40 buildings on campus that have these legacy switches and will be prioritized by age.

All were in favor. None were opposed. The motion carried.

Action Item 8.h. – DoIT Wireless Network Expansion and Upgrade – Phase 2

Sarah McGill explained this is the second year of a multi-year effort to improve mobile Wi-Fi access adding approximately 650 access points on campus. This will ensure complete coverage and data capacity for buildings throughout the campus. This request is for \$425,000 to move forward with Phase 2 work.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Veronica Herrero; seconded by Giuseppe LaGioia.

A discussion clarifying the different phases and priorities took place. Matt Parks explained there were five buildings in Phase 1. There are 11 buildings in Phase 2. There are approximately 65 buildings that will be involved in this project. The prioritization of the buildings went through an iterative process.

All were in favor. None were opposed. The motion carried.

Action Item 8.i. – Fiscal Year 2019 NIU Foundation Professional Services Contract

Sarah McGill indicated the need to renew the NIU Foundation Professional Services Contract. The NIU Foundation is an independent organization and operates to support the mission of Northern Illinois University through fundraising, asset management, and related support activities. The contract renewal amount is \$743,600 for FY19. The reason for the increase from FY18 is due to properly allocating costs to where they should be allocated.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Eric Wasowicz; seconded by Trustee Veronica Herrero.

A roll call vote was performed. Trustee Veronica Herrero, Trustee Giuseppe LaGioia, Trustee Eric Wasowicz, and Committee Chair Tim Struthers voted yes. Trustee Dennis Barsema abstained. The motion carried.

Information Item 9.a. – Holmes Student Center Bookstore Agreement

Sarah McGill mentioned that there was a written update included in the materials. She and Provost McCord provided a PowerPoint presentation on campus operations and NIU strategies to become more self-sufficient in the revenue category. The presentation focused on increasing financial and operational

strength on campus by providing facilities, operations, and services that are adaptable to the evolving demands of our environment, being always mindful of enhancing NIU's competitive edge in recruiting and engaging students, faculty, and staff. Detailed information was shared regarding the Holmes Student Center, specifically NIU's bookstore, which will be owned and run by Follett Bookstores. The Founders Memorial Library was also presented including information to unveil 71 North in the lower level and the Discover Campus Innovator Program. Additionally, Provost McCord discussed the opportunity to bring ESports to the center of campus. Conference and event management and the marketing and management of University facilities was also mentioned in the presentation, and opportunities to best utilize these facilities will be further explored as well as space prioritization and management across the entire campus.

Conversations ensued recognizing the early success of Caribou Coffee & Einstein Bagels in the Founders Memorial Library and the anticipation of bringing ESports to campus. Positive comments were made about the decision to bring Follett Bookstore to campus.

Additionally, Trustee Barsema expressed concern about the current bookstore employees. Ms. McGill assured him that there has been a very deliberate and intentional effort by both Student Affairs and Human Resources to place or assist the thirteen bookstore employees.

Information Item 9.b. – Facilities Update

John Heckmann presented an update on facilities focusing on the center of campus, reiterating the success of the coffee and bagel shop as well as Discover that will be coming soon to the Founders Memorial Library. The Stevens Building is slowly being occupied with just a few details that still need attention. Neptune is approximately 50% complete, and the opportunity to bring air conditioning to this complex is being explored. The timeline for the Holmes Student Center was also presented.

A question was asked about cleaning the outside of Holmes, possibly power washing. There will be improvements to entrances but there may be things that can be done outside of this project to spruce up the outside.

Additionally, Trustee Barsema commented that he has heard nothing but great things about the food service on campus, and there's a really good buzz over what Holmes is going to look like.

Information Item 9.c. – Semi-Annual Progress Report of Active Capital Projects

Sarah McGill clarified that the name of the source previously shown on the Founders Library Café as Bond Operating Funds and Bond Revenue Reserves was misleading and has been changed to reflect a more accurate description, Auxiliary Operating Funds and Auxiliary Reserves.

Information Item 9.d. – Periodic Report on Investments

Information Item 9.e. – Quarterly Summary Report of Transactions in Excess of \$100,000

OTHER MATTERS

No other matters were discussed.

NEXT MEETING DATE

The next meeting of the Finance, Audit, Compliance, Facilities and Operations Committee will be August 16, 2018.

ADJOURNMENT

A motion to adjourn was made to adjourn by Trustee Dennis Barsema; seconded by Trustee Eric Wasowicz. The motion carried.

Meeting adjourned at 12:01 p.m.

Respectfully submitted,

Vicky Rippberger
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.

Minutes of the
NIU Board of Trustees
FINANCE, AUDIT, COMPLIANCE, FACILITIES AND OPERATIONS
COMMITTEE MEETING
June 14, 2018

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 8:23 a.m. by Committee Chair Tim Struthers in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Cathy Craddock conducted a roll call of the trustees. Members present were Trustee Dennis Barsema, Trustee John Butler, Trustee Wheeler Coleman, Trustee Eric Wasowicz, and Committee Chair Tim Struthers. Members absent were Trustee Veronica Herrero and Trustee Giuseppe LaGioia. Also present were Acting President Lisa Freeman, Committee Liaison Sarah McGill, Acting Vice President and Provost Chris McCord, Deputy General Counsel Greg Brady, and Board Liaison Matt Streb.

VERIFICATION OF QUORUM AND APPROPRIATE NOTICE OF PUBLIC MEETING

General Counsel Greg Brady indicated the appropriate notification of the meeting has been provided pursuant to the Illinois Open Meetings Act. At Mr. Brady's request, the Recording Secretary read off the roll call to ensure a quorum was present.

MEETING AGENDA APPROVAL

A motion to approve the agenda was made by Trustee Wheeler Coleman; seconded by Trustee Dennis Barsema. All were in favor. The motion carried.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Chair Struthers recognized the UAC committee members.

Barb Andree commented on the presentation that was given at the Monthly Leadership meeting thanking senior leadership for taking the time to listen and implement changes that show a clear understanding of top concerns for constituents.

PUBLIC COMMENT

General Counsel Brady indicated that there was no request for public comment.

UNIVERSITY RECOMMENDATIONS/REPORTS

Action Item 6.a. – Marketing and Support for Undergraduate Recruitment

Sarah McGill indicated the Division of Enrollment Management, Marketing & Communications (EMMC) is seeking proposals for a third party service provider who specializes in student search fulfillment and recruitment communication in order to expand the University's outreach efforts to prospective freshmen. This contract will not exceed \$3.75M over five years, or \$750,000 per year.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Dennis Barsema; seconded by Trustee John Butler.

A discussion followed focusing on the materiality of the expense and understanding that we are confident in the ability to achieve a break-even yield of new students. The committee members shared that there was extensive review of this item with the staff. The committee asked for follow up results with key measures as the program is executed to validate the appropriateness of this investment.

All were in favor. None were opposed. The motion carried.

Action Item 6.b. – Differential Tuition for Master of Science and Certificate of Graduate Study in Data Analytics

Sarah McGill indicated the request to charge a differential tuition rate of \$400 per credit hour for a new program offering a Master of Science and Certificate of Graduate Study in Data Analytics. This program is anticipated to begin in January, 2019, and this request is seeking approval for the differential tuition to also begin at that time.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee John Butler; seconded by Trustee Wheeler Coleman.

A brief discussion followed.

All were in favor. None were opposed. The motion carried.

Action Item 6.c. – FY19 Internal Budget

Sarah McGill explained that the University annually seeks the Board of Trustees approval of the internal budget for the next fiscal year. The University will receive a state appropriation of \$83.6 million in fiscal year 2019 and is now bringing a balanced internal budget of approximately \$425 million dollars to the Board for approval. The \$5M gap that was presented in May has been closed by a combination of the increased state appropriation, implementation of fund-raising targets, and finalizing divisional targets and action plans.

Ms. McGill read the following recommendation for consideration by the committee:

The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 14, 2018.

A motion was made by Trustee Wheeler Coleman; seconded by Trustee John Butler.

The committee discussed the state appropriation amount and confidence in the number. The amount received was a two-percent increase over what was received in FY18, however, this amount was less than the amount requested. Acting President Freeman recognized State Relations Liaison Matt Streb, Acting Executive Vice President and Provost Chris McCord, and Vice President and CFO Sarah McGill and made further comment stating there was a bipartisan interest in helping higher education recover from the challenges over the last few years.

Additional comments were made by the committee chair and co-chair thanking everyone across campus for their part in closing the budget gap after already making budget cuts. There was further discussion on the need to hold, and grow revenue, and become more efficient. The budget results on revenue and expenses will be monitored closely.

All were in favor. None were opposed. The motion carried.

Information Item 7.a. – FY17 External Audit Corrective Action Plans Update

Sarah McGill explained there is a written update provided that addresses the findings as well as the corrective action plans from the FY17 financial audit and compliance examination. The full report is available at the Illinois Auditor General website. In summary, there were 14 material findings, which is two above FY16. Ms. McGill stated while disappointed with these findings, she, Acting President Freeman, and Acting Provost McCord take these very seriously and are committed to implementing corrective actions in a timely manner.

Chair Struthers was pleased to see the University's transparency, but pointed out that NIU has gone backwards. Acknowledging that there has been significant turnover in key positions, which make things more challenging, he was thankful that this has risen to a much higher level of focus.

Ms. McGill transitioned to a discussion on the financial results specifically between July 1, 2016, and June 30, 2017. She explained that these results reflect a critical moment in time just prior to the end of the 700-day state budget impasse.

Shyree Sanan, Acting Associate Vice President for Finance and Treasury, presented the FY17 audit financial statements for the University (did not include NIU Foundation, Alumni Association, or the Research Foundation). The University received an unqualified opinion from Clifton Larson Allen, which is the best possible outcome one can receive. Ms. Sanan reviewed the University balance sheet and income statement as well as the working capital and outstanding debt obligations. She also offered information about the difference between generally accepted accounting principles (GAAP), which is the basis of the audited financial statements, versus budget results, which are prepared on a cash basis. Revenues declined by a total of \$17 million, and operating expenses increased by \$11 million due in part to the uncontrollable increases in pension and health insurance costs, which are offset by the state on behalf of appropriation reported under non-operating revenue activities. Overall, the University's controllable operating expenses actually decreased by \$8.9 million due to program prioritization and other expense reduction initiatives.

Sarah McGill reiterated, NIU's reporting process is a work in progress that is continually being refined. The differences between generally accepted accounting principles GAAP and budget can be attributed to a handful of items. While most corporations manage their operations on a modified GAAP basis, very few higher education institutions budget on a GAAP basis. In the next year, NIU is committed to completing this analysis of GAAP versus budget and applying those findings in FY18 and beyond.

Trustees thanked Sarah and Shyree as well as the rest of the team for the efforts that went into this reporting. Chair Struthers specifically reinforced that the recognition of the appropriation for FY18 in the current fiscal year will provide a significant improvement in our income statement and balance sheet. There is still a lot of ground to make up from previous years, and NIU's resources remain very, very thin. He also pointed out that the State of Illinois is funding \$179 million for fringe benefits and pension obligations and such should be considered when reviewing our financial results. Acting President also offered thanks to all those involved in the preparation of this report.

OTHER MATTERS

No other matters were discussed.

NEXT MEETING DATE

The next meeting of the Finance, Audit, Compliance, Facilities and Operations Committee will be Thursday, August 16, 2018

ADJOURNMENT

A motion to adjourn was made by Trustee Eric Wasowicz; seconded by Trustee Wheeler Coleman. The motion carried.

The meeting adjourned at 9:05 a.m.

Respectfully submitted,

Cathy Craddock/Vicky Rippberger
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.

FISCAL YEAR 2020 BUDGET REQUEST

Summary: Each year, at this time, staff seeks the Board’s approval of budget request guidelines or the overall level of state funding requested for the upcoming fiscal year. This total request amount is recognized as the University’s budget request throughout the budget development process. Staff uses the request figure when developing the University’s detailed budget request and other budgetary reporting materials for the Illinois Board of Higher Education and the Illinois General Assembly. This year, during the Fiscal Year 2020 budget development process, the State’s fiscal condition and a number of additional trending issues are likely to play a factor in the outcome of the University’s final budget for next year.

For Fiscal Year 2020, NIU requests a budget funding level of \$91,031,896, plus \$2,535,900 for the University’s academic program priority requests, or PPRs, for a total of \$93,567,796.

Background: In Fiscal Year 2019, the University submitted a Board approved budget request of \$93,628,600 to the Illinois Board of Higher Education. That request reflected an overall return to the revised Fiscal Year 2015 funding level of \$91,092,700, plus \$2,535,900 for the University’s academic program priority requests, or PPRs.

During the past several years, state General Funds appropriations provided to Northern Illinois University have varied greatly and declined significantly. The aggregate funding level during the past five years reflects a state funding deficit of \$81.4 million when compared to a flat-funding scenario at the Fiscal Year 2015 level of support.

<u>State General Funds</u>	<u>State Funding Shortfall Compared to FY15</u>
FY2015: \$91.1 million	
FY2016: \$26.4 million	(\$64.7 million)
FY2017: \$91.1 million	
FY2018: \$81.9 million	(\$9.2 million)
FY2019: \$83.6 million	<u>(\$7.5 million)</u>
	(\$81.4 million)

The Fiscal Year 2020 state budget request presented for the Board’s consideration reflects the University’s commitment to and advocacy for the students, faculty, and staff at NIU. Similar to last year’s request, the \$93.5 million request attempts to secure a more adequate level of state funding support which responsibly supports the University’s mission. The recommended budget request seeks funding for operational support and academic program priorities; details of this request are provided on the following page.

Fiscal Year 2020 Budget Request

1. TOTAL BUDGET REQUEST: \$93,567,796

A. OPERATIONS/BASE FUNDING REQUEST: \$91,031,896

FY19/Current Year Support:	\$83,623,200
3% General Cost Increase:	\$ 2,508,696
Student support/Institutional Aid	\$ 3,100,000
Support for Repairs & Maintenance	<u>\$ 1,800,000</u>
SUBTOTAL	\$91,031,896

B. ACADEMIC PROGRAM PRIORITY REQUESTS: \$2,535,900

To continue programmatic efforts to enhance and strengthen academic commitments in education in conjunction with the Program Prioritization Initiative the following have been identified as the top priorities:

- \$764,200: Data Sciences. To support increasing enrollments and number of degrees awarded in existing degree programs related to data sciences including programs in operations management and information systems, computer science, statistics, engineering, and educational research and evaluation. Also will expand vision of what data sciences encompasses at NIU by bringing in data utilization and applications in areas such as humanities and social sciences as well as business, natural sciences, and engineering. Further, will support the exploration of the integration of these aspects of data sciences through the potential development of an interdisciplinary graduate program in data sciences.
- \$554,900: Nursing. To provide the resources needed to increase enrollments and the numbers of degrees awarded in nursing, which would contribute to the key work force needs in the State of Illinois.
- \$613,800: Health Information Management. To support the development of a new degree program that exists at the intersection of information science, computer science, and health care. A Health Information Management degree will provide undergraduates and graduates with the skills needed to enter high demand health fields dealing with the acquisition, storage, retrieval, and use of information related to health and health services.
- \$603,000: Expanding Offerings of Industrial & Systems Engineering and Mechanical Engineering Programs with Pathways with Community Colleges in the State of IL. To support these priority programs, specifically with a 2 + 2 pathway from local community colleges. The proposed expanded programs will provide an opportunity to attain skills to qualify them for high-skill jobs in different sectors including advanced manufacturing, health care, distribution/logistics, and financial sector jobs.

SUBTOTAL: \$2,535,900

In addition to state funding support, the University will also seek reforms that impact University resources but are considered non-budgetary in nature. Staff will work with the IBHE, the Governor's Office, legislators, and other institutions to seek relief from unfunded mandates and burdensome regulations and requirements related to procurement and civil service. In short, more flexibility is needed in order to adapt and thrive in today's environment.

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on September 13, 2018.

FISCAL YEAR 2020 IBHE CAPITAL BUDGET REQUEST

Summary: The Illinois Board of Higher Education (IBHE) Capital Budget Request is submitted in the fall prior to the budget year in order to meet IBHE and state capital project review and approval submission schedules. The Capital Budget Request consists of two principal categories of projects requesting state funding support. Ten capital projects, totaling approximately \$484M, and 44 capital renewal projects totaling approximately \$95M, are proposed for submission in the attached priorities.

Background: Requests for state funding support include regular capital projects which represent major investments for new construction and major renovation; and capital renewal projects which lists major repairs and system improvement projects with estimated budgets in excess of \$100,000. While changes in priority for regular capital projects may affect the current standing of these projects within the integrated IBHE project listing, capital renewal projects do not have this restriction and have been prioritized to generally conform to current developments with the multi-year major repair investment plan. Table 15 is an excerpt from the FY19 IBHE budget recommendation showing the integrated priorities of capital projects. NIU's first four capital projects are listed as priorities 2, 13, 18, and 27.

From the FY19 State budget legislation, the University's first priority capital project, Health Informatics & Technology Center, received planning authorization for \$3.09M. Additionally, the University received authorization for \$6.8M of capital renewal investments which corresponds to the University's top priority on the FY19 renewal submission supporting the Phase I Boiler Replacement project. How the Governor's Office of Management and Budget (GOMB) manages any shortfall between the capital budget appropriations and bond authorizations will determine how much and when funding may be received for these identified projects.

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on September 13, 2018.

SUMMARY OF BUDGET YEAR CAPITAL IMPROVEMENT REQUESTS
LISTED IN PRIORITY ORDER
NORTHERN ILLINOIS UNIVERSITY

FISCAL YEAR 2020 (VALUES TO BE ADJUSTED FOR INFLATION PRIOR TO SUBMITTING TO IBHE)
CAPITAL REQUEST

(IN THOUSANDS OF DOLLARS)

UNIVERSITY PRIORITY	PROJECT DESCRIPTION/BUDGET CATEGORY	TOTAL ESTIMATED PROJECT COST
<u>Regular Capital Projects</u>		
<u>1</u>	<u>Health Informatics & Technology Center</u>	<u>\$ 80,811</u>
	(Planning)	7,079
	(Building)	66,481
	(Equipment)	7,251
<u>2</u>	<u>Wirtz Hall Renovation</u>	<u>\$ 28,123</u>
	(Planning)	2,671
	(Remodeling & Rehabilitation)	25,453
<u>3</u>	<u>Roadway Reconfiguration & Repair</u>	<u>\$ 8,024</u>
<u>4</u>	<u>Davis Hall Renovation</u>	<u>\$ 49,476</u>
	(Planning)	4,498
	(Remodeling & Rehabilitation)	41,306
	(Equipment)	3,673
<u>5</u>	<u>Adams Hall Renovation</u>	<u>\$ 57,377</u>
	(Planning)	1,171
	(Building)	56,206
<u>6</u>	<u>McMurry Hall Renovation</u>	<u>\$ 46,766</u>
	(Planning)	4,883
	(Building)	41,884
<u>7</u>	<u>Williston Hall Renovation</u>	<u>\$ 107,017</u>
	(Planning)	17,087
	(Building)	89,931
<u>8</u>	<u>Academic Buildings HVAC & Window Replacement</u>	<u>\$ 24,924</u>
<u>9</u>	<u>East Chiller Plant - Chiller Capacity Expansion</u>	<u>\$ 27,700</u>
	(Planning)	5,000
	(Building)	22,700
<u>10</u>	<u>Still Hall and Still Gym Renovation</u>	<u>\$ 54,265</u>
	(Planning)	8,664
	(Building)	45,600
TOTAL, REGULAR CAPITAL PROJECTS		\$ 484,484

SUMMARY OF BUDGET YEAR CAPITAL IMPROVEMENT REQUESTS
LISTED IN PRIORITY ORDER
NORTHERN ILLINOIS UNIVERSITY

FISCAL YEAR 2020 (VALUES TO BE ADJUSTED FOR INFLATION PRIOR TO SUBMITTING TO IBHE)
CAPITAL REQUEST

(IN THOUSANDS OF DOLLARS)

UNIVERSITY PRIORITY	PROJECT DESCRIPTION/BUDGET CATEGORY	TOTAL ESTIMATED PROJECT COST
	<u>Capital Renewal Projects</u>	
R1	Critical Structural Steam Tunnel Distribution Repairs	\$ 5,500
R2	Critical Electrical Infrastructure Improvements Phase IV	\$ 3,550
R3	Academic Building Roof Failures	\$ 5,000
R4	Academic Building Structural Failures	\$ 6,500
R5	Campus Wide Boiler Replacement - Phase II	\$ 12,000
R6	LaTourette Hall - Control Valve Replacement	\$ 2,000
R7	Monat Building Roof Replacement	\$ 357
R8	Davis Hall Parapet Restoration	\$ 1,791
R9	McMurry Stone Repair	\$ 1,638
R10	Founders Library Exterior Maintenance	\$ 402
R11	Williston Hall - Exterior Stair Reconstruction	\$ 102
R12	Campus Telephone System Modernization	\$ 3,500
R13	Primary Data Center Environmental Improvements	\$ 750
R14	NIU Naperville Parking Lot Repairs	\$ 2,394
R15	Broadcast Center Roof Replacement	\$ 279
R16	ADA Upgrades	\$ 3,596
R17	Replace Water Main Central Campus	\$ 1,274
R18	Asbestos Floor Tile Abatement	\$ 1,051
R19	Elevator Rehabilitation	\$ 5,200
R20	DeKalb Campus Building Automation System Upgrades	\$ 1,210
R21	Zulauf Hall Masonry Joint Repair / Tuck-pointing	\$ 2,608
R22	Campus Wide Boiler Replacement - Phase III	\$ 5,000
R23	Davis Hall Observatory Upgrade	\$ 891
R24	DeKalb Campus Sewer Main Repairs	\$ 900
R25	Building Services West Sewer Main Repairs	\$ 512
R26	La Tourette Hall - Water Infiltration	\$ 2,095
R27	NIU Rockford - Various Repairs	\$ 341
R28	Broadcast Center Elevator - Water Infiltration Repairs	\$ 303
R29	Human Resources - Window Repairs	\$ 407
R30	NIU Rockford Parking Lot Repairs	\$ 2,364
R31	Storm Water Management & Pond Maintenance	\$ 204
R32	DeKalb Campus Sidewalk & Street Repairs	\$ 597
R33	DeKalb Campus - Multiple Buildings - Low Slope Roofs	\$ 402
R34	NIU Wellness & Literacy Building Roof Replacement	\$ 1,312
R35	NIU Wellness & Literacy Parking Lot Repairs	\$ 1,970
R36	LED Street/Walkway Light Fixtures	\$ 456
R37	Lorado Taft Health & Safety	\$ 3,461
R38	Modern Collaboratory Classroom Conversions	\$ 3,952
R39	Simulation Labs	\$ 3,688
R40	East Heating Plant Masonry Repairs	\$ 1,696
R41	General Revenue Buildings - Painting	\$ 447
R42	DeKalb Campus - Exterior Door Replacement - Multiple Buildings	\$ 348
R43	East Chiller Plant - Various Repairs	\$ 369
R44	Altgeld Hall - Various Repairs	\$ 3,127
	TOTAL, CAPITAL RENEWAL PROJECTS	\$ 95,544

Table 15
ILLINOIS BOARD OF HIGHER EDUCATION
HIGHER EDUCATION CAPITAL IMPROVEMENT PROVISIONAL PRIORITY LIST
FY2019 RECOMMENDATION

I.	Institution		Project	Budget Category	FY2019 IBHE Recommendation	Total Project Cost*
	Statewide (non-add figure)	Public Universities and IMSA				
			Capital Renewal - Public Universities, ICCB & IMSA	Repair/Renovate	\$ 327,178.2	\$ 353,309.2
			<i>Capital Renewal</i>	<i>Repair/Renovate/Remodel</i>	<i>8,050.0</i>	<i>8,050.0</i>
1	Northeastern Illinois University	Education Building		Equipment	10,050.0	10,050.0
2	Northern Illinois University	Computer Science, Health Informatics, & Technology Center ¹		Construction/Equipment	78,023.4	80,810.8
3	Southern Illinois University Carbondale	Communications Building		Planning/Renovate/Addition	76,901.9	81,157.3
4	Western Illinois University	Science Building, Phase I		Planning/Construction	92,500.0	92,500.0
5	Southern Illinois University Edwardsville	Health Sciences Building		Planning	9,170.0	102,870.0
6	Illinois Mathematics and Science Academy	Replace Heating & Cooling Equipment		Remodeling	3,425.0	3,425.0
7	Eastern Illinois University	New Science Building		Planning/Construction	117,027.6	117,027.6
8	Illinois State University	Milner Library Rehabilitation		Addition/Construction	86,944.0	86,944.0
9	University of Illinois at Springfield	Brookers Library		Remodel/Renovate	58,200.0	58,200.0
10	University of Illinois at Urbana-Champaign	Main Library		Remodel/Renovate	54,050.0	54,050.0
11	Northeastern Illinois University	Carrubers Center for Inner City Studies		Remodeling	20,671.0	20,671.0
12	University of Illinois at Chicago	Advanced Pharmaceutical & Innovation Institute		Renovation/Construction	150,000.0	200,000.0
13	Northern Illinois University	Wirtz Hall Renovation		Planning/Remodeling	28,123.4	28,123.4
14	Chicago State University	Nursing Lab (Simulated Hospital)		Renovation	15,375.0	15,375.0
15	Governors State University	Innovation Center		Planning	4,019.0	47,265.0
16	Illinois Mathematics and Science Academy	Residence Halls - Phase II, Interior Renovations, Part A		Renovate	2,089.0	23,000.0
17	Eastern Illinois University	Rehabilitate Life Science/Coleman HVAC & Plumbing, Escalator ²		Rehabilitation	2,209.4	6,966.5
18	Northern Illinois University	Campus Roadway Repair		Repairs	8,024.3	8,024.3
19	Eastern Illinois University	Fire Alarm Upgrades		Rehabilitation	4,105.9	4,105.9
20	University of Illinois at Urbana-Champaign	Math/Statistics/ Data Science Collaborative Facility		Renovate	43,000.0	90,000.0
21	Chicago State University	Library Exterior Repair (Water Infiltration)		Repairs	5,047.0	5,397.0
22	Western Illinois University	Science Building, Phase II		Planning/Construction	60,000.0	60,000.0
23	Governors State University	University Library		Planning	3,295.0	38,755.0
24	Southern Illinois University Edwardsville	Alton Dental Consolidation		Planning	8,190.0	87,950.0
25	Illinois State University	Memmonite College of Nursing		Planning/Construction	29,773.0	29,773.0
26	Northeastern Illinois University	Science Building Modernization		Planning	8,400.0	134,020.0
27	Northern Illinois University	Davis Hall Renovation		Planning	4,497.7	49,476.5
28	University of Illinois at Urbana-Champaign	School of Art and Design Thinking and Learning Addition		Planning/Construction	64,860.0	85,140.0
29	Chicago State University	JDC Pool/Bldg HVAC Upgrade		Renovation	6,785.0	6,785.0
30	Illinois Mathematics and Science Academy	Residence Halls - Phase II, Interior Renovations, Part B		Renovate	1,566.0	See # 16
			Public University & IMSA, Subtotal		\$ 1,391,550.8	\$ 1,989,221.5

* In some cases, IBHE capital recommendations are partial project funding for initial phases such as planning and land acquisition. Total project cost reflects the full cost of project completion including construction, renovation, utilities and equipment. These costs exclude prior year state appropriations and non-state funds.

¹ Planning funds were included in the FY2010 Illinois Jobs Now! program for these projects but funding was never released.

² The EDU HVAC project received \$4.8 million in the FY2010 Illinois Jobs Now! program. This request is to recognize the inflation needs for the project from the original request date.

Narrative on Priority Rationale – Capital Projects

1. Health Informatics & Technology Center

The University is requesting funding for a new Health Informatics & Technology Center. In the last decade the demand for college graduates with expertise in health-based technology fields has increased exponentially. The new facility will offer students a unique learning environment combining the best of a time-honored college education driven by a focus on advancing health technology. The center will have extensive infrastructure to accommodate a broad range of equipment necessary to develop a nationally competitive program with potential for industry and professional certification programs, custom health informatics learning labs, and single classes for corporations and individuals. Experience using “cutting edge” technology in a well-planned, well equipped facility will prepare students to compete and succeed in the intense technologically complex world of the future.

2. Wirtz Hall Renovation

Constructed in 1964, this building houses the College of Health & Human Sciences. This project will provide improvements for programmatic spaces and building efficiency. The need for an upgraded and remodeled building is substantiated by the dramatic changes in the type of physical facilities needed by a modern college to support new learning outcomes and increase interaction with the health community. Plans will focus on the consolidation of key functions of the college operations to provide collaborative classrooms, specialized laboratories with current industry technology integration, and faculty/administrative spaces that facilitate student interaction and interdisciplinary faculty relationships.

3. Roadway Reconfiguration & Repair

Many roadways serving the NIU campus were constructed and are owned by the University. The majority of the road construction coincided with the building surge in the 1950s and 1960s, though much of the east campus road construction pre-dates that period. During the 1970s and 1980s several campus roadways were resurfaced, however, the only significant reconstruction projects that have been completed in recent years focused on the western portion of the campus. Deterioration of east campus streets has progressed to the point that maintenance efforts can no longer keep up with the disintegration on a localized basis. In addition to normal freeze/thaw damage, repairs due to construction projects (underground utility replacement, etc.) have led to a patchwork of street surfaces with seams that allows water to penetrate and add to the deterioration. The additional burden of heavier mass transit traffic on University streets has accelerated the breakdown, particularly at bus stop locations.

4. Davis Hall Renovation

This Gothic style building was built in 1942 and constructed with steel, steel reinforced concrete, and then sheathed with Joliet Limestone. Davis Hall was constructed as the institutions first Science Building and now houses the Geology (Geology and Environmental Geosciences) and Geography departments.

Other than the installation of a telescope in 1965 and air conditioning systems in 1975, no other major renovations have occurred to Davis Hall over the last 76+ years. The building still utilizes the original fused electrical panels. Available power is completely inadequate for modern lab requirements. Davis’ mechanical systems are inefficient, inadequate, and antiquated. The flat roof sections are failing and 2 sides of the building need major repairs to the stonework including overall tuck pointing. In order to continue to be of functional value, the building requires a number of comprehensive infrastructure updates. Existing fume hoods are not able to satisfactorily accommodate the needs of the instruction and research assigned to Davis. There is no elevator

service to the 6th and 7th floors. Restroom locations are not compliant with today's code requirements.

5. Adams Hall Renovation

Originally a woman's dormitory, Adams Hall which opened in 1949 was built with Joliet marble shaped in collegiate Gothic style for the exterior of the building. In 1967 the building was converted into a general revenue administration building. Since the space within Adams Hall was originally designed to accommodate a dormitory, the current use of the building for administrative functions is not compatible with the historical configuration. Currently the building houses faculty and student services operations and requires modernization to achieve an optimal working environment for these operations.

Other than the initial conversion from dormitory use, no other major renovations have occurred over the last 51 years. Available power is inadequate to meet modern technology demands. Mechanical systems are inefficient and antiquated. The existing building supply fan is original to the building and does not provide modern capabilities to temper outside air and reduce humidity levels within the building. This, and the need to provide major repairs to the existing masonry structure and tuck pointing have caused significant problems with the University's ability to control the indoor air quality. High humidity levels in the building within the summer months have created optimal conditions for mold and mildew growth.

6. McMurry Hall Renovation

This Georgian style building was constructed in 1911 and is the second oldest building at Northern Illinois University. McMurry was originally used as a practice school for the education curriculum and eventually converted into classrooms and offices. It currently houses the College of Health and Human Sciences.

Other than the installation of a new roof in 2002, no other major renovations have occurred to McMurry Hall over the last 100+ years. Available power is completely inadequate for modern technology and classroom requirements. McMurry Hall still utilizes window unit air conditioning systems and the various other mechanical systems are inefficient, inadequate, and antiquated. The building was constructed of brick and limestone which requires repairs to address deterioration and water intrusion concerns. Space within McMurry Hall is configured for the building's original use in 1911 and requires updating to accommodate the needs of the College and modern student working environments.

7. Williston Hall Renovation

Williston Hall opened in 1915 and was originally built as a woman's dormitory. Converted to administrative office space in 1969, the building has had no other major renovations over the last 49 years. Available power is inadequate to meet modern technology demands. Mechanical systems are inefficient and antiquated. Repairs are required to the existing masonry structure to address water intrusion and general deterioration. To provide a healthy and attractive work environment for the faculty, staff, and students that occupy the building for various student support services, the University seeks to preform major renovations on Williston Hall to address space functionality of the building and the overall building structure and systems.

8. Academic Buildings HVAC & Window Replacement

Several buildings on campus are experiencing problems with air ventilation systems due to the age of the equipment. Three buildings of primary concern are Reavis, Watson, and Montgomery Halls. Both Reavis and Watson Halls are classroom/faculty office buildings with identical HVAC systems that are 35 years old and can be described as forced dual duct systems (one heat duct/one cooling

duct) with units mounted in walls controlling the room temperature. Difficulty keeping constant temperature-humidity and airflow has surfaced in both buildings during the last two years stemming from not only the age of the equipment, but also the inaccessibility for maintenance purposes. Recessed wall units are completely sealed behind masonry walls leaving no openings for repair of internal parts. This project would remove and replace the recessed wall units, dampers, and temperature controls.

The objective of the Montgomery Hall portion of the project is to convert ventilation systems serving laboratory, office, and classroom areas from existing constant velocity dual duct to variable air volume (VAV). Major portions of trunk and branch duct work will be redesigned and replaced. Some fume hoods would be replaced while all hoods would be retrofitted with monitor controls, sash sensors, alarms, and air flow valves. All building controls would be updated. Asbestos abatement in some areas will also be necessary.

The second part of the project is the replacement of windows throughout Montgomery Hall, Faraday Hall, and the Psych/Math Building. The existing windows date back to the original construction of the buildings, well over thirty years ago. They are generally of a single pane variety and very inefficient in their ability to conserve heat in the winter months and cool air during summer. Current window systems will be installed that are considerably more energy efficient, which will complement the University's efforts at energy efficiency and conservation.

9. East Chiller Plant - Chiller Capacity Expansion

The East Chiller Plant, which was constructed in 2010, currently supplies a portion of the east side of Northern Illinois University's campus with air conditioning through the University's chilled water system. The building was constructed in a way to allow for future expansion as the University grows and expands its current chilled water loop. There are currently four chillers in operation at the facility. During peak load times, the current chillers reach their capacity. There are currently four bays within the facility, two of which have been reserved for future expansion. The expansion will provide an economical air conditioning alternative to the existing outdated, costly to maintain and operate, stand-alone HVAC systems in proximity to the chilled water loop.

This project seeks to provide and install two additional cooling tower cells and all associated piping and equipment within the two empty tower bays to tie into the existing chilled water loop and condensing loop. Ultimately, the addition of this equipment would provide NIU's east campus the ability to connect the remaining buildings (Neptune, Still Hall, Still Gym, McMurray Hall, Anderson Hall, Engineering Building, Barsema Hall, and connection at Watson Creek bridge) to west campus. Additional related mechanical work to support the expansion would include additional power and plumbing and upgrade of sanitary system to accommodate condenser water during blow down.

10. Still Hall and Still Gym Renovation

The Still Hall and Gym were built in 1928 and were converted into office and classroom space in 1964. No other major renovations have occurred in the buildings over the last 54 years. Available power is inadequate to meet modern technology demands. Mechanical, electrical and plumbing systems are inefficient and antiquated. The need to provide major repairs to the existing masonry structure and tuck pointing have caused significant concerns for water intrusion and structural deterioration as the exterior walls are deflecting outward. This project seeks to update the building structure and its mechanical, electrical, and plumbing systems to better meet the needs of modern-day students.

Narrative on Priority Rationale – Capital Renewal Projects

R1. Critical Structural Steam Tunnel Distribution Repairs

Following a recent condition assessment of the existing steam distribution system, various tunnels have been identified as being at significant risk of collapse and disrupting steam support for the campus. The 46 year-old tunnels have had significant deterioration from concrete spalling which is compromising the structural integrity. An unexpected collapse would impact steam distribution and present a significant safety risk to maintenance mechanics operating in the tunnel and pedestrians that may be near the tunnel area as high pressure steam releases. Indications of steam distribution line failure are evident at two locations near Cole Hall and under Gabel Hall. Additionally, a specific vulnerability exists with the single main steam/condensate distribution connection between the east and west portions of the campus which crosses a creek via a pedestrian bridge. Crossing over the Watson Creek, the bridge structurally supports the important high pressure main steam piping and is a major pedestrian link for students and staff between the East and West halves of the NIU Campus. This bridge has been in service for 38 years and its condition has deteriorated from age and harsh weather conditions. This places a significant risk on the supported lines and will cause a loss of heating support to half of the campus.

R2. Critical Electrical Infrastructure Improvements Phase IV

The existing electrical infrastructure on main campus was constructed in the 1960s and components of the system are beyond life expectancy and not repairable. Improvements have systematically been addressed over the past years as funding could be made available, but a final phase is required to address remaining 50+ year-old transformers, switch gears, substations, and distribution cables. Major failures of these components may render portions of the campus without power for extended periods of time and pose significant risk to personnel near this antiquated equipment. Numerous power failures have occurred over the recent past and are demonstrating the increasing deteriorated condition of the system.

R3. Academic Building Roof Failures

Multiple key academic buildings are in dire need of roof replacements due to active leaks and severe deterioration from age. Despite constant efforts at spot repairs, water intrusion occurs after nearly every rain event which disrupts classes, causes interior damage, and contributes to potential interior mold growth. Failed roof systems include Swen Parson Hall, Gabel Hall, the Music Building, and McMurray Hall. Swen Parson Hall houses the entirety of the University's College of Law, a critical data center, and the bursar/student financial aid offices. Significant deterioration in the stone parapets caused by water infiltration and freeze/thaw cycles is creating a falling debris hazard where major portions of the building exterior perimeter are sectioned off to protect pedestrians. The deterioration is compromising the integrity of the relatively new roof system and threatening complete failure. The 66-year old structure is one of the main historical and architecturally significant buildings on the central campus. The parapet requires critical masonry repairs to avoid more serious structural damage to the building wall structure and water intrusion into the roof system. The total number of buildings with failing roofs presents a significant impact on the overall ability to deliver academic courses for affected colleges.

R4. Academic Building Structural Failures

Four academic buildings are experiencing structural failures that if not addressed in the near term will lead to the eventual determination that the buildings are not safe for occupancy. Still Hall and Still Gym are 90 year-old and 118 year-old historic buildings which are experiencing significant deflection of the exterior brick wall structures. While a temporary measure has been implemented to slow the progression of the deflection, the walls will eventually fail and collapse if not addressed. The 54 year-old Anderson Hall is experiencing structural failures allowing water intrusion and

corrosion acceleration of the concrete steel reinforcement affecting the building walls and swimming pool system. Additionally, the 48 year-old Visual Arts building has developed severe fractures and spalling in the exterior concrete structural columns and related concrete roof areas.

R5. Campus Wide Boiler Replacement – Phase II

Phase I was funded in FY19 legislation and will begin the process of replacing the outdated heat generation capacity for the University. A three-phased project in total, Phase II will add two additional boilers or co-generation units to the new centralized plant location and allow the University to no longer rely on the existing 50+ year-old boilers which are well past life expectancy. As the existing nine boiler steam system ages, many of its components have been decommissioned due to severe deterioration of the interior boiler tubes and apparatuses. Two boilers have already been taken out of service due to operational safety concerns. The complete phased replacements will allow the new heat generation to be more energy efficient and capable of varying to seasonal demand fluctuations. All three phases are required to completely remove reliance on the existing over-age boilers. While each phase reduces the risk presented by a catastrophic boiler failure during peak of winter demand, the risk of campus-wide impact will not be adequately mitigated until all three phases are complete and existing boilers can be demolished.

R6. LaTourette Control Valve Replacement

LaTourette Hall is connected to Faraday Hall and together represent NIU's main academic Science building facility. LaTourette was constructed in 1995 and Faraday in 1964. The control valves represent a critical component in control system of the building for maintaining proper pressurization of spaces. Proper airflow, whether it's research in wet chemistry laboratories, the multi-discipline environments of Life Sciences, or the wide-range of healthcare spaces requiring proper directional airflow, is critical in these areas. However, because the existing valves in the building have aged to the point that replacement parts are no longer available, maintaining the required environments of the science spaces has become increasingly difficult.

R7. Monat Building Roof Replacement

The original roof on the NIU Monat Building was installed in 1968 and has deteriorated to the point that patching and intermediate repairs are no longer feasible. Water infiltration and secondary damage is occurring within the building whenever it rains. Roof replacement is necessary to correct the problem. The existing roofing system is a low sloop 3 ply built-up roof. The roof is over 11,600 square feet and will require roughly 1,000 feet of new roof flashing.

R8. Davis Hall Parapet Restoration

Northern Illinois University's Davis Hall was originally constructed in 1942. Over the years, through natural weathering, the masonry tuck pointing around the roof parapet has begun to severely deteriorate. Due to this natural deterioration, water has begun to infiltrate the masonry cavity causing significant spalling and damage to the parapet wall. In order to avoid further damage, tuck pointing of existing masonry structure and restoration of masonry parapet is required to adequately address the water infiltration and falling debris hazard created by this deterioration.

R9. McMurry Stone Repair

McMurry Hall, constructed in 1911, is a three-story, solid brick, masonry-bearing wall structure with decorative cut limestone accents surrounding the doors, windows and eave line of the building. The masonry requires tuck pointing and restoration to ensure the building exterior is kept weather-tight to protect the structural integrity of the bearing walls. The decorative limestone is in poor condition at the south entry and several other locations. The aluminum framed windows installed in 1963 are now worn and leaking and beyond the normal life expectancy for the material.

R10. Founders Library Exterior Maintenance

Due to age and extreme weather conditions, the existing facade of Founders Library has significant wear along the stone cladding expansion joints and the caulking and sealing of the stone facade. This project seeks to re-seal the existing stone facade while also providing new caulking around windows and expansion joints where water infiltration has begun.

R11. Williston Hall - Exterior Stair Reconstruction

Williston Hall's secondary entrance on the east side of the building has an original exterior concrete stair that has begun to fail. Significant settlement has caused the stairs to pull away from the building. Additionally, the stair treads and risers do not meet current code. This project seeks to rebuild the stairs to remedy the settlement and code compliant issues.

R12. Campus Telephone System Modernization

NIU's existing voice system is 25 years-old and comprised of components that are no longer manufactured and software no longer supported. The system is vulnerable to power outages which not only compromises critical emergency communications, but also increases the risk of major component failure. In the past five years, four complete telephone system outages have been experienced due to power-related issues. Necessary component failure repairs have been dependent on finding spare parts from salvage distributors which are increasingly becoming harder to find. This project will replace the existing system with a current generation telephone system that converges voice onto NIU's existing enterprise network using Voice-over-IP (VoIP) technology and leverages a geo-redundant architecture to ensure a robust service that is no longer dependent on a single telephone system facility.

R13. Primary Data Center Environmental Improvements

NIU's primary data-center, located in Swen Parson, houses the majority of the University's enterprise application, server, storage, and network infrastructure. Three key environmental components (uninterruptable power supply, fire suppression, and power distribution) supporting this data-center are past useful life and in dire need of being replaced. These components are critical to providing a stable operating environment for the multi-million-dollar data management infrastructure. A failure of these components will directly impact major portions of the campus and support to academic course delivery. The uninterruptable power supply (UPS) system is several years beyond its useful life, and is no longer able to be repaired when parts fail. The fire suppression is also beyond its useful life and may not be reliable, putting both the building and data system at risk for significant damage and causing severe campus impacts. The AC power distribution infrastructure within the data center needs to be replaced to ensure reliable and redundant power delivery.

R14. NIU Naperville Parking Lot Repairs

Northern Illinois University Naperville parking lot is in need of extensive repairs. There are significant areas in which the parking lot surface is failing. Pot holes and crumbling asphalt are significant and are made worse by continuous heavy vehicular traffic from both NIU faculty, staff, and students, but also NIU patrons as well. The scope of work would include a complete removal of the existing asphalt, the addition of compacted sub base as necessary, and a completely new asphalt surface (including binder course).

R15. Broadcast Center Roof Replacement

The roof on the NIU Broadcast Center was installed in 1996 and has deteriorated to the point that patching and intermediate repairs are no longer feasible. Water infiltration and secondary damage is occurring within the building from each rain event. A complete roof replacement is necessary to correct the problem. This project seeks to remove and replace the existing EPDM low slope roofing system (including but not limited to membrane, insulation, and underlayment).

R16. ADA Upgrades

Many University buildings were built before 1998 (Americans with Disabilities Act - ADA) and lack the needed amenities for individuals with disabilities. In order for NIU to continue to provide sufficient facilities to our students, staff, and visitor's with disabilities, NIU seeks to update various areas on campus to meet the current ADA code. The work includes, but is not limited to, the renovation of existing handicap toilet rooms, ramps, entry pathways and doors, lifts, service counters, adaptive hearing mechanisms, and exterior improvements to accommodate individuals with disabilities.

R17. Replace Water Main Central Campus

The NIU Campus domestic water main piping distribution system consists of looped piping networks interconnected with the City of DeKalb water distribution system at many points. In 1990, a utility system assessment effort was completed to recommend improvements to underground water distribution piping. The study recommended that 1,700 feet of the central campus 6-inch water main, installed in 1959, be replaced within five years of the report due to deterioration and capacity flow concerns to ensure maximum fire hydrant flows with minimum pressure drops during emergencies. This project will also include critically required valve vaults for isolating breaks without major disruption of water service.

R18. Asbestos Floor Tile Abatement

DuSable Hall, Reavis Hall and Watson Hall are some of the most widely utilized classroom buildings and house a significant number of general education classes. The overall outdated appearance of these buildings have a significant impact on student recruitment and retention. DuSable Hall (built in 1968), Reavis Hall (built in 1957), and Watson Hall (built in 1962) still have the original asbestos floor tile and mastic in the classrooms and hallways. Over the years the tile has become worn and has started to chip and deteriorate. In an effort to not only improve the overall look of the facilities but also reduce/eliminate the potential spread of friable asbestos, this project seeks to remove the existing asbestos tile and mastic and replace it with up to date finishes that do not pose a threat to the health and life safety of students, faculty, staff, and visitors.

R19. Elevator Rehabilitation

Northern Illinois University seeks to rehabilitate several elevators on campus to ensure improved reliability for meeting ADA accessibility requirements. After many years of service, the elevators in many academic and administrative buildings have become difficult to repair because of outdated components, unavailability of spare parts, and overall high repair costs. They provide unacceptable levels of performance with increasing frequency of breakdowns, and impacts to students with mobility restrictions. Many exiting controllers are not equipped with the necessary fire protection technology and do not comply with local and national codes.

R20. Dekalb Campus Building Automation System Upgrades

Many buildings on Northern Illinois University's DeKalb Campus have building automation systems controlling the heating, cooling, and humidity levels that have become obsolete. Specifically, NIU

Monsanto and Altgeld Hall have systems in place that are seeing significant degradation. Parts are no longer available for the systems and our building engineers are no longer able to adequately control temperature and climate. Continued use in this state may result in a total loss of control, rendering the building(s) un-useable. Project seeks to replace existing Building Automation Systems with current, up-to-date technology.

R21. Zulauf Hall Masonry Joint Repair / Tuck-pointing

Zulauf Hall, constructed in 1968, is an eight-story, solid brick masonry structure. The masonry requires cleaning, tuck pointing, and restoration to ensure the building exterior is kept weather-tight. Over time, the masonry tuck-pointing has degraded to a point in which water is constantly entering the building, most notably on the upper floors. This cause's significant disruption to internal activities as well as continued maintenance and air quality issues within the building.

R22. Campus Wide Boiler Replacement – Phase III

A three phased project in total, Phase III will remove the nine existing 50+ year-old boilers which will no longer be required at this stage of the phased project. The removal action is essential to ensure the existing boilers are completely disconnected from the steam distribution system and any hazardous components are removed.

R23. Davis Hall Observatory Upgrade

Davis Hall was built in 1943 to house the classrooms for all the natural sciences. Today it currently holds many of those same departments such as geology, geography, meteorology, and astronomy. The observatory telescope atop Davis Hall was not added until 1965. The observatory rests upon the original pair of hydraulic cylinders which allow the floor to be raised and lowered for better use of the telescopes. The clock drive also makes possible reliable 10- and 20-minute astrophotography. While the systems are still functional, they have begun to show their age and are in need of repair and/or replacement. This project seeks to renovate the existing observatory by repairing and/or removing and replacing the existing hydraulic equipment and clock drive to ensure that it remains in operation for years to come.

R24. DeKalb Campus Sewer Main Repairs

The existing DeKalb Campus Sewer Main system is over 60 years old and is well beyond its useful life. Significant upgrades need to be made in order to bring the system in compliance with modern code and utilization standards. This project will be conducted in two phases. Phase I will consist of an overall assessment of the existing DeKalb Campus Sewer Main. Phase II will consist of repair, removal, and replacement of the system as determined in the Phase I assessment. Anticipated repairs to the existing DeKalb Campus Sewer Main may include, but not be limited to, storm drain renovations, sanitary line renovations, boiler drain updates, and overall system compliance.

R25. Building Services West Sewer Main Repairs

The NIU Building Services operation exists in a building which is supported by a stand-alone septic system. Over the years, this system has begun to deteriorate to a point where it requires consistent monthly maintenance to ensure proper operations and is well beyond its useful life. The scope of work is to tie the system into the nearby the City of DeKalb sewers.

R26. La Tourette Hall - Water Infiltration

LaTourette Hall was built in 1995. Over the years, occupants have noticed increasing and repeated water infiltration into interior spaces. The source of the water has yet to be determined, but it has caused significant damage to interior finishes. This project requires a thorough assessment of exterior wall construction, detailing, and eventual repair.

R27. NIU Rockford - Various Repairs

NIU Rockford was constructed in 1995. Over the years, the building has seen normal wear and tear. As the building ages, some items become non-compliant with code and additional infrastructure needs to be provided to better control building systems. Additionally, the building has seen some significant water infiltration that is causing significant damage to the interior building finishes. This project seeks to reconstruct venting for the boiler so that it meets code, installing several isolation valves to better control the system as a whole, and finally assessment and repair of any areas of infiltration on the building exterior.

R28. Broadcast Center Elevator - Water Infiltration Repairs

Northern Illinois University Broadcast center elevator has, for a long period of time, continued water infiltration into the elevator pit. At times, this infiltration causes significant damage to the elevator equipment and in extreme conditions allows oil from the hydraulic elevator to flow from the pit and into the adjacent Kishwaukee River (which mandates EPA cleanup). This project seeks to assess the elevator for areas of infiltration and provide repairs as necessary.

R29. Human Resources - Window Repairs

Northern Illinois University Human Resources building is located on the west side of campus and is exposed to significant weather as it is not protected by any adjacent structures. While the facility is relatively new, the windows have begun to leak to a point in which the plastic laminate sills have begun to delaminate. Water infiltration is constant when raining and if left as-is would continue to deteriorate interior finishes. This project seeks to repair the existing windows and associated sills and jambs; including but not limited to caulking broken seals and delaminating finishes.

R30. NIU Rockford Parking Lot Repairs

Northern Illinois University Rockford parking lot is in need of extensive repairs. There are significant areas in which the parking lot surface is failing. Pot holes and crumbling asphalt are significant and are made worse by continuous heavy vehicular traffic from both NIU faculty, staff, and students but also NIU patrons as well. The scope of work would include a complete removal of the existing asphalt, the addition of compacted sub base as necessary, and a completely new asphalt surface (including binder course).

R31. Storm Water Management & Pond Maintenance

Northern Illinois University has several ponds and streams that flow into our overall storm water management system. Over time, this system does need general maintenance to ensure that during large water events University buildings, roadways, and green spaces do not flood. The work would include general maintenance of ponds, fountains, and aerators. In some circumstances, dredging and removal of invasive species needs to occur; this includes, but is not limited to, the removal of sediment and vegetation. Additionally, in order to prevent the growth of algae and other bacteria, ponds must be treated annually.

R32. DeKalb Campus Sidewalk & Street Repairs

Northern Illinois University has several miles of sidewalks and streets through its DeKalb campus. Every year these vehicular and pedestrian pathways require standard maintenance due to wear and tear from salt usage in the winter, bus and heavy vehicular traffic, and extreme temperature fluctuations throughout the year. The scope of work would focus on removing tripping hazards on sidewalks; repairing streets that have buckled or contain pot holes; man hole settlement repairs; and finally repairing/replacement of broken or missing exterior pavers.

R33. DeKalb Campus - Multiple Buildings - Low Slope Roofs

Numerous buildings on the Northern Illinois University Campus currently have single ply membranes that are or have approached the end of both their warranty period and useful life, including but not limited to Faraday Hall, the Engineering Building, and Evans Field House. This project seeks to either extend the warranty by applying coatings to increase longevity or in some cases where that is not an option, remove and replace in its entirety.

R34. Wellness & Literacy Building Roof Replacement

The original roof on the Monsanto Building was installed in 1954. Over the years (and prior to Northern Illinois University ownership of the facility), a total of eleven different roofing systems were installed on the structure. The roofing system is beyond its useful life and has deteriorated to the point that patching and intermediate repairs are no longer feasible. Additionally, the inconsistent roofing causes significant maintenance problems along with continued roof leaks. This project seeks to rectify the problem by replacing the roofing system in its entirety (including but not limited to membranes, insulation, and underlayment).

R35. NIU Wellness & Literacy Parking Lot Repairs

Northern Illinois Monsanto Building parking lot, located on the north side of DeKalb, is in need of extensive repairs. There are significant areas in which the parking lot surface is failing. Pot holes and crumbling asphalt are significant and are made worse by continuous heavy vehicular traffic from both NIU faculty, staff, and students but also NIU patrons as well. The scope of work would include a complete removal of the existing asphalt, the addition of compacted sub base as necessary, and a completely new asphalt surface (including binder course).

R36. LED Street/Walkway Light Fixtures

Northern Illinois University, in an effort to increase both energy savings and cost savings, has systematically been replacing existing exterior street/walkway light fixtures with LED options. This project seeks to continue those efforts.

R37. Lorado Taft Health & Life Safety

Lorado Taft, NIU's outdoor education and conference center, is open year-round to any group of 40 to 160 people. The Taft Campus has 14 facilities that range in age from 116 years to 13 years. Most of the buildings were constructed in the 50's and 60's and have begun to show their age. Existing HVAC systems, Fire Protection Systems, and other occupancy features intended to minimize danger to patrons that visit the facilities are significantly past their useful life. In an effort to reduce the risk of system failure, this project seeks to renovate the existing facilities to bring them up to date with modern day code, health, and life safety standards.

R38. Modern Collaboratory Classroom Conversions

New students arrive on campus with increasing technology expectations and it is essential to provide up-to-date technology in classroom environments for students and teaching staff. Collaboratory classrooms are intended to provide a high tech tool and seating configuration; environment specifically created to facilitate active, collaborative learning in a board-room like

seating arrangement. The physical design of the room, accessibility to computer based and on-line web information, along with the nature of the class materials and the makeup of the groups are carefully structured to encourage students to interact as a team during problem solving tasks.

R39. Simulation Labs

Northern Illinois University School of Nursing prides itself on its ability to provide its students with a dynamic hands-on teaching environment. In order to continue to provide this type of high-level, theoretical knowledge-based education, the School of Nursing seeks to enhance their existing facilities with four additional simulation labs (and integral control rooms) in which students have the opportunity to practice essential skills in a computer based lab. Mannequins simulate a variety of symptoms that can be found in real life scenarios. This experiential and active learning environment is essential in providing our students with the skills necessary to be successful within the nursing field.

R40. East Heating Plant Masonry Repairs

The existing East Heating Plant coal silo has not been utilized since the University's departure from coal as a form of heating. As a result, the existing silo has sat unused for quite some time. Over the years the veneer has begun spalling and large portions of masonry have begun to fall off. In order to address this problem, the University seeks to tuck point the existing masonry structure and preform restoration of the masonry walls that have begun to deteriorate and crack.

R41. General Revenue Buildings - Painting

Northern Illinois University has over 75 General Revenue facilities located on its main campus in DeKalb Illinois. Of those 75 buildings approximately 80% are over 40 years old and 53% are over 50 years old. The majority of these facilities have not been renovated since they were originally constructed. While Northern Illinois University has continued to provide exceptional maintenance to all facilities, in most cases the interior and exterior painting of the buildings has not been done in 10 to 20 years. As such, the facilities are showing their age. In an effort to better maintain our General Revenue facilities and be on par with peer institutions, this project seeks to provide painting to these facilities in order to make them more appealing and inviting to students, faculty, staff, and visitors.

R42. DeKalb Campus - Exterior Door Replacement - Multiple Buildings

Gable Hall (1958) and Graham Hall (1964), still utilize the original doors and frames. While unique, these doors and frames are made of wood. Sills and jambs have begun to rot, causing constant climate infiltration. Doors and jambs have been painted numerous times to the point in which it is no longer feasible to refinish the surfaces again. Glass is single pained, limiting the energy efficiency of the structure. This project seeks to replace all the existing doors and frames (including side lights) with exterior grade prefinished aluminum doors with double pained windows and low E coatings.

R43. East Chiller Plant - Various Repairs

Northern Illinois University has increasingly seen problems from added sediment within the chilled water loops and terminal units in the buildings. This additional sediment has cause significant clogging, which inhibits the University's ability to provide cooling to said buildings. This project seeks to install a dirt and air separator on to the east side chilled water loop to remove sediment and air from the chilled water loop. The addition of a dirt and air separator will prolong the longevity of the entire system by removing sediment and air. The scope of work would include the purchase and installation of a dirt and air separator; rerouting of the existing chilled water mains so they

may run through the new unit before the chilled water reaches the main pumps that circulate water throughout campus.

R44. Altgeld Hall - Various Repairs

Altgeld Hall, while renovated in 2002 serves as a landmark building for the University. As with any building, wear and tear is expected. This project seeks to replace existing worn and stained carpeting; replace the existing original wood ballroom flooring which has begun to splinter as well as peel, provide additional masonry truck pointing repairs to several areas in the building where water has either begun to infiltrate the building or is causing significant spalling of the exterior masonry. Specifically, water infiltration within the ballroom will need to be assessed and repaired as needed.

**CHICAGO-BASED OFFICE LEASES FOR
THE EDUCATION SYSTEMS CENTER**

Summary: The NIU Division of Outreach - Education Systems Center has been in a lease since August 2016 providing a downtown Chicago presence to support the Center's operations. Expanding grant opportunities with the Center is creating a need for more space. Coincidentally, adjacent space leased by the NIU Alumni Association is underutilized and can meet the Center's requirements. Increasing the existing lease to include the additional desired space would raise the expense obligation from \$244,604 to approximately \$370,000. Approval is requested to execute a lease modification supporting an additional 1,895 square feet of space for the period of September 1, 2018 to February 15, 2021.

Background: The Education Systems program is collocated with the College of Business at this 105 W. Madison downtown location, and the two programs are able to share common areas for an effective consolidated presence for NIU. The Education Systems operation has been operating in Chicago since its inception in 2012 and interacts with Chicago-based state officials, advocacy organizations, and non-profits to develop and implement education-related legislation, apply for federal grants to promote educational initiatives, and administer education and workforce development programs. Funding for this program has come from direct revenues consisting of philanthropic, state agencies, and federal grant support. Sufficient funding exists from these sources to support this leasing agreement.

The existing lease for the Education Systems program involves 2,212 square feet of space at a cost of \$244,604 for the period of August 2016 to February 2021. The amended lease would increase the area to 4,107 square feet for the remainder of the lease period and bring the total lease cost to approximately \$370K.

Funding: Institutional – Local Funds - \$370,000 total for FY17-FY21

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its Special Meeting on August 16, 2018.

**OUT-LEASE WITH CITY OF SYCAMORE
(NIU as LESSOR)**

Summary: The City of Sycamore has leased approximately 11 acres of land over the past 20 years for the purposes of supporting their public works functions. The current lease expires November 2018 and the tenant desires to exercise an option for an additional 20-year term. The University would like to continue the long-standing relationship with the City of Sycamore by executing the prearranged option to extend the existing lease terms to November 2038.

Background: Located on North Cross Street immediately south of the City's wastewater treatment plant, the property was originally part of a 34-acre site for the College of Engineering, which eventually moved to the main campus in 1995 with the construction of the Engineering building.

The original lease with the City of Sycamore was approved by the Board in December 1997. Under the terms of the lease, the City has constructed a 31,930 SF building on the site housing their Public Works Department street and sanitary sewer functions; including offices, maintenance shop, sign shop, vehicle storage, equipment storage, and road salt storage.

Based on the previously agreed terms of the lease, the total revenue may amount to approximately \$50,000 over the 20-year term.

Funding: Revenue-only lease agreement

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on September 13, 2018.

BOWL GAME PARTICIPATION EXPENSES

Summary: The University is requesting that the Board of Trustees delegate to the President, or designee, approval for all necessary and proper expenses related to NIU's participation in a post-season Bowl Game competition, including (but not limited to) the following: the Bowl agreement(s), expenses relating to ticketing, tickets, travel/transportation, lodging, rentals, insurance, dining, beverages (non-alcoholic), fees, services, broadcast rights, apparel, commodities, equipment, and supplies. Further, such approval is requested to also authorize the President, or designee, to undertake all business transactions necessary in relation to an anticipated upcoming Bowl event, reporting actions taken where required beyond customary authorizations at a subsequent meeting of the Board.

Funding: Institutional – Local Funds, Intercollegiate Athletics

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on September 13, 2018.

Amount Paid in FY18: \$460,000

Amount Paid in FY17: N/A

Amount Paid in FY16: \$875,000

FISCAL YEAR 2018 REPORT TUITION AND FEE WAIVERS

The Illinois Board of Higher Education issued Tuition and Fee Waiver Guidelines for Illinois Public Universities in June 1999, which was amended in February 2000. These guidelines include the requirement that tuition and fee waivers granted during the fiscal year be reported to each university's Board of Trustees. Pursuant to that requirement, the University has prepared the following report.

TUITION AND FEE WAIVERS FISCAL YEAR 2018 (\$ in thousands)					
(in thousands of dollars)	Tuition Waived			Fees Waived	
	Number of Recipients (unduplicated)	Number of Recipients (unduplicated)	Value of Waivers	Number of Recipients (unduplicated)	Value of Waivers
<u>MANDATORY WAIVER CATEGORY</u>					
<u>PROGRAM:</u>					
Teacher Special Education	145	145	612	132	189
General Assembly	-	-	-	-	-
ROTC	48	48	297	30	2
DCFS	24	24	197	19	24
Children of Employees	132	132	539	-	-
Senior Citizens	5	5	22	-	-
Honorary Scholarships	-	-	-	-	-
Veterans Grants & Scholarships*	158	158	1,280	158	10
Other (please specify) **	-	-	-	-	-
Unduplicated Mandatory Waiver Count Total ***	512	512	2,946	339	225

DISCRETIONARY WAIVERS CATEGORY

<u>PROGRAM:</u>					
Faculty/Administrators (Non-Civil Service)	111	111	443	6	4
Civil Service	136	136	524	69	71
Interinstitutional/Related Agencies	36	36	109	-	-
Retired University Employees	12	12	30	3	2
Children of Deceased Employees	2	2	10	1	1
Children of Employees	-	-	-	-	-
Academic/Other Talent	686	686	3,744	-	-
Athletic	209	209	1,844	-	-
Gender Equity in Intercollegiate Athletics	177	177	1,797	-	-
Foreign Exchange Students	-	-	-	-	-
Out-of-State Students	-	-	-	-	-
Foreign Students	14	14	118	-	-
Fellowships	15	15	61	-	-
Student Need - Financial Aid	1	1	11	-	-
Student Need - Special Programs	5	5	21	-	-
Cooperating Professionals	348	348	906	-	-
Research Assistants	544	544	2,850	-	-
Teaching Assistants	934	934	5,446	-	-
Other Assistants	215	215	1,430	-	-
Contract/Training Grants	22	22	187	-	-
Unduplicated Discretionary Waiver Count Total ***	3,467	3,467	19,531	79	78

	Number of Recipients	Total Value of Waivers
Unduplicated Summary Tuition and/or Fees		
Mandatory Waiver Category Total***	512	\$ 3,171
Discretionary Waiver Category Total***	3,467	\$ 19,609
Total count of Waivers****	3,979	\$ 22,780

* Illinois Veterans Grants (ISAC), Illinois National Guard Grants (ISAC), and POW/MIA Scholarships (Department of Veterans' Affairs). Included are only the waived (unfunded) portion of these grants.

** Other waiver categories must be approved by the Board of Higher Education prior to reporting.

*** Each recipient is counted only once in the unduplicated count even if they benefited from multiple waivers during the academic year.

**** Each recipient is counted only once in the Total Count of Waivers even if they benefited from a mandatory and a discretionary waiver.

**FISCAL YEAR 2018 ANNUAL REPORT OF CASH AND INVESTMENTS
FOR PERIOD ENDING JUNE 30, 2018**

This report is required by Board of Trustees *Regulations* (Section V, Subsection D). The following schedules are included:

- Cash and Investment Holdings Summary
- Investment Earnings by Type and Duration
- Report of Depositories

The Investment Committee is responsible for monitoring compliance with the University's Investment and Cash Management Policy. The investment goals, as stated in the policy, are to insure the preservation of principal and maintain compliance with applicable state laws, rules, regulations, debt covenants, and Board of Trustees *Regulations* while meeting cash flow needs and earning a yield acceptable to conservative investment managers.

The *Cash and Investment Holdings Summary* at June 30, 2018 illustrates a positive change over Fiscal Year 2017. NIU's holdings total \$188.5 million, which is up nearly \$68 million from the same time last year. Having received State support during Fiscal Year 2018, the University's cash position is stronger.

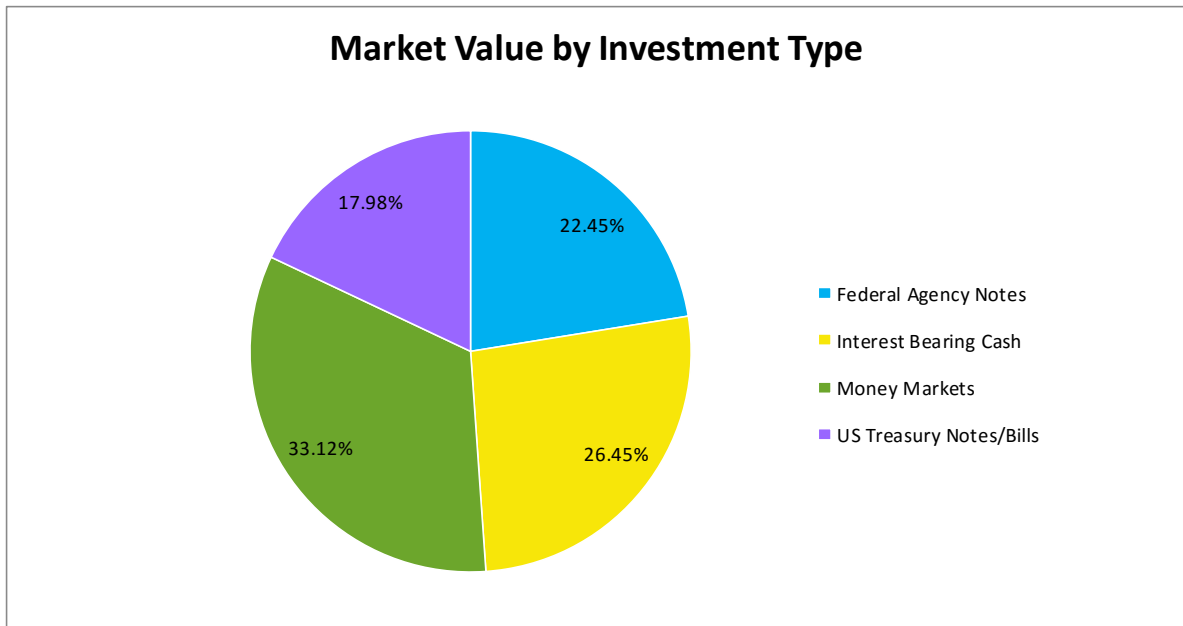
The *Investment Earnings by Type and Duration* report shows the interest earnings for the fourth quarter at \$787,000. This is a result of larger invested balances and steadily increasing interest rates during the year. Investments this quarter earned an annualized return of 1.58%, which is 73 basis points greater than Fiscal Year 2017's last quarter return of .85%.

The *Report of Depositories* is submitted annually, along with the University *Investment and Cash Management Policy* available at: <https://www.niu.edu/controllers/files/pdf/Investment-and-Cash-Management-Policy.pdf>. The depository report summarizes deposits and withdrawals in each bank account during the fiscal year. The ending balances reflect bank statement amounts and may differ from University financial records due to reconciling items.

Expectations for Fiscal Year 2019 include additional federal fund rate increases and consistent State payments. During this period of rising interest rates, the University will continue to invest in the Illinois Funds money market and in short-term fixed income securities. The University will also continue its efforts towards the goal of financial sustainability by focusing on cash management strategies that provide a healthy balance of liquidity, diversity, and earnings.

NORTHERN ILLINOIS UNIVERSITY
CASH and INVESTMENT HOLDINGS SUMMARY
June 30, 2018
For Fiscal Year 2018

Investment Type	Purch Price/ Ending Bal *	Book Value **	Market Value ***
Federal Agency Notes:			
Local Funds	\$ 42,253,362	\$ 42,270,161	\$ 42,179,131
Interest Bearing Cash Accounts:			
Local Funds	\$ 49,630,734	\$ 49,630,734	\$ 49,630,734
Project Funds	64,775	64,775	64,775
	<u>\$ 49,695,509</u>	<u>\$ 49,695,509</u>	<u>\$ 49,695,509</u>
Money Markets:			
Local Funds	\$ 40,913,872	\$ 40,913,872	\$ 40,913,872
Project Funds	21,341,738	21,341,738	21,341,738
	<u>\$ 62,255,610</u>	<u>\$ 62,255,610</u>	<u>\$ 62,255,610</u>
US Treasury Notes/Bills:			
Local Funds	\$ 31,900,919	\$ 31,897,865	\$ 31,787,541
Project Funds	2,002,878	2,000,000	2,000,000
	<u>\$ 33,903,797</u>	<u>\$ 33,897,865</u>	<u>\$ 33,787,541</u>
TOTAL INVESTMENT HOLDINGS	\$ 188,108,278	\$ 188,119,145	\$ 187,917,791
Non-interest Bearing Cash	\$ 395,586	\$ 395,586	\$ 395,586
TOTAL CASH & INVESTMENT HOLDINGS	\$ 188,503,864	\$ 188,514,731	\$ 188,313,377
TOTAL REPORTED FOR 06/30/2018	\$ 120,649,904	\$ 120,617,537	\$ 120,471,557



* Amounts per Bank and Investment Statements
 ** Purchase price, net of accumulated amortization of premiums and discounts
 *** Estimated price for which an investment would sell in the marketplace

Assets reported in the CASH and INVESTMENT HOLDINGS SUMMARY comply with the Illinois Public Funds Investment Act (30 ILCS 235) and the NIU Investment and Cash Management Policy

NORTHERN ILLINOIS UNIVERSITY
INVESTMENT EARNINGS BY TYPE AND DURATION
For Fiscal Year 2018
April 1, 2018 - June 30, 2018

	June 30 Ending Balance	Average Daily Investment Balance	Percent of Portfolio	Income Earned	Annualized Rates of Return Fiscal Year 2018			
					4th Qtr	3rd Qtr	2nd Qtr	1st Qtr
Short-Term Investment Accounts								
Illinois Funds	\$ 40,913,872	\$ 55,735,522	27.97%	\$ 242,687	1.75%	1.39%	1.12%	1.02%
Investment Accounts - Financial Institutions	\$ 49,630,734	\$ 57,927,651	29.07%	\$ 254,765	1.76%	1.44%	1.16%	1.07%
Investment Accounts - Project Funds	\$ 21,406,513	\$ 21,691,326	10.89%	\$ 66,350	1.23%	0.84%	0.45%	0.57%
ST Investment Accounts Total	\$ 111,951,119	\$ 135,354,499	67.93%	\$ 563,802	1.67%	1.34%	1.06%	1.00%
Fixed Income Securities								
Local Funds	\$ 74,154,281	\$ 61,868,859	31.05%	\$ 215,177	1.39%	1.28%	1.06%	0.95%
Project Funds	\$ 2,002,878	\$ 2,030,311	1.02%	\$ 8,171	1.61%	1.06%	1.02%	1.01%
Fixed Income Securities Total	\$ 76,157,159	\$ 63,899,170	32.07%	\$ 223,348	1.40%	1.26%	1.05%	0.97%
Non-interest Bearing Cash	\$ 395,586	\$ -	-	-	-	-	-	-
COMBINED TOTAL	\$ 188,503,864	\$ 199,253,669	100.00%	\$ 787,150	1.58%	1.32%	1.06%	0.98%

Assets reported in INVESTMENT EARNINGS BY TYPE AND DURATION comply with the Illinois Public Funds Investment Act (30 ILCS 235) and the NIU Investment and Cash Management Policy

Northern Illinois University
REPORT OF DEPOSITORIES
For the Year Ended June 30, 2018

	Beginning Balance 7/1/2017	Deposits*	Withdrawals*	Ending Balance 6/30/2018
Amalgamated Bank				
Series 2010 Build America Bonds	\$ 8,647,696	\$ 26,554,854	\$ 13,860,812	\$ 21,341,738
Series 2011 Revenue Bonds	-	7,072,358	7,072,538	-
Series 2014 Certificates of Participation	-	1,505,500	1,505,500	-
	\$ 8,647,696	\$ 35,132,712	\$ 22,438,850	\$ 21,341,738
First National Bank				
Investment	\$ 1,111,772	\$ 78,270,768	\$ 76,786,883	\$ 2,595,657
Project Funds	448,937	20,120,936	20,505,098	64,775
	\$ 1,560,709	\$ 98,391,704	\$ 97,291,981	\$ 2,660,432
First Midwest Bank				
Credit Card Account	\$ 50,000	\$ 64,724,610	\$ 64,724,610	\$ 50,000
Deposit Account	446,772	164,911,041	165,198,402	159,411
Disbursement Account	50,000	94,182,412	94,182,412	50,000
Investment Account	40,952,944	417,120,084	411,117,166	46,955,862
Payment Account	50,000	399,038,999	399,038,999	50,000
Payroll Account	85,490	153,437,794	153,444,069	79,215
	\$ 41,635,206	\$ 1,293,414,940	\$ 1,287,705,658	\$ 47,344,488
Illinois National Bank				
NIU Operations- IL Funds	\$ 5,000	\$ 153,787	\$ 153,787	\$ 5,000
US Bancorp Fund Services				
NIU Operations- IL Funds	\$ 8,314,961	\$ 122,598,911	\$ 90,000,000	\$ 40,913,872
Total For All Banks	\$ 60,163,572	\$ 1,549,692,054	\$ 1,497,590,276	\$ 112,265,530

* Deposits and Withdrawals include interaccount transfers.

The balances and activity reflected on this report are taken from bank statements and may not necessarily reflect those amounts recorded in the university financial records due to reconciling items.

**FISCAL YEAR 2018 ANNUAL SUMMARY REPORT
OBLIGATION OF FINANCIAL RESOURCES
Year Ended June 30, 2018**

Category	Number of Purchase Orders	Percentage	Dollar Volume	Percentage
\$0 to \$25,000 ¹	2,463	80%	\$16,067,197	10%
\$25,001 to \$100,000 ¹	443	15%	\$22,056,816	13%
\$100,001 to \$250,000 ²	98	3%	\$16,872,979	10%
\$250,001 to \$500,000 ³	32	1%	\$10,789,996	7%
Over \$500,000 ³	28	1%	\$99,249,372	60%
TOTAL	3,064	100%	\$165,036,360	100%

The Annual Summary Report on the Obligation of Financial Resources is required by the Board of Trustees Regulations and supplements the "Periodic Summary Report of Transactions" which is presented on a quarterly basis.

Transactions reported to and/or approved by the Board of Trustees throughout the fiscal year and those included in the Quarterly Summary Report of Transactions reflect the maximum approved amount that orders may not exceed. Pursuant to this authority, the Annual Summary Report outlined above reflects orders actually placed, including purchases, professional services, and capital projects.

¹Authorizations for transactions less than \$100,000 are approved at the University level (\$25,000 and above by the President).

² Authorizations for purchases and capital projects between \$100,000 and \$250,000 are approved by the President and reported to the Board of Trustees on a quarterly basis.

³ Authorizations for purchases and capital projects exceeding \$250,000 are presented for approval to the Board of Trustees.

**FISCAL YEAR 2018
QUARTERLY SUMMARY REPORT OF TRANSACTIONS IN EXCESS OF \$100,000
FOR THE PERIOD APRIL 1, 2018 TO JUNE 30, 2018**

Purchase Amount	No. of Transactions	Appropriated	Non-Appropriated	Total
Over \$100,000	27	\$1,903,179	\$4,107,535	\$6,010,714

TRANSACTIONS DETAIL:

Purchases:

1. The College of Engineering and Engineering Technology requested permission to enter into an inter-governmental agreement with Texas A&M Engineering Experiment Station (TEES) to secure the services of Simon Kudernatsch for the period 9/1/2017 - 8/31/2020. Mr. Kudernatsch actively supports Dean Donald Peterson in proprietary research matters. This engagement is exempt from the Procurement Code under 30 ILCS 500/1-10(b)(1) - contracts between governmental agencies. (Texas A&M Engineering Experiment Station, College Station, TX) 130,504*
2. Renewal of cellular service was required for cellular voice services, cellular data plans for internet and email services from smart devices, and wireless network interface cards for laptop mobility for the period July 1, 2018 – June 30, 2019. Because a State of Illinois contract is being utilized, this order is exempt from advertising on the Illinois Procurement Bulletin. (Verizon Wireless, Rockford, IL) 111,000
3. Health Services requested permission to issue an open order for outsourced laboratory services for the period July 1, 2018 - June 30, 2019. The existing PPB sole source approval is valid through June 30, 2020. This open order is governed by an ongoing contract. (Quest Diagnostics, Wood Dale, IL) 170,000
4. The Division of Information Technology requested permission to renew a contract with DeKalb County to provide services including billing for Community Anchor Institutions (CAI) through USAC using the DATA network. This PO is used for the accounting of funds that are received from CAI's that the County in turn bills for as the funds are received by NIU. Because the vendor is a governmental agency, this purchase is exempt from posting on the Illinois Procurement Bulletin. (DeKalb County Government, Sycamore, IL) 160,000
5. The Office of the Controller requested permission to pay the federal share of cost of the Single Audit of NIU for the period ending June 30, 2017. This purchase is exempt from the bid process as the engagement is with a state agency and is not subject to the rules of the Procurement Code and applicable laws. (State of Illinois-Office of the Auditor General, Springfield, IL) 102,110

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| 6. | The Division of Information Technology requested permission to continue the 10 Gig bandwidth for internet services through the State of Illinois Central Management System using the Illinois Century Network through an existing Intergovernmental Agreement between Northern Illinois University and Central Management System. This order is exempt from advertisement on the <u>Illinois Procurement Bulletin</u> because the vendor is a governmental agency. (Dept. of Innovation Technology, Springfield, IL) | 174,000* |
| 7. | The Division of Information Technology requested permission to issue an order for maintenance, technical support, software upgrades, and hardware replacement for NIU's Enterprise Network for the period July 1, 2018 – June 30, 2019. The maintenance is a requirement in the event of a networking issue or hardware failure to restore services as soon as possible. This order is exempt from advertisement on the <u>Illinois Procurement Bulletin</u> because the order is utilizing a pre-approved IPHEC vendor. (CDW-G, Vernon Hills, IL) | 216,000* |
| 8. | The Division of Information Technology requested permission to utilize the renewal option on Bid #CAB156820 for the period July 1, 2018 – June 30, 2019 for 10 Gig ISP link for ISP services to DeKalb Wellness and Literacy Center located at 3100 Sycamore Road. This is the third of nine renewal options based on a bid opened September 29, 2015. The renewal award will be advertised in the <u>Illinois Procurement Bulletin</u> . | 162,000* |
| 9. | Architectural and Engineering Services requested permission to issue open orders for miscellaneous project and maintenance work to be done as needed on campus during the period July 1, 2018 – June 30, 2019. Services/projects include, but are not limited to: fire alarm work, electrical, roofing, plumbing, masonry, environmental professional services, general construction, HVAC, mechanical, etc. Various bids with renewal options will be utilized for these orders. For those orders over the bid limit, the renewal awards were advertised in the <u>Illinois Procurement Bulletin</u> and waived by the PPB. | 1,640,000 |
| | Freeport Industrial Roofing, Inc., Freeport, IL | 249,000 |
| | DeKalb Mechanical, DeKalb, IL | 249,000 |
| | Hollander Intl. Storage & Moving Co. Inc., Elk Grove Village, IL | 249,000 |
| | Elliott & Wood Inc., DeKalb, IL | 195,000 |
| | Joe Bero & Son Plumbing & Piping, Elgin, IL | 200,000 |
| | Scandroli Construction Co., Rockford, IL | 249,000 |
| | Otto Baum Co., Inc., Morton, IL | 249,000 |
| 10. | The Division of Information Technology requested permission to issue an order for maintenance, technical support, software upgrades, and hardware replacement for NIU's Enterprise Network for the period July 1, 2018 – June 30, 2019. The maintenance is a requirement in the event of a networking issue or hardware failure to restore services as soon as possible. This order is exempt from advertisement on the <u>Illinois Procurement Bulletin</u> because the order is utilizing a pre-approved IPHEC vendor. (CDW-G, Vernon Hills, IL) | 217,000* |
| 11. | Renewal was required of the open orders used to obtain charter bus services for the period July 1, 2018 – June 30, 2019. This is the first year of nine renewal options allowed in the Invitation for Bid opened on June 14, 2017 (Bid # KMC061417). The renewal awards will be advertised in the <u>Illinois Procurement Bulletin</u> . (Sam VanGalder, Inc., Janesville, WI) | 182,000 |

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| 12. | The Division of Research and Innovation Partnerships requested permission to enter into a contract with Northern Illinois Research Foundation (NIRF), established as a not-for-profit 501(c)(3) in Illinois for the principal purpose of aiding and assisting Northern Illinois University in advancing its economic development, public service, research, and educational mission. This contract will be for the period July 1, 2018 – June 30, 2019. This order is exempt from posting on the <u>Illinois Procurement Bulletin</u> . (Northern Illinois Research Foundation, DeKalb, IL) | 214,000* |
| 13. | The Office of Bursar requested permission to issue open orders for collection agency commissions for commercial accounts receivable, agency collections, and Perkins collections for the period July 1, 2018 – June 30, 2019. This order is exempt from advertising on the <u>Illinois Procurement Bulletin</u> because the vendors are pre-approved IPHEC vendors. (Conserve, Fairport, NY) | 200,000 |
| 14. | The Office of Bursar requested permission to issue open orders for collection agency commissions for commercial accounts receivable, agency collections, and Perkins collections for the period July 1, 2018 – June 30, 2019. This order is exempt from advertising on the <u>Illinois Procurement Bulletin</u> because the vendors are pre-approved IPHEC vendors. (National Credit Management, St. Louis, MO) | 200,000 |
| 15. | The Office of Bursar requested permission to issue open orders for collection agency commissions for commercial accounts receivable, agency collections, and Perkins collections for the period July 1, 2018 – June 30, 2019. This order is exempt from advertising on the <u>Illinois Procurement Bulletin</u> because the vendors are pre-approved IPHEC vendors. (Alltran Education, Inc., Houston, TX) | 200,000 |
| 16. | Renewal was required of an open order for educational material and data used for non-credit courses offered for preparation for Human Resource certifications for the period of July 1, 2018 - June 30, 2019. This is the sixth of nine one-year renewal options. The sole source renewal was advertised in the <u>Illinois Higher Education Procurement Bulletin</u> and has been waived by the PPB. (Society of Human Resource Management, Eagan, MN) | 130,000 |
| 17. | Renewal was required of the open order used to obtain telecommunication supplies and parts to be used on various projects for the period July 1, 2018 – June 30, 2019. Pricing is based on Sealed Bid #TEM124092 that opened on June 22, 2011. This is the last year of seven renewal options. The renewal award was advertised in the <u>Illinois Procurement Bulletin</u> . (Anixter, Inc., Mount Prospect, IL) | 243,000 |
| 18. | Renewal was required of an open order for consultative services, on an as-needed basis, to assess University and college-level communications and recommend opportunities to better support the NIU brand and student recruitment goals for the period of July 1, 2018 - June 30, 2019. This is the last year of three one-year renewal options allowed for in a Request for Proposal that was opened on December 16, 2014. The renewal was advertised in the <u>Illinois Higher Education Procurement Bulletin</u> and has been waived by the PPB. (Simple Truth Communication Partners, Chicago, IL) | 125,000* |
| 19. | Health Services requested permission to enter into a contract with Northwestern Medicine Regional Medical Group for services for Health Services Chief of Staff during the period July 1, 2018 – December 31, 2018. This order will be advertised as an exemption in the <u>Illinois Procurement Bulletin</u> . (Northwestern Medicine Regional Medical Group, Winfield, IL) | 225,000 |

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| 20. Renewal was required of the contract with Blackboard Platinum Software maintenance and service for resale for the One Card Program during the period July 1, 2018 – June 30, 2019. The intent to award this contract as a sole source will be advertised in the <u>Illinois Procurement Bulletin</u> . (Blackboard, Inc., Phoenix, AZ) | 235,000 |
| 21. Renewal was required of the contract for Identify Management Software that is used to programmatically manage computing accounts for the entire University involving students and staff. The period of coverage is August 1, 2018 – July 31, 2019. This purchase is exempt from posting on the <u>Illinois Procurement Bulletin</u> as it is covered by an MHEC contract. (Micro Focus Software Inc., Provo UT) | 112,250* |
| 22. Materials Management requested permission to issue an open order to obtain food-related kitchen and dining supplies carried in stock for resale to University departments for the period July 1, 2018 – June 30, 2019. This is the second of nine one-year renewal options based on a bid opened April 4, 2016. The renewal award has been advertised in the <u>Illinois Procurement Bulletin</u> and has been waived by the PPB. (Edward Don & Company, North Riverside, IL) | 150,000 |
| 23. Renewal was required of the contract for on-site telephone switch hardware and software maintenance for the University's CS2100 hybrid phone switch for the period July 1, 2018 – June 30, 2019. This is the fourth of five one-year renewal options based on Bid #KMC146458 opened on March 25, 2014. The renewal award has been advertised in the <u>Illinois Procurement Bulletin</u> . (Arrow Systems Integration, Irving, TX) | 217,000* |

Capital Improvement Projects:

1. Annual maintenance/repair is required on the west campus steam distribution system to address worn, broken or non-functioning expansion joints, valves, pumps, gauges, damaged/missing insulation, and other failed equipment that can cause serious operational and safety hazards or were problems experienced during the last year. To ensure that reliable and safe steam distribution is available, repairs will be completed during this annual steam shutdown for the west side of campus. 108,850**

The work will be completed by a combination of an outside contractors and in-house workforce under the coordination of an NIU project manager.

** Total Project - \$108,850 (App/Income - \$54,425* + Bond Rev - \$54,425)

2. The Music Building has experienced numerous leaks during the past academic year causing damage to the interior ceilings, walls, and flooring. The leaks also affected several moisture and humidity sensitive musical instruments and forced practices and performances to be relocated or canceled. There are four remaining sections of the overall roof that have not been repaired. Repairing these four sections should extend the life of the roof for 5-6 years to allow planning for phased replacement of the roof. 148,350*

The work will be completed by a combination of an outside contractors and in-house workforce under the coordination of an NIU project manager.

3. Office area room 114 on the first floor of Telephone Security will be renovated to accommodate the relocation of the Asian American Resource Center (AARC) from the current location in the Jacobs House at 429 Garden Road. Program Prioritization recommended that AARC be transformed and enhanced. AARC has outgrown its current space and relocation to an updated central campus location will help with recruitment and retention of Asian American students at NIU. The new space will provide more visibility to the campus community and also provide improved facilities and resources. The move will require relocating DoIT services out of the identified space to alternate locations. 132,650*

Work will be completed by a combination of outside contractors and in-house workforce under the coordination of an NIU project manager.

4. This project is an upgrade to the Dugout food venue in DuSable Hall. With Holmes Student Center under construction in 2018-19, three campus food venues with a previous combined revenue of \$1.1M will be closed. A rejuvenated food venue at DuSable would help lessen the impact from the HSC renovation period. The current location is dated and unappealing. The renovation will improve the customer experience, provide a meeting place, and increase/retain revenue. The expected payback of the investment is about 15 months. The upgrades proposed will provide a new food concept and an improved environment for student, faculty, and staff to eat and meet. The operation concept will be based on Sandella's branding and menu to include panini's, wraps, rice bowls, quesadillas, and pizza. This location will serve other buildings in the immediate area including Stevens. 105,000*

Work will be completed by a combination of outside contractors and in-house workforce under the coordination of an NIU project manager. The work will include new equipment, new seating, painting, electrical, and plumbing upgrades.

*Appropriated/Income Funds

**Agenda Item 8.e.
August 16, 2018**

Information

FACILITIES UPDATE

Briefing presented at the meeting.