



# **BOARD OF TRUSTEES**

## **Finance, Audit, Compliance, Facilities and Operations Committee**

**November 15, 2018**

**A G E N D A**

**NIU Board of Trustees  
FINANCE, AUDIT, COMPLIANCE, FACILITIES AND OPERATIONS COMMITTEE  
9:15 a.m. – Thursday – November 15, 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 August 16, 2018 ..... *Action*..... 1
5. Chair's Comments/Announcements
6. Public Comment\*
7. Financial Update
  - a. Annual Financial Summary – FY18 Year End & Budget to GAAP Reconciliation...*Information* ..... 6
  - b. Quarterly Financial Summary – FY19 First Quarter ..... *Information*..... 10
8. University Recommendations
  - a. Services and Lease in Support of Health and Student Athletic Care.....*Action* ..... 14
  - b. Fiscal Year 2020 Undergraduate Tuition Pricing Recommendation.....*Action* ..... 16
  - c. Fiscal Year 2020 General Fee Pricing Recommendation.....*Action* ..... 18
  - d. Fiscal Year 2020 Graduate and Law Tuition Pricing Recommendation.....*Action* ..... 24
  - e. Fiscal Year 2020 Room and Board Fee Recommendation.....*Action* ..... 30
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  - g. College of Health & Human Sciences-Cameras/Recording Systems.....*Action* ..... 33
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- 9. University Report
  - a. Quarterly Summary Report of Transactions in excess of \$100,000 ..... *Information* ..... 35
  - b. Periodic Report on Investments ..... *Information* ..... 38
  - c. FY18 Annual Report of Transactions Involving Real Property ..... *Information* ..... 41
  - d. FY18 Report on Facilities and Infrastructure Capital Investment Activities..... *Information* ..... 43
- 10. Other Matters
- 11. Next Meeting Date
- 12. 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 can be completed [online](#) in advance of the meeting or 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**  
**August 16, 2018**

**CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 9:21 a.m. by Committee Chair Tim Struthers in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Sandy McCartney conducted a roll call of the trustees. Members present were Trustee Dennis Barsema, Trustee John Butler, Trustee Nathan Hays, Trustee Veronica Herrero, Trustee Bob Pritchard, Trustee Eric Wasowicz, Board Chair Wheeler Coleman, and Committee Chair Tim Struthers. Also present were Acting President Lisa Freeman, Committee Liaison Sarah McGill, Acting Executive Vice President and Provost Chris McCord, Acting General Counsel Greg Brady, and Board Liaison Matt Streb.

**VERIFICATION OF QUORUM AND APPROPRIATE NOTICE OF PUBLIC MEETING**

Acting 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**

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

**REVIEW AND APPROVAL OF MINUTES**

A motion to approve the minutes of the May 10, 2018 meeting was made by Trustee Dennis Barsema; seconded by Trustee Eric Wasowicz. All were in favor. None were opposed. The motion carried.

A motion to approve the minutes of the June 14, 2018 meeting was made by Trustee Eric Wasowicz; seconded by Trustee Bob Pritchard. All were in favor. None were opposed. The motion carried.

**CHAIR'S COMMENTS/ANNOUNCEMENTS**

Chair Struthers offered comments regarding the next committee meeting which should include a preliminary financial report for FY18 emphasizing the importance of keeping the fiscal results and future targets firmly in sight.

Holly Nicholson, Operating Staff Council President, commented on the FY20 Budget Request stating that NIU should build on the momentum generated by the 3% increase given in November, 2017. It is crucial that NIU ensure that civil service employees earn an equitable wage. She also stated the importance of making the NIU campus accessible to all students and urged support of the Disability Resource Center and upgrades to the campus associated with the Americans with Disabilities Act (ADA).

Cathy Doederlein, Supportive and Professional Staff Council President, also spoke about the importance of ADA upgrades.

**PUBLIC COMMENT**

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

Richard Escalante spoke supporting the selection process for the President as well supporting Dr. Freeman as President.

## UNIVERSITY RECOMMENDATIONS/REPORTS

### **Action Item 7.a. – Fiscal Year 2020 Budget Request**

Sarah McGill began by explaining that this item concerns the state funding requests that impact the fiscal year 2020 budget, and the name will be changed to *Fiscal Year XXXX Budget Request for State Funds* going forward to clarify that this recurring item refers only to the funding amount that is requested from the state. Ms. McGill noted that throughout the past several years, state general funds appropriations provided to NIU have varied greatly and declined significantly. The aggregate funding level during the past five years reflects a state funding deficit of \$81.4 million. The FY20 requested funding amount is \$93.5 million, which is similar to last year's request.

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 September 13, 2018.

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

Comments were made recognizing Trustee Bob Pritchard for the work he did while he was in Springfield as State Representative to help get a budget approved for FY18 after going roughly 700 days without a budget. Trustee Pritchard added the need for more emphasis on capital needs as it is difficult to obtain maintenance dollars. New strategies and means to maintain NIU facilities will need to be developed.

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

### **Action Item 7.b. – Fiscal Year 2020 IBHE Capital Budget Request**

Sarah McGill indicated this item is a state funding request for regular capital projects that represent major investments for new construction and major renovation and capital renewal projects that list major repairs and system improvement projects with estimated budgets in excess of \$100,000. In FY19, the University received authorization of \$3.09 million for the Health Informatics and Technology Center and authorization for \$6.8 million of capital renewal investments which supports phase one of the boiler replacement project.

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 September 13, 2018.

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

Comments were made focusing on the need to continually review the project list and reprioritize as necessary. However, it was pointed out that editing or modifying this list could cause a project to be shifted on the state's priority queue. Also, it was noted that capital funding rests on the sale of bonds.

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

### **Action Item 7.c. – Chicago-Based Office Leases for the Education Systems Center**

Sarah McGill indicated the need for more space for NIU's Division of Outreach Education Systems Center at its current office location in Chicago. The NIU Alumni Association has space adjacent to the center that is underutilized and meets the needs of the Center and is willing to transfer the lease for the space. The expense obligation would increase from approximately \$244,000 to approximately \$370,000 annually and would provide an additional 1,895 square feet of space.

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 September 13, 2018.

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

A question was raised if the additional grant opportunities will cover the additional lease. Ms. McGill confirmed that was the expectation. She also confirmed that the lease extends through 2021. Trustee Butler requested to learn more about the Education Systems Center as it is an evolving project. Acting President Freeman suggested that this be accomplished through either the Academic Affairs, Student Affairs, and Personnel Committee or the Research and Innovation, Legal and Legislative Affairs Committee.

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

### **Action Item 7.d. – Out-Lease with City of Sycamore (NIU as Lessor)**

Sarah McGill explained that the City of Sycamore currently leases 11 acres of land from NIU. The current lease expires November 2018 and the tenant desires to exercise an option for an additional 20-year term. The total revenue over the term would amount to approximately \$50,000 based on previously agreed terms.

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 September 13, 2018.

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

A lengthy discussion ensued regarding the length of the lease as well as the rates associated with the lease. This item came before the board because it was a 20-year lease. The Division of Administration & Finance reviewed the terms of the lease and, given the renewal clause, there was very little flexibility for NIU to renegotiate the terms. Trustee Butler suggested that a little more due diligence be done on the history of this agreement before it is discussed during September 13<sup>th</sup> Board meeting.

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

### **Action Item 7.e. – Bowl Game Participation**

Sarah McGill explained that due to timing of decisions and the current board meeting schedule, there is a need to 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.

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 September 13, 2018.

A motion was made by Trustee Bob Pritchard; seconded by Trustee John Butler. All were in favor. None were opposed. The motion carried.

### **Information Item 8.a. – Fiscal Year 2018 Report of Tuition and Fee Waivers**

Sarah McGill and Chair Struthers opened the floor for questions on information items 8a through 8d.

A question was raised as to how the number of waiver recipients compares to prior years. Both the mandatory and discretionary waiver categories are down from prior years due to the decrease in enrollment. As for the current year, this number should be consistent, however, changes in enrollment after the census may impact that number. Chair Struthers requested that these numbers should be charted historically in the future to make this report more meaningful. An additional question was raised as to what *teacher special education* means in the mandatory waiver category, and it was clarified that it is an ISAC (Illinois Student Assistance Commission) program that allows students who meet certain eligibility criteria to receive tuition waivers if they go to teach special education in the State of Illinois.

### **Information Item 8.b. – Fiscal Year 2018 Annual Report of Cash and Investments**

### **Information Item 8.c. – Fiscal Year 2018 Annual Summary Report Obligation of Financial Resources**

### **Information Item 8.d. – Fiscal Year 2018 Quarterly Summary Report of Transactions in Excess of \$100,000**

### **Information Item 8.e. – Facilities Update**

John Heckmann, Associate Vice President, Facilities Management and Campus Services, presented an update and fielded questions on NIU's partnership with Discover Campus Innovator Program that will be housed in the lower level of the library. The area will have an industrial look and will include a new entrance to the Discover space as well as the library and Caribou Coffee & Einstein's Bros. Bagels. The outside of the building is being looked at to make it more appealing by possibly adding tables and umbrella-type stands. Interior signage as well as external branding of Discover's logo was also discussed.

Mr. Heckmann also presented a final briefing on the Stevens Building. Both wings have been completed, and they are almost fully occupied. A formal ribbon cutting, coordinated by the Foundation, is set for October 12<sup>th</sup>. Positive comments were made about the current use of the building for summer camps as a recruiting tool for pre-college students. Also, Alex Gelman mentioned the School of Theatre and Dance has managed to hold their numbers flat during the five years without a theatre and is looking forward to showing even better numbers as time goes on.

Mr. Heckmann also provided an update on the Neptune Renovation. This project has been addressed incrementally throughout the past year. Air conditioning will be installed as an amenity to draw more students, in the east wing. Currently the wing is vacant, however has the capacity to house up to 350 students. Questions were raised as to the possibility of repurposing Neptune. Overall housing will need to be assessed to determine the need and evaluate a plan for going forward.

An update on the Holmes Student Center was also provided by Mr. Heckmann. Asbestos abatement took

place over the summer, and the acquisition process to solicit construction bids has begun. The bids came in a bit high. It is expected that rearranging and reprioritizing items will address the shortfall and allow the project to proceed.

Mr. Heckmann provided an update on phase one of the Boiler Replacement Project that includes putting an addition onto the Western Heating Plant to include two new boilers. Additional phases will follow. The scope of Phase One would be to have one generating plant on campus, instead of two, to reduce cost and be more efficient. The money from the state coupled with auxiliary reserves will fund the budget for this project. Further conversation took place about the difference between the heating plants and the chiller plants and how the two were originally configured on campus as well as the risk of going down to one heating/chiller plant.

Finally, Mr. Heckmann presented a multi-year perspective showing major repairs and large projects over \$250,000.

Chair Struthers concluded Mr. Heckmann's presentation by reminding the Board that the University is deferring approximately \$12 million a year in repairs and maintenance and these deferrals are "real" and must be considered as we evaluate our overall financial picture.

#### **OTHER MATTERS**

No other matters were discussed.

#### **NEXT MEETING DATE**

The next meeting of the Finance, Audit, Compliance, Facilities and Operations Committee will be November 15, 2018.

#### **ADJOURNMENT**

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

Meeting adjourned at 10:35 a.m.

Respectfully submitted,

Vicky Rippberger/Sandy McCartney  
Recording Secretaries

*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.*



**ANNUAL FINANCIAL SUMMARY  
AS OF JUNE 30, 2018  
AND BUDGET TO GAAP RECONCILIATION**

**Background Information:** In an effort to provide more frequent information regarding the University's financial position, the University has prepared the preliminary fourth quarter financial summary to the Board of Trustees. A decline in enrollment continues to impact the University's revenues. The expense results demonstrate management's ongoing leadership on developing strategies that will effectively control expenses and contribute to long term financial sustainability. Prior year comparison suggests an improvement in net revenue contribution.

**Revenues**

- 1. Tuition and Fees:** All tuition, including differential tuition, course and materials fees, athletics fees, bus fees, and health services fees.
- 2. Gifts, Grants, & Contracts:** Includes on-campus scholarships, research grants and associated indirect cost pools, Pell grants, and sub-contract fees for research.
- 3. Other Fees and Fines:** Includes parking, residential living-learning community fees, parking fines, and transcript and commencement fees.
- 4. Sales:** Includes board plan and retail food sales, concessions sales, and advertising/sponsorship, sales of services to off-campus entities (including, but not limited to: catering, child care, conference services).
- 5. Rental & Room Income:** Includes room fees for residential students, rental of on-campus and off-campus meeting and conference space, hotel revenues, and Northern View apartment revenues.
- 6. Gate Receipts & Commissions:** Includes athletic ticket sales, performing arts ticket sales, commissions, and concert/event revenues from the Convocation Center.
- 7. Miscellaneous & Investment Income:** Includes athletics' game guarantees, NIU share of conference tournament revenues, rental of facilities, interest income from investments, gains and losses on disposals of fixed assets, and year-end transfers to mandated reserves in the auxiliary facilities system.
- 8. State of Illinois:** Represents the annual state appropriation to public universities.

## Expenses

- 9. Cost of Sales:** Includes the cost of all items purchased for resale on campus such as food for dining units, parts and supplies to be charged out through the campus work order system, as well as paper for pay-to-print copiers and printers.
- 10. Personnel Services:** Includes all salaries paid to faculty, supportive professional staff, civil service, graduate assistants, extra help, and student employees. Also includes required payments for Medicare and employee health insurance.
- 11. Contractual Services:** Includes annual software support, subscriptions, conference registrations, non-employee travel reimbursements, service contracts, repairs & maintenance, grounds, building service work charges, speaking fees, and other arrangements with outside contractors to perform services for the University.
- 12. Travel:** Includes airfare, hotel rooms, mileage, meals (all up to limits set by the state and the University), and ancillary expenses for employees to travel to-and-from campus on official University business.
- 13. Automotive:** Includes the cost to rent cars, vans and buses from the University transportation department.
- 14. Scholarships:** Includes scholarships awarded, including Pell Grant funds disbursed (which, when netted against Pell Grant funds received, results in zero sum effect on the University's cash position).
- 15. Telecommunications:** Includes the cost of providing phone, internet and other digital services to the University.
- 16. Equipment & Library Materials:** Includes the cost of all items over \$100 with an estimated useful life of two years or more, as well as library books, journal subscriptions, manuscripts, films, music, and video materials
- 17. Capital Repairs, Debt Service & Other:** Includes the cost of centralized capital repair funds, debt service payment on bonds, certificates of participation, and performance contracts. Also includes refunds issued for on-campus external programming and other expenses not classified elsewhere.

Following is a financial summary of the University's operations for the year-ended June 30, 2018, and a comparison perspective for the year-ended June 30, 2017.

**University All Funds Comparison  
For the Year Ended June 30, 2018**

	<b>Current Year FY2018</b>			<b>Prior Year FY2017</b>	
	<b>Fourth Quarter</b>			<b>Fourth Quarter</b>	
	<b>YTD Actuals</b>	<b>Annual Budget</b>	<b>Variance</b>	<b>YTD Actuals</b>	<b>Variance</b>
<b>Revenue</b>					
Tuition & Student Fees	\$ 178,545	\$ 183,873	\$ (5,328)	\$ 190,978	\$ (12,434)
Gifts, Grants, & Contracts	\$ 56,576	60,194	(3,618)	58,812	(2,236)
Other Fees and Fines	\$ 7,864	9,092	(1,229)	8,126	(262)
Sales	\$ 34,746	38,638	(3,891)	38,349	(3,603)
Rental & Room Income	\$ 31,048	34,555	(3,507)	31,479	(431)
Gate Receipts & Commissions	\$ 3,379	4,377	(998)	3,025	354
Miscellaneous & Investment Income	\$ 16,089	16,255	(166)	2,491	13,598
State of Illinois	\$ 82,020	82,020	-	48,316	33,704
<b>Total Revenue &amp; Transfers</b>	<b>\$ 410,266</b>	<b>\$ 429,004</b>	<b>\$ (18,738)</b>	<b>\$ 381,576</b>	<b>\$ 28,690</b>
<b>Expenses</b>					
Cost of Sales	\$ 8,339	\$ 11,708	\$ (3,369)	\$ 9,173	\$ (833)
Personnel Services	\$ 216,913	221,646	(4,733)	216,708	205
Contractual Services	\$ 78,827	81,751	(2,924)	76,096	2,731
Commodities	\$ 6,013	7,444	(1,431)	6,332	(319)
Travel	\$ 4,409	5,226	(817)	4,243	167
Automotive	\$ 1,253	1,254	(1)	1,206	47
Scholarships	\$ 48,275	56,860	(8,585)	47,953	322
Telecommunications	\$ 950	966	(16)	246	704
Equipment & Library Materials	\$ 8,427	9,209	(782)	6,044	2,383
Capital Repairs, Debt Service & All Other	\$ 21,675	32,872	(11,197)	13,319	8,356
<b>Total Expenses</b>	<b>\$ 395,081</b>	<b>428,935</b>	<b>(33,855)</b>	<b>\$ 381,319</b>	<b>\$ 13,762</b>
<b>Net Revenue</b>	<b>\$ 15,185</b>	<b>\$ 68</b>	<b>\$ 15,117</b>	<b>\$ 257</b>	<b>\$ 14,928</b>

To ensure that the amounts reported per the budget are in line with the University's anticipated financial statements results, a reconciliation has been prepared between Budget (Fund Accounting) and GAAP (Generally Accepted Accounting Principles).

An explanation of Generally Accepted Accounting Principles (GAAP) versus Fund Accounting (Budget):

- GAAP - a common set of accounting principles, standards, and procedures that companies must follow when compiling financial statements.
- Budget - based on fund accounting which is a method of accounting that emphasizes accountability rather than profitability. The focus is on "fund balances" that are set aside to achieve a specific goal with the organization.

The change in net position as of June 30, 2018, is approximately \$40 million, due primarily to the University receiving the FY17 lapse appropriation in FY18.

Following is the reconciliation from the University's Budget to GAAP financial statements for the year ended June 30, 2018.

**Budget to GAAP Reconciliation**  
( \$ in thousands)

Actual Net Revenue, per Budget	\$ 15,185
FY2017 Lapse Appropriation	42,700
Depreciation expense	(27,690)
Debt principal	<u>9,973</u>
 Increase in Net Position, per draft GAAP Financial Statements	 \$ 40,168

It is expected that the actual net position at June 30, 2018, will be approximately \$191 million, a decline of approximately \$4 million compared to fiscal year 2017 net position of \$195 million. This anticipated decline is due to the implementation of accounting standards related to other post-employment benefit (OPEB) costs that requires the restatement of beginning net position for OPEB liability of \$44 million.

**Net Position**  
**For the Year-Ended June 30, 2018 (in thousands)**

Net Position, June 30, 2017	\$ 194,837
Restatement - Change in accounting principal for OPEB	<u>(44,390)</u>
*Net Position, July 30, 2017, as restated	\$ 150,447
 Increase in Net Position	 <u>40,168</u>
*Net Position, June 30, 2018	<u><u>\$ 190,615</u></u>

*\*Unaudited*

**FIRST QUARTER FY19  
FINANCIAL SUMMARY  
AS OF SEPTEMBER 30, 2018**

**Background Information:** The University has prepared a first quarter financial summary.

As of the end of the first quarter of FY19, the University is tracking a positive performance net revenue of approximately \$69M, which suggests an increase of approximately \$15M from the prior year and \$12M over year to date budget. University tuition, fee, and room and board revenues have decreased by approximately \$5.7M from the prior year, primarily due to a decline in enrollment. Other revenues such as sales and the State of Illinois appropriation, which are up approximately \$16M compared to first quarter budgeted revenue, are forecasting to end the year on target with the budgeted revenue of \$422M. Expenses are tracking in the first quarter to be slightly above budget by approximately \$3.2M, but the annual forecast is tracking to come in under budget by \$2.6M. In an environment of declining enrollment, management is demonstrating its ongoing leadership to monitor and develop strategies to effectively control expenses in order to keep in line with expected revenue. At this pace, the University is forecasting the year to end with a balanced budget.

**Revenues**

- 1. Tuition and Fees:** All tuition, including differential tuition, course and materials fees, athletics fees, bus fees, and health service fees.
- 2. Gifts, Grants, & Contracts:** Includes on-campus scholarships, research grants and associated indirect cost pools, Pell grants, and sub-contract fees for research.
- 3. Other Fees and Fines:** Includes parking, residential living-learning community fees, parking fines, transcript and commencement fees.
- 4. Sales:** Includes board plan and retail food sales, concessions sales, advertising/sponsorship, sales of services to off-campus entities (including, but not limited to: catering, child care, conference services).
- 5. Rental & Room Income:** Includes room fees for residential students, rental of on-campus and off-campus meeting and conference space, hotel revenues and Northern View apartment revenues.
- 6. Gate Receipts & Commissions:** Includes athletic ticket sales, performing arts ticket sales, commissions and concert/event revenues from the Convocation Center.
- 7. Miscellaneous & Investment Income:** Includes athletics' game guarantees, NIU share of conference tournament revenues, rental of facilities, interest income from investments, gains and losses on disposals of fixed assets, and year-end transfers to mandated reserves in the auxiliary facilities system.
- 8. State of Illinois:** Represents the annual state appropriation to public universities.

## Expenses

- 9. Cost of Sales:** Includes the cost of all items purchased for resale on campus such as food for dining units, parts and supplies to be charged out through the campus work order system, as well as paper for pay-to-print copiers and printers.
- 10. Personnel Services:** Includes all salaries paid to faculty, supportive professional staff, civil service, graduate assistants, extra help and student employees. Also includes required payments for Medicare and employee health insurance.
- 11. Contractual Services:** Includes annual software support, subscriptions, conference registrations, non-employee travel reimbursements, service contracts, repairs & maintenance, grounds, building service work charges, speaking fees, and other arrangements with outside contractors to perform services for the University.
- 12. Travel:** Includes airfare, hotel rooms, mileage, meals (all up to limits set by the state and the University), and ancillary expenses for employees to travel to-and-from campus on official university business.
- 13. Automotive:** Includes the cost to rent cars, vans and busses from the university transportation department.
- 14. Scholarships:** Includes scholarships awarded, including Pell Grant funds disbursed (which, when netted against Pell Grant funds received, results in zero effect on the university's cash position).
- 15. Telecommunications:** Includes the cost of providing phone, internet and other digital services to the University.
- 16. Equipment & Library Materials:** Includes the cost of all items over \$100 with an estimated useful life of two years or more, as well as library books, journal subscriptions, manuscripts, films, music and video materials
- 17. Capital Repairs, Debt Service & Other:** Includes the cost of centralized capital repair funds, debt service payment on bonds, certificates of participation and performance contracts. Also includes refunds issued for on-campus external programming and other expenses not classified elsewhere.

Following is a financial summary of the University's operations as of the quarter-ended September 30, 2018 and a comparison perspective to the quarter-ended September 30, 2017.

**University All Funds Comparison**  
**As of September 30, 2018**  
*(\$ in thousands)*

	Current Year FY19			Prior Year FY18		Current Year FY19		
	First Quarter			First Quarter		Annual		
	YTD Actuals	YTD Budget	Variance	YTD Actuals	Variance	YTD Forecast	Budget	Variance
<b>Revenue</b>								
Tuition & Student Fees	\$ 88,714	\$ 92,720	\$ (4,006)	\$ 93,517	\$ (4,803)	\$ 175,427	\$ 178,307	\$ (2,880)
Gifts, Grants, & Contracts	17,400	17,580	(180)	5,773	11,627	70,300	70,321	(21)
Other Fees and Fines	2,885	2,141	744	2,989	(104)	9,040	8,564	476
Sales	10,926	8,164	2,763	13,593	(2,667)	32,704	32,654	50
Rental & Room Income	15,143	16,921	(1,778)	14,341	802	32,286	32,541	(255)
Gate Receipts & Commissions	2,008	1,374	635	515	1,493	5,532	5,494	38
Miscellaneous & Investment Income	1,132	3,339	(2,207)	1,096	36	13,327	13,357	(30)
State of Illinois	34,174	20,915	13,259	17,909	16,265	83,659	83,659	-
<b>Total Revenue</b>	<b>\$ 172,381</b>	<b>\$ 163,153</b>	<b>\$ 9,227</b>	<b>\$ 149,733</b>	<b>\$ 22,648</b>	<b>\$ 422,275</b>	<b>\$ 424,897</b>	<b>\$ (2,622)</b>
<b>Expenses</b>								
Cost of Sales	\$ 677	\$ 1,228	\$ (551)	\$ 2,385	\$ (1,709)	\$ 4,707	\$ 4,910	\$ (203)
Personnel Services	48,257	53,921	(5,665)	47,442	815	215,026	215,685	(659)
Contractual Services	19,338	21,895	(2,557)	14,817	4,521	87,353	87,581	(228)
Commodities	1,249	1,867	(618)	1,254	(5)	7,395	7,468	(73)
Travel	849	1,389	(540)	925	(76)	5,496	5,555	(59)
Automotive	260	316	(56)	276	(16)	1,038	1,264	(226)
Scholarships	24,566	14,517	10,049	23,631	934	58,031	58,066	(35)
Telecommunications	85	170	(85)	58	27	339	680	(341)
Equipment & Library Materials	2,333	2,484	(151)	1,117	1,216	9,209	9,935	(726)
Capital Repairs, Debt Service & All Other	5,420	8,438	(3,018)	4,005	1,415	33,680	33,753	(73)
<b>Total Expenses</b>	<b>\$ 103,033</b>	<b>\$ 106,224</b>	<b>\$ (3,192)</b>	<b>\$ 95,911</b>	<b>\$ 7,122</b>	<b>\$ 422,275</b>	<b>\$ 424,897</b>	<b>\$ (2,622)</b>
<b>Net Revenue</b>	<b>\$ 69,348</b>	<b>\$ 56,929</b>	<b>\$ 12,419</b>	<b>\$ 53,822</b>	<b>\$ 15,526</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ 0</b>

To ensure that the amounts reported per the budget are in line with the University's anticipated financial statements results, a reconciliation has been prepared between Budget (Fund Accounting) and GAAP (Generally Accepted Accounting Principles).

An explanation of Generally Accepted Accounting Principles (GAAP) versus Fund Accounting (Budget):

- GAAP - a common set of accounting principles, standards, and procedures that companies must follow when compiling financial statements.
- Budget - based on fund accounting which is a method of accounting that emphasizes accountability rather than profitability. The focus is on "fund balances" that are set aside to achieve a specific goal with the organization.

The change in net position is estimated as of September 30, 2018, and was calculated using the FY18 annual GAAP figures.

Following is the reconciliation from the University's Budget to GAAP financial statements as of the end of the quarter at September 30, 2018.

**Budget to GAAP Reconciliation**

(\$ in thousands)

Total Budgetary Excess Revenue over Expenditures	\$ 69,348
Depreciation expense	(6,923)
Debt principal	<u>2,493</u>
Estimated, Total Increase in Net Position as of September 30, 2018	\$ 64,918



## **SERVICES AND LEASE IN SUPPORT OF HEALTH AND STUDENT ATHLETIC CARE**

**Summary:** Northern Illinois University's Health Services was one area identified in the University's Program Prioritization process as an opportunity for transformation. The University has determined that partnering with an external service provider to operate the health services function and provide student athlete care will enhance service delivery for our students. Northwestern Medicine (NM), one of the top medical groups in the nation (according to U.S. News and World Report) has the resources, expertise, and capabilities required to provide excellent care for our students.

The University is requesting approval to enter into an agreement with Northwestern Medicine to assume responsibility for the operation of Health Services and student athlete care. By entering into this partnership, NM will provide services for preventative, diagnostic, and chronic health care to students and student athletes.

Additionally, the University is requesting the Board of Trustees delegate to the President, or designee, authority to approve changes to the contract terms and pricing during the initial term of this agreement. In the future, it is anticipated that the parties may propose changes to the agreement regarding service provision enhancements, including but not limited to pre-employment screenings, medical leave certification, return to work authorizations, and other employment medical needs. Further, such approval is requested to authorize the President, or designee, to undertake all business transactions necessary in relation to additional services or other adjustments to the terms of this agreement. Substantive actions taken (not to include actions such as typographical error corrections and language changes to improve clarity), progress indicators, and relevant metrics shall be reported to the Board on an annual basis, at a meeting of the Board, during the initial term of this agreement.

**Background:** NIU will continue to oversee Health Services while enhancing services by engaging a partner that shares our values.

The University will align with NM, a major, internationally acclaimed healthcare delivery system, which will add value to the current care our students receive. The University will be a good steward of student fees and seek to lower costs without sacrificing service wherever possible. NM shares NIU's overall goal of mitigating exacerbation of health-related issues.

Under the terms of the agreement, all services currently provided will continue to be offered, and enhanced services in support of mental health as well as walk-in services for students will be available. Further, the implementation of a staggered schedule during the week will provide extended hours to see students. Additionally, NM will implement an enhanced medical records system in Health Services, making information available instantly and securely to authorized users serving students in Health Services and the NM Health System, and allowing integration across Athletics and the NM Health System. It is proposed that the offered services will be comprised of, but not limited to, the following:

- Physical exams
- Athletic physicals
- Women's health services, including pap smears
- Birth control counseling
- Tests for sexually transmitted diseases
- Diagnosis and treatment of upper respiratory infections and urinary tract infections
- Headaches
- Ear lavage

- Tobacco cessation
- Minor excisions, incisions and drainage
- Mental health counseling
- Allergy injections
- Minor injuries
- Psychiatry

In FY18, Health Services received approximately \$2.7M in student fees to operate the facility. The partnership with NM will provide an enhanced level of care to students at a lower cost, \$1.94M beginning in FY20, resulting in a \$0.39/credit hour reduction to the student fee in support of Health Services.

Athletic Services encompasses all aspects of medical care for athletic injuries to NIU student athletes, from general medicine to orthopedic and varying specialists, on campus and throughout the NM System. NM services include physician coverage at over 40 on-campus athletic events and every home and away football game to provide immediate evaluation and care in the event of an injury or incident. This partnership also adheres to the NCAA recommended best practice of having a medical doctor who is truly autonomous of coaching and other athletics staff oversee medical care for student athletes.

Under the current agreement, Athletics anticipates incurring a total of \$50,600 in service charges from July 1, 2018, through December 31, 2018, for student athlete medical care. As of January 1, 2019, student athlete services will roll into the larger agreement to encompass all services provided to the institution.

The University reserves the right to enhance the scope of services in the future and to negotiate pricing with NM upon the identification of the new services. The President, or designee, will have the delegated authority to negotiate these terms and implement the changes, reporting substantive transactions (not to include actions such as typographical error corrections and language changes to improve clarity), progress, and metrics on an annual basis at a meeting of the Board.

**Term:** The University is requesting approval to enter into an agreement with NM with an initial term starting January 1, 2019, and ending December 31, 2023. Subject to mutual agreement, both parties will initiate negotiations for one five-year renewal.

**Funding:** The University's not to exceed financial obligation to NM for Health Services is \$825,000 through June 30, 2019, and \$1,940,000 annually for the duration of the first term and \$90,000 maximum for annual athletic care services for the duration of the first term.

The total valuation for the 5-year term is \$10,005,000.

- \$9,555,000 for Health Services operations
- \$450,000 for student athlete services

**Lease:** NM will lease approximately 14,000 square feet of the Health Services Building (including designated equipment and furniture that currently exist within the Health Services Building) and one room within the Yordon Center. The value of the lease is \$40,000 annually, resulting in approximately \$200,000 in lease revenue in support of utilities and maintenance costs over the period of five years.

**Recommendation:** The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request for approval of the agreement, annual reporting commitments to the Board, and associated delegated authority as described above, 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 November 15, 2018.

## **FISCAL YEAR 2020 UNDERGRADUATE TUITION PRICING RECOMMENDATION**

**Summary:** The following item presents the pricing recommendation that addresses Northern Illinois University's (NIU) tuition rates for FY20. These recommendations were developed with the goals of maintaining fiscal responsibility and addressing affordability concerns - by keeping the total cost of attendance for full-time students as low as possible. The recommendations hold base tuition flat in FY20 for the fourth year in a row, while making modest adjustments, both up and down, to differential tuition rates.

**Background and Summary:** NIU has developed a refined set of tuition rates, to reflect the multiple student populations we serve. To bring clarity to this array of rates, we first lay out our rate structure and then indicate the rates for FY19 and the rates proposed for FY20.

NIU sets tuition on a per-credit hour basis. However, undergraduate students who enroll in 12 or more hours are charged for 13.5 times the per-credit hour rate. Rates are set subject to the following considerations:

- Illinois "Truth-in-Tuition" law for undergraduates;
- Differential tuition for select programs
- Residency considerations (e.g. out-of-state and international students)

### **Truth in Tuition**

Tuition rates for Illinois residents seeking an undergraduate degree are subject to Illinois' Truth-in-Tuition law. Under the provisions of the law, the entering degree-seeking undergraduate class for each fiscal year is guaranteed the same tuition rates for four continuous years. NIU policy adds one additional semester to this four year guarantee. NIU's policy is that after nine continuous semesters, the guaranteed undergraduate tuition rate adjusts to the fixed tuition rate paid by students who entered the University one fiscal year after the date of original entry for two years. The fixed tuition rates for such students are maintained consistent with that cohort. Effective FY19, the Board has set out-of-state tuition for domestic students equal to in-state tuition. While Truth-in-Tuition is not mandated for out-of-state students, effective FY20, Truth-in-Tuition guidelines will be applied to all domestic undergraduate students.

In the event of a decrease in undergraduate tuition, it is expected that all continuing students will be charged the new rate if that rate is more favorable to them than the rate guaranteed to them by Truth-in-Tuition.

In light of this, when NIU sets undergraduate tuition rates for FY20, those rates apply only to:

- incoming or re-entering students;
- non-degree-seeking students, including visiting students and post-baccalaureate students; and
- students whose continuous enrollment has exceeded the period outlined above.

As Truth-in-Tuition does not apply to graduate students or law students, the FY20 rates indicated below apply to both new and returning graduate students and law students.

### **Out-of-State and International Rates**

NIU currently sets tuition for domestic students at the same rate as Illinois residents. The rate for international students is set at twice the in-state rate. The University may enter into agreements with

international partners for cohort or pipeline programs. For such programs, the University may agree to lower tuition to no less than 1.5 times the FY20 in-state rate.

### Differential Tuition

For select programs, NIU assigns a differential tuition. These differentials reflect the added value and added costs associated with those programs. For those programs, the differential rate is added to the base, and becomes the tuition rate charged for that program, subject to all of the policies above (e.g. Truth-in-Tuition, graduate and law combined charge, out-of-state and international rates). Differential rates are stated on a per-credit-hour basis. For full-time students, the differential rate is 12 times the per credit hour rate. Differential rates are re-validated annually.

#### Fiscal Year 2020 Tuition Recommendations

Base In-State Tuition	Part Time per Credit Hour rate	Full Time Rate
	1 – 11 Credit Hours	12 or more Credit Hours
Undergraduate Tuition	\$348.84	\$4,732.80

As noted, graduate and law tuition rates are arrived at by combining the instructional charge, set forth here, with the institutional charge. The institutional charge is addressed in a separate Board item, so the full graduate and law tuition can only be established once both items are approved.

#### Undergraduate Differential Tuition per Credit Hour Rates

Program	FY19 Differential	FY20 Differential
<b>College of Engineering &amp; Engineering Technology</b>		
All programs (including non-engineering students enrolled for 4 or more credit hours within the College of Engineering & Engineering Technology)	\$50	\$50
<b>College of Health &amp; Human Sciences</b>		
Nursing (pre-licensure, not including pre-majors nor RN to BSN)	\$0	\$15
<b>College of Liberal Arts &amp; Sciences</b>		
Computer Science (including pre-majors)	\$40	\$40

#### Rationale for Differential Tuition

Differential tuition rates are reviewed annually to ensure that the rates are competitive and are not adversely impacting enrollments. This year, Engineering and Computer Science are maintaining their existing rates.

A new \$15/credit hour differential is proposed for the undergraduate pre-licensure Nursing program. Students in the RN-to-BSN program are not included. Nursing is a high-demand program with noteworthy additional costs associated with delivering a high-quality program. The \$15 differential will help ensure the quality of the program, and is not expected to impact enrollments, as even with the differential, NIU remains one of the most affordable pre-licensure programs in the region. The RN-to-BSN environment, on the other hand, is highly competitive, and there is concern that a price increase there would negatively impact enrollments.

**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 December 6, 2018.

## **FISCAL YEAR 2020 GENERAL FEE PRICING RECOMMENDATION**

**Summary:** The following item presents a pricing recommendation that addresses Northern Illinois University's (NIU) general fees for FY20. These recommendations were developed with the goals of maintaining fiscal responsibility and addressing affordability concerns - by keeping the total cost of attendance for full-time students as low as possible. The recommendations include a reduction to the total fees paid by students by reducing the Health and Wellness charge through our agreement with Northwestern Medicine HealthCare. The total of all other fees in FY20 remains constant, while making very modest adjustments to the distribution of fees.

**Background and Summary:** The University has numerous student activities, programs, services and operations that are supported to various degrees by the assessment of dedicated-use student charges. These charges are aggregated into a more manageable number of fees. This item describes the purpose of each charge, then provides a summary of the fee rates for FY19 and recommendations for FY20.

### **Fee Categories**

**Student Support Services Fee** is comprised of the following charges:

Student Activities and Services Charge supports the student government, student programming, campus wide programming initiatives (Welcome Days, Homecoming, Open Houses, etc.), and the activities of student recognized organizations. These charges are also allocated to departments to maintain and improve student services.

Holmes Student Center Charge supports the operational costs of Holmes Student Center and student programs provided in the facility.

Health and Wellness Charge allows students to use Health Services with little to no direct cost to students, and helps fund programming that promotes wellness and healthy lifestyle choices, and related state and federally mandated education and awareness campaigns.

Grants-in-Aid Charge supports an institutional merit-based scholarship program, as well as supporting a needs-based Financial Aid fund for students, by which state institutions are eligible for matching funds from the State of Illinois per statutory requirements.

Campus Recreation Charge is used for financing, constructing, maintaining, and improving new and existing recreational sports facilities and programs, including the sport club operations.

Northern Star requested, per University procedures, the reinstatement of a fee to support their operations, effective FY19.

**University Advancement Fee** is comprised of the following charges:

Capital Improvement Charge provides funding for educational and support facilities for students, faculty, and staff in a manner that maximizes the effectiveness of the capital investments, maximizes the use of existing facilities, and promotes orderly, planned campus development. Support for debt service of previously approved projects including west campus improvements, and the living and learning initiatives are also included in this charge.

Transportation Access Charge funds the Huskie Bus System, the Huskie Line, parking lot lights, security and maintenance, and the creation of additional parking and transportation services. This charge also supports the university's Huskie Line bus and Freedom Mobile paratransit services. All fee-paying students are eligible to utilize Huskie buses without being charged fares.

**Athletic Fee** is comprised of the following charges:

Athletic Program Charge supplements the University's diverse athletic programs and provides students with a means to enjoy the athletic events without direct cost to the student.

Convocation Center Charge helps fund the operational costs of the Convocation Center and supports student events held in the athletic space utilized by students.

Huskie Stadium Charge helps fund the operational costs of Huskie Stadium and provides support for student activities and programs that are held in the stadium.

**Regional Delivery Fee** is assessed to support the delivery of off-campus courses by the Division of Academic Affairs (e.g. development of online courses).

**Outreach Fee** is assessed to support infrastructure provided by the Division of Outreach, Engagement & Regional Development that is needed to deliver regional courses (e.g., operations of NIU regional centers, rental of non-NIU facilities).

**Academic Program Enhancement and Instructional Surcharge** is assessed in order to meet the ever-emerging demands for cutting edge academic programs and services for NIU students. Critical areas for funding include technology upgrades as well as support for identified academic strategic planning initiatives designed to strengthen, direct, and further improve academic programs, research, and the academic experience of students.

**Graduate Program Support** is comprised of the following charges:

Graduate Colloquium Charge supports the Graduate Colloquium program, which brings scholars, artists, professionals, and public figures to lecture or perform at NIU.

Career/Professional Development Charge supports career/professional development workshops, seminars, and coursework for graduate students

Graduate Outreach Charge is assessed to support infrastructure provided by the Division of Outreach, Engagement & Regional Development that is needed to deliver regional courses (e.g., operations of NIU regional centers, rental of non-NIU facilities).

**Law Program Support** is comprised of the following charges:

Law Student Bar Charge supports the Student Bar Association and student organization activities at the College of Law.

Law Excellence Charge provides enhancements to College of Law course offerings and experiential learning opportunities such as clinics, mock trial and moot court.

## Applicability of Fees

NIU enrolls several different student populations. As these activities impact these different student populations in different ways, the charges and fees vary according to the population. First, there are distinctive fees for graduate program support and law student support. For undergraduates only, there are separate fees for courses that are designated as on-campus (e.g. courses at the DeKalb campus and some online courses) vs. off-campus (e.g. courses at the NIU regional centers, third-party locations such as community college campuses or high schools, and some online courses). For graduate students, the on-campus and off-campus fee distinctions have been eliminated, and all graduate students pay the same fees, independent of course location.

- **Athletic Fee & University Advancement Fee:** assessed for undergraduate students in on-campus courses; for graduate students; and for law students. All students are assessed the same amounts.
- **Student Support Service Fee:** assessed for undergraduate students in on-campus courses; for graduate students; and for law students. There are small differences for the Student Activities and Services Charge.
- **Regional Delivery Fee & Outreach Fee:** assessed for undergraduate students in off-campus courses. For graduate students, the Outreach charge is incorporated as part of the Graduate Program Support Fee.
- **Academic Program Enhancement Support Surcharge:** assessed for all students, in different ways. For undergraduates, there is a flat fee of \$125 per semester for part-time students enrolled for six or fewer hours; and a flat fee of \$250 per semester for all students enrolled for seven or more hours.
- **Graduate Program Support:** assessed for graduate students only.
- **Law Program Support Fee:** assessed for College of Law students only.

Fee	GRAD	LAW	UG On-Campus	UG Off-Campus
<b>Student Support Service Fee</b>	Assessed on a per credit hour basis, capped at 12 hours, with small differences in the Student Activities & Services Charge			N/A
<b>Athletic Fee</b>	Assessed on a per-credit-hour basis, capped at 12 hours			N/A
<b>University Advancement Fee</b>	Assessed on a per-credit-hour basis, capped at 12 hours			N/A
<b>Regional Delivery Fee</b>	N/A	N/A	N/A	Assessed course-by-course on a per-credit-hour basis
<b>Outreach Fee</b>	N/A	N/A	N/A	Assessed on a per-credit-hour basis, capped at 12 hours
<b>Academic Program Enhancement Support Surcharge</b>	N/A		Assessed on a per semester basis	
<b>Graduate Program Support Fee</b>	Assessed on a per-credit-hour basis, capped at 12 hours	N/A	N/A	N/A

<b>Law Program Support Fee</b>	N/A	Assessed on a per-credit-hour basis, capped at 12 hours	N/A	N/A
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Note that undergraduates who enroll for more than 12 hours with a mix of on-campus courses and off-campus courses pay the appropriate per-credit hour rates for their on-campus courses and their off-campus courses.

**FY19 Rates and Recommendations for FY20 Rates**

FY19 GENERAL FEES	PER CREDIT HOUR RATE (1 – 11 CREDIT HOURS)				MAX. RATE FOR 12 OR MORE CREDIT HRS			
	UG On-Campus	UG Off-Campus	GRAD	LAW	UG On-Campus	UG Off-Campus	GRAD	LAW
<b>Athletic</b>	32.91	0	32.91	32.91	394.92	0	394.92	394.92
<b>Student Support Service</b>	36.03	0	33.52	34.58	432.36	0	402.24	414.96
<b>University Advancement</b>	26.68	0	26.68	26.68	320.16	0	320.16	320.16
<b>Regional Delivery</b>	0	50.00 See note #1	0	0	0	600.00	0	0
<b>Outreach</b>	0	56.00	0	0	0	672.00	0	0
<b>Academic Program Enhancement Support</b>	See note #2	See note #2	22.00	22.00	250.00	250.00	264.00	264.00
<b>Graduate Program Support</b>	0	0	24.00	0	0	0	288.00	0.00
<b>Law Program Support</b>	0	0	0	122.35	0	0	0.00	1468.20
<b>Total</b>	<b>95.62</b>	<b>106.00</b>	<b>139.11</b>	<b>238.52</b>	<b>1,397.44</b>	<b>1,522.00</b>	<b>1,669.32</b>	<b>2,862.24</b>

FY20 GENERAL FEES	PER CREDIT HOUR RATE (1 – 11 CREDIT HOURS)				MAX. RATE FOR 12 OR MORE CREDIT HRS			
	UG On-Campus	UG Off-Campus	GRAD	LAW	UG On-Campus	UG Off-Campus	GRAD	LAW
<b>Athletic</b>	32.91	0	32.91	32.91	394.92	0	394.92	394.92
<b>Student Support Service</b>	35.74	0	33.23	34.29	428.88	0	398.76	411.48
<b>University Advancement</b>	26.58	0	26.58	26.58	318.96	0	318.96	318.96



<b>Regional Delivery</b>	0	50.00 See note #1	0	0	0	600.00	0	0
<b>Outreach</b>	0	56.00	0	0	0	672.00	0	0
<b>Academic Program Enhancement Support</b>	See note #2	See note #2	22.00	22.00	250.00	250.00	264.00	264.00
<b>Graduate Program Support</b>	0	0	24.00	0	0	0	288.00	0.00
<b>Law Program Support</b>	0	0	0	122.35	0	0	0.00	1468.20
<b>Total</b>	<b>95.23</b>	<b>106.00</b>	<b>138.72</b>	<b>238.13</b>	<b>1,392.76</b>	<b>1,522.00</b>	<b>1,664.64</b>	<b>2,857.56</b>

Notes:

1. The Regional Delivery Fee for courses in the School of Nursing is \$100.
2. For undergraduates, the Academic Program Enhancement Support Surcharge is charged as a flat fee of \$125 for students enrolled for six or fewer credit hours; and a flat fee of \$250 for students enrolled for seven or more credit hours.

**Changes from FY19 to FY20**

The following changes are proposed from FY19 to FY20:

- Decreasing the Health & Wellness Charge by \$0.39/credit hour from \$9.37 to \$8.98.
- Decreasing the Holmes Student Center Charge by \$0.50/credit hour from \$12.33 to \$11.83.
- Increasing the Student Activities & Services Charge by \$0.50/credit hour as follows:

	Undergraduate	Graduate	Law
FY19	4.63	2.12	3.18
FY20	5.13	2.62	3.68

- Increasing the Campus Recreation Charge by \$0.10/credit hour from \$8.03 to \$8.13.
- Decreasing the Capital Improvement Charge by \$0.10/credit hour from \$15.15 to \$15.05.

The reduction of the Health & Wellness Charge is the result of the agreement with Northwestern Medicine HealthCare (NMHC). In our agreement with NMHC, we committed to transmitting the savings from the agreement to the students.

The net of the remaining changes is to shift \$0.10/credit hour from the University Advancement Fee to the Student Support Service Fee. The decline of ten cents in the Campus Improvement Charge is part of the debt service schedule. Given the Holmes Student Center (HSC) renovations and the transition of the self-operated bookstore to a third party vendor (Follett), there is a projected decline in operating expenses for the facility. In light of these two reductions, the opportunity presents itself to strengthen other areas. The reallocation of \$0.10/credit hour to the Campus Recreation Charge will allow service hours and staffing to remain consistent. Absent the increase, reductions in hours and staffing would have been required. By reallocating \$0.50/credit hour of the Holmes Student Center Charge to the Student Activities and Services Charge, the Student Association will be able to continue to fund approximately the same number of student organizations and sports clubs as well as maintain the scope of campus programming currently offered.

**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 December 6, 2018.

## **FISCAL YEAR 2020 GRADUATE AND LAW TUITION PRICING RECOMMENDATION**

**Summary:** The following item presents the pricing recommendation that addresses Northern Illinois University's tuition rates for FY20. These recommendations were developed with the goals of maintaining fiscal responsibility and addressing affordability concerns - by keeping the total cost of attendance for full-time students as low as possible. The recommendations hold base tuition flat in FY20 for the fourth year in a row, while making modest adjustments, both up and down, to differential tuition rates.

**Background and Summary:** NIU has developed a refined set of tuition rates, to reflect the multiple student populations we serve. To bring clarity to this array of rates, we first lay out our rate structure, then indicate the rates for FY19 and the rates proposed for FY20.

NIU sets tuition on a per-credit hour basis. However, undergraduate students who enroll in 12 or more hours are charged for 13.5 times the per-credit hour rate. For the law program and most graduate programs, students who enroll in 12 or more hours are billed at a rate that is 12 times the per-credit hour rate. The FY 20 rates indicated below apply to both new and returning graduate students and law students. Rates are set separately for graduate students and law students, subject to the following considerations:

- Bundling tuition and fees for graduate students
- Differential tuition for select programs
- Residency considerations (e.g. out-of-state and international students)

### **Graduate and Law Charge**

The University presents graduate students with a single charge that includes an instructional charge and an institutional charge. These two components are analogous to undergraduate tuition and fees. These are presented as a single charge to assist graduate and law students with employer reimbursement.

### **Out-of-State and International Rates**

NIU currently sets tuition for domestic students at the same rate as Illinois residents. The rate for international students is set at twice the in-state rate, subject to the following considerations:

- Within the integrated charge for graduate students, the instructional charge is doubled for international students, but the institutional charge is not.
- The University may enter into agreements with international partners for cohort or pipeline programs. For such programs, the University may agree to lower tuition (for undergraduates) or the instructional component (for graduate students) to no less than 1.5 times the FY20 in-state rate.

### **Differential Tuition**

For select programs, NIU assigns a differential tuition. These differentials reflect the added value and added costs associated with those programs. For those programs, the differential rate is added to the base, and becomes the tuition rate charged for that program, subject to all of the policies above (e.g. Truth-in-Tuition, graduate and law combined charge, out-of-state and international rates). Differential rates are stated on a per-credit-hour basis. For full-time students, the differential rate is 12 times the per credit hour rate. Differential rates are re-validated annually.

### Fiscal Year 2020 Tuition Recommendations

Graduate Base In-State Tuition	FY19		FY20	
	Part Time per Credit Hour rate 1 – 11 Credit Hours	Full Time Rate 12 or more Credit Hours	Part Time per Credit Hour rate 1 – 11 Credit Hours	Full Time Rate 12 or more Credit Hours
Instructional Charge	\$357.00	\$4,284.00	\$357.00	\$4,284.00
Institutional Charge	\$139.11	1,669.32	\$138.72	1,664.64
<b>Total</b>	<b>\$496.11</b>	<b>\$5,953.32</b>	<b>\$495.72</b>	<b>\$5,948.64</b>

College of Law In-State Tuition	FY19		FY20	
	Part Time per Credit Hour rate 1 – 11 Credit Hours	Full Time Rate 12 or more Credit Hours	Part Time per Credit Hour rate 1 – 11 Credit Hours	Full Time Rate 12 or more Credit Hours
Instructional Charge	\$677.29	\$8,127.48	\$677.29	\$8,127.48
Institutional Charge	\$238.52	2,862.24	\$238.13	2,857.56
<b>Total</b>	<b>\$915.81</b>	<b>\$10,989.72</b>	<b>\$915.42</b>	<b>\$10,985.04</b>

#### **Institutional Charge Components**

The graduate institutional charge and law institutional charge are built up out of component fees. These fees are very similar in structure to undergraduate fees, and many of the assessed values are identical to the rates for undergraduates. The components of the institutional charge are:

**Student Support Services Fee** is comprised of the following charges:

Student Activities and Services Charge supports the student government, student programming, campus wide programming initiatives (Welcome Days, Homecoming, Open Houses, etc.) and the activities of student recognized organizations. These charges are also allocated to departments to maintain and improve student services.

Holmes Student Center Charge supports the operational costs of Holmes Student Center and student programs provided in the facility.

Health and Wellness Charge allows students to use Health Services with little to no direct cost to students, and helps fund programming that promotes wellness and healthy lifestyle choices, and related state and federally mandated education and awareness campaigns.

Grants-in-Aid Charge supports an institutional merit-based scholarship program, as well as supporting a needs-based Financial Aid fund for students, by which state institutions are eligible for matching funds from the State of Illinois per statutory requirements.

Campus Recreation Charge is used for financing, constructing, maintaining, and improving new and existing recreational sports facilities and programs, including the sport club operations.

Northern Star requested, per University procedures, the reinstatement of a fee to support their operations, effective FY19.

**University Advancement Fee** is comprised of the following charges:

Capital Improvement Charge provides funding for educational and support facilities for students, faculty, and staff in a manner that maximizes the effectiveness of the capital investments, maximizes the use of existing facilities, and promotes orderly, planned campus development. Support for debt service of previously approved projects including west campus improvements, and the living and learning initiatives are also included in this charge.

Transportation Access Charge funds the Huskie Bus System, the Huskie Line, parking lot lights, security and maintenance, and the creation of additional parking and transportation services. This charge also supports the University's Huskie Line bus and Freedom Mobile paratransit services. All fee-paying students are eligible to utilize Huskie buses without being charged fares.

**Athletic Fee** is comprised of the following charges:

Athletic Program Charge supplements the University's diverse athletic programs and provides students with a means to enjoy the athletic events without direct cost to the student.

Convocation Center Charge helps fund the operational costs of the Convocation Center and supports student events held in the athletic space utilized by students.

Huskie Stadium Charge helps fund the operational costs of Huskie Stadium and provides support for student activities and programs that are held in the stadium.

**Academic Program Enhancement and Instructional Surcharge** is assessed in order to meet the ever-emerging demands for cutting edge academic programs and services for NIU students. Critical areas for funding include technology upgrades, as well as support for identified academic strategic planning initiatives designed to strengthen, direct, and further improve academic programs, research, and the academic experience of students.

**Graduate Program Support** is comprised of the following charges:

Graduate Colloquium Charge supports the Graduate Colloquium program, which brings scholars, artists, professionals, and public figures to lecture or perform at NIU.

Career/Professional Development Charge supports career/professional development workshops, seminars, and coursework for graduate students

Graduate Outreach Charge is assessed to support infrastructure provided by the Division of Outreach, Engagement & Regional Development that is needed to deliver regional courses (e.g., operations of NIU regional centers, rental of non-NIU facilities).

**Law Program Support** is comprised of the following charges:

Law Student Bar Charge supports the Student Bar Association and student organization activities at the College of Law.

Law Excellence Charge provides enhancements to College of Law course offerings and experiential learning opportunities such as clinics, mock trial and moot court.

The rates for FY19, and the proposed rates for FY20, are:

Fee	Graduate Fees				College of Law Fees			
	FY19 GENERAL FEES		FY20 GENERAL FEES		FY19 GENERAL FEES		FY20 GENERAL FEES	
	PER CREDIT HOUR RATE (1 – 11 CREDIT HOURS)	MAX. RATE FOR 12 OR MORE CREDIT HRS	PER CREDIT HOUR RATE (1 – 11 CREDIT HOURS)	MAX. RATE FOR 12 OR MORE CREDIT HRS	PER CREDIT HOUR RATE (1 – 11 CREDIT HOURS)	MAX. RATE FOR 12 OR MORE CREDIT HRS	PER CREDIT HOUR RATE (1 – 11 CREDIT HOURS)	MAX. RATE FOR 12 OR MORE CREDIT HRS
<b>Athletic</b>	32.91	394.92	32.91	394.92	32.91	394.92	32.91	394.92
<b>Student Support Service</b>	33.52	402.24	33.23	398.76	34.58	414.96	34.29	411.48
<b>University Advancement</b>	26.68	320.16	26.58	318.96	26.68	320.16	26.58	318.96
<b>Academic Program Enhancement Support</b>	22.00	264.00	22.00	264.00	22.00	264.00	22.00	264.00
<b>Graduate Program Support</b>	24.00	288.00	24.00	288.00	0	0.00	0	0.00
<b>Law Program Support</b>	0	0.00	0	0.00	122.35	1468.20	122.35	1468.20
<b>Total</b>	<b>139.11</b>	<b>1,669.32</b>	<b>138.72</b>	<b>1,664.64</b>	<b>238.52</b>	<b>2,862.24</b>	<b>238.13</b>	<b>2,857.56</b>

### Changes from FY19 to FY20

The following changes are proposed from FY19 to FY20:

- Decreasing the Health & Wellness Charge by \$0.39/credit hour, from \$9.37 to \$8.98.
- Decreasing the Holmes Student Center Charge by \$0.50/credit hour, from \$12.33 to \$11.83.
- Increasing the Student Activities & Services Charge by \$0.50/credit hour, as follows:

	FY19	FY20
Graduate	\$2.12	\$2.62
Law	\$3.18	\$3.68

- Increasing the Campus Recreation Charge by \$0.10/credit hour from \$8.03 to \$8.13.
- Decreasing the Capital Improvement Charge by \$0.10/credit hour from \$15.15 to \$15.05.

The reduction of the Health & Wellness Charge is the result of the agreement with Northwestern Medicine HealthCare (NMHC). In our agreement with NMHC, we committed to transmitting the savings from the agreement to the students.

The net of the remaining changes is to shift \$0.10/credit hour from the University Advancement Fee to the Student Support Service Fee. The decline of ten cents in the Campus Improvement Charge is part of the debt service schedule. Given the Holmes Student Center (HSC) renovations and the transition of the self-operated bookstore to a third party vendor (Follett), there is a projected decline in operating expenses for the facility. In light of these two reductions, the opportunity presents itself to strengthen other areas. The reallocation of \$0.10/credit hour to the Campus Recreation Charge will allow service hours and staffing to

remain consistent. Absent the increase, reductions in hours and staffing would have been required. By reallocating \$0.50/credit hour of the Holmes Student Center Charge to the Student Activities and Services Charge, the Student Association will be able to continue to fund approximately the same number of student organizations and sports clubs as well as maintain the scope of campus programming currently offered.

### Graduate Differential Tuition

The per credit hour rates for FY19, and the proposed rates for FY20:

<b>Program</b>	<b>FY19 Differential</b>	<b>FY20 Differential</b>	<b>Increase / (Decrease)</b>
<b>College of Business</b>			
Graduate Certificate in Accountancy	\$325	\$325	\$0
Master of Accountancy	\$325	\$325	\$0
Master of Accounting Science	\$325	\$325	\$0
Master of Science in Taxation	\$325	\$325	\$0
Graduate Study in Enterprise Management Using SAP Analytics	\$200	\$200	\$0
Graduate Certificate in Data Analytics	\$200	\$200	\$0
Master of Science in Finance	\$400	\$400	\$0
Evening MBA	\$400	\$400	\$0
Global MBA	\$400	\$400	\$0
Graduate Certificate in Management Information Systems	\$200	\$200	\$0
Masters of Management Information Systems	\$200	\$200	\$0
Master of Science in Digital Marketing	\$400	\$400	\$0
Foundations of Accountancy Certificate	\$325	\$325	\$0
*Certificate of Graduate Study – Advanced Study in Accounting Analytics	\$0	\$325	\$325
*Certificate of Graduate Study – Advanced Study in Accountancy	\$0	\$325	\$325
Master of Science in Data Analytics	\$400	\$400	\$0
Graduate Study in Data Science for Business	\$400	\$400	\$0
<b>College of Education</b>			
EdD in Curriculum & Instruction	\$65	\$65	\$0
EdD in Education Administration	\$65	\$65	\$0
PhD/EdD in Instructional Technology (face-to-face)	\$30	\$40	\$10
PhD/EdD in Instructional Technology (online)	\$40	\$40	\$0
MSED in Instructional Technology (face-to-face)	\$15	\$20	\$5
MSED in Instructional Technology (online)	\$30	\$25	(\$5)
Graduate Certificate in Trauma-Informed Counseling (online)	\$35	\$35	\$0
EdD in Community College Leadership	\$55	\$55	\$0
MSED in Kinesiology & Physical Education	\$35	\$35	\$0
MS in Sports Management	\$35	\$35	\$0
Executive EdD in Adult & Higher Ed Weekend Cohort (online)	\$55	\$55	\$0
<b>College of Engineering &amp; Engineering Technology</b>			
All programs	\$50	\$50	\$0
<b>College of Health &amp; Human Sciences</b>			
Master of Speech-Language Pathology	\$160	\$160	\$0
Doctor of Audiology	\$185	\$185	\$0
Doctor of Physical Therapy	\$225	\$225	\$0

Doctor of Health Sciences (online)	\$513	\$513	\$0
Graduate Certificate in Eating Disorders (online)	\$105	\$180	\$75
Doctor of Nursing Practice	\$250	\$240	(\$10)
Master of Public Health (online)	\$180	\$180	\$0
Nursing Adult, GPCNP (online)	\$180	\$0	(\$180)
Master of Family Nurse Practitioner (online)	\$230	\$240	\$10
Nursing Education (online)	\$180	\$180	\$0
Nursing Post-Masters Certificate (online)	\$180	\$180	\$0
<b>College of Liberal Arts &amp; Sciences</b>			
Computer Science MS	\$60	\$60	\$0
Master of Public Administration (online)	\$0	\$90	\$90

\*Pending Graduate Council approval

**Rationale for Differential Tuition Rate Changes**

Differential tuition rates are reviewed annually to ensure that the rates are competitive and are not adversely impacting enrollments. This year, most programs are maintaining their existing rates. A few adjustments are being made, and a few new programs are introducing differentials:

- A \$15/credit hour differential is proposed for the undergraduate pre-licensure Nursing program. Students in the RN-to-BSN program are not included. Nursing is a high-demand program with noteworthy additional costs associated with delivering a high-quality program. The \$15 differential will help ensure the quality of the program, and is not expected to impact enrollments, as even with the differential, NIU remains one of the most affordable pre-licensure programs in the region. The RN-to-BSN environment, on the other hand, is highly competitive, and there is concern that a price increase there would negatively impact enrollments.
- Nursing had differential rates for several graduate programs. As students in those programs often share courses, the school is adjusting prices so that students with common courses have common pricing.
- ETRA offers multiple graduate programs in both face-to-face and online modalities. The department proposes modest adjustments to better align prices for cognate programs.
- The increment for the Graduate Certificate in Eating Disorders is based on the rates of comparative programs and aligns with the MPH program.

**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 December 6, 2018.



**FISCAL YEAR 2020 ROOM AND BOARD FEE RECOMMENDATION**

**Summary:** The following item presents a pricing recommendation that addresses Northern Illinois University's room and board fees for FY20. The collection of room and board from students living in University residence halls supports Housing and Residential Services as well as Campus Dining Services operations and related Revenue Bond obligations. These recommendations were developed to address the goal of student affordability. The University is recommending that room and board rates remain consistent to FY19 rates.

**Background:** Room rate recommendations typically address increased student wage and service contract costs, software support, indirect costs, contractual services, general operating expenses, and debt service payments related to renovations to the residence halls. This item describes the proposed room and board rates, then provides a summary of the fee rates for FY19 and recommendations for FY20. (NOTE: Rates for New Hall and Northern View, the Collegiate Housing Foundation II Project, are considered separately and are not included in this recommendation but are provided for informational purposes only.)

FY19		FY20		
LOCATION	RATE	LOCATION	RATE	variance
<b>NEPTUNE HALL</b>		<b>NEPTUNE HALL</b>		
Single-Occupancy	\$ 5,633	Single-Occupancy	\$ 5,633	0.0%
Double-Occupancy	\$ 4,750	Double-Occupancy	\$ 4,750	0.0%
<b>GILBERT HALL</b>		<b>GILBERT HALL</b>		
Single-Occupancy	\$ 6,181	Single-Occupancy	\$ 6,181	0.0%
Double-Occupancy	\$ 5,298	Double-Occupancy	\$ 5,298	0.0%
<b>GRANT TOWERS</b>		<b>GRANT TOWERS</b>		
Single-Occupancy	\$ 6,181	Single-Occupancy	\$ 6,181	0.0%
Double-Occupancy	\$ 5,298	Double-Occupancy	\$ 5,298	0.0%
<b>STEVENSON TOWERS</b>		<b>STEVENSON TOWERS</b>		
Single-Occupancy	\$ 6,181	Single-Occupancy	\$ 6,181	0.0%
Double-Occupancy	\$ 5,298	Double-Occupancy	\$ 5,298	0.0%
<b>NEW HALL</b>		<b>NEW HALL</b>		
Single-Occupancy (Room Only)	\$ 5,503	Single-Occupancy (Room Only)	\$ 5,559	1.0%
<b>NEW HALL MEAL PLAN ONLY</b>	\$ 1,127	<b>NEW HALL MEAL PLAN ONLY</b>	\$ 1,127	0.0%
<b>Other Mandatory Residential Fees</b>				
ResNet Access/Support Charge		\$92/semester		
Residence Hall Surcharge		\$50/Semester		
<b>Other Residential Fees</b>				
Winter Break fee		\$42/week or \$150/4 weeks		
Prior to deadline		\$56/week or \$200/4 weeks		
After deadline				
Living-Learning Communities		\$50/semester		
		<b>All prices are in addition to the students applicable base Room and Board Fee</b>		
<b>Proposed Voluntary Meal Plan Upgrades - Flex dollars</b>				
Block 12 with \$20 Flex per week		\$	272.50	
Block 12 with \$30 Flex per week		\$	400.00	
Block 12 with \$40 Flex per week		\$	512.50	

**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 December 6, 2018.

## **LAUNCH OF JOBS FOR AMERICA'S GRADUATES (JAG) PROGRAMS IN ILLINOIS**

**Summary:** The EdSystems Center (a department in the Division of Outreach, Engagement and Regional Development) is requesting a Purchase Order to Iowa Jobs for America's Graduates for \$667,500 over the next two fiscal years (\$147,500 in FY19; \$520,000 in FY20).

EdSystems has been contracted by the Illinois Department of Employment Security (IDES) to launch a new initiative: a Jobs for America's Graduates (JAG) program in Illinois. JAG programs already operate in 34 states, one of which is Iowa. The project will be modeled after the Iowa JAG program. Iowa JAG will assist and advise EdSystems in launching Illinois JAG.

Iowa JAG is named in the agreement with IDES. IDES will pay NIU \$800,000 over FY19-FY20 (\$210,000 in FY19; \$590,000 in FY20). The Iowa JAG subcontract is \$667,500 (\$147,500 in FY19; \$520,000 in FY20). NIU retains \$132,500.

**Background:** NIU's EdSystems Center, with funding provided per an agreement with the Illinois Department of Employment Security, is subcontracting with Iowa JAG, Inc. to incubate and launch a Jobs for America's Graduates (JAG) program in the State of Illinois. The project will begin as soon as approvals are secured; it will continue through June 30, 2020.

The JAG program model supports students who do not have the financial resources and do not have the academic performance records likely to make a successful transition to postsecondary education, employment, or the military. In high schools, the JAG program works with cohorts through a student-centered learning strategy including project-based and work-based learning, an employability skills focus, career association membership, and other supports and interventions. Nationally, the JAG program has served 1.2 million young people in 30+ states over 38 years. Currently the Iowa JAG affiliate operates programs at two middle schools and two high schools in Illinois. With Iowa JAG's existing Illinois presence and experience, they will serve as an important partner in the launch of an Illinois JAG.

JAG previously operated at several sites in Illinois, however, these programs were discontinued due to the elimination of state funding support.

After June 30, 2020, Illinois JAG will operate as an independent nonprofit organization funded through a mix of public and private sources.

**Funding:** \$800,000 external funding (\$210,000 in FY19; \$590,000 in FY20) committed. The Purchase Order to Iowa Jobs for America's Graduates is \$667,500 over the next two fiscal years (\$147,500 in FY19; \$520,000 in FY20). Net revenue to NIU: \$132,500.

**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 December 6, 2018.

**COLLEGE OF HEALTH & HUMAN SCIENCES  
CAMERAS/RECORDING SYSTEMS**

**Summary:** Cameras/Recording System/Software for College of Health and Human Sciences (CHHS) clinics (Speech-Language-Hearing Clinic (SLHC), Couple and Family Therapy Clinic (CFTC), and Child Development and Family Center) are necessary to enable NIU students, faculty, and researchers to record, review, and manage audio video client/patient appointments/therapy sessions, simulations, and research studies in a secure and organized fashion. CHHS is requesting funding in support of a new Cameras/Recording System.

**Background:** CHHS clinics serve as the lab component for the following academic programs: audiology, speech-language pathology, child development, marriage and family therapy. The clinics provide the setting for NIU students to participate in clinical and research experiences required for their degree programs. An essential component of their academic and clinical training requires they have the ability to view and critique their client/patient appointments/therapy sessions (SLHC and CFTC) and their practicum classrooms (Child Development and Family Center). The current cameras/recording system used by the Speech-Language-Hearing Clinic is in disrepair and is no longer able to record video, which is a requisite for graduate students' clinical coursework, as well as for research studies. The current cameras/recording system used by the Couple and Family Therapy Clinic is outdated and does not record quality image and sound, which is necessary for graduate students' clinical coursework. The Child Development and Family Center is in need of a cameras/recording system for their practicum classrooms.

**Funding:** Institutional – Local Funds: \$260,000

**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 December 6, 2018.

**STEAM ISOLATION VALVE AND  
EXPANSION JOINT REPLACEMENT**

**Summary:** As part of an Illinois Board of Higher Education (IBHE) mid-year inquiry on critical/urgent repair requirements which demonstrate the potential for campus-wide impact, this project was identified and submitted for possible appropriated funding. In September 2018, funds were released by the Governor's Office of Management and Budget (GOMB) to the Capital Development Board (CDB) to execute this project. The project may be accomplished by NIU contractors and reimbursed by the CDB.

**Background:** The scope of the project involves the replacement/addition of mechanical isolation valves and expansion joints in the steam tunnel distribution network which are at risk of failing or not operating as required. Failure of these system components could result in significant disruption to the heating system supporting the entire campus. Approximately, four (4) existing isolation valves at various locations have been identified for critical replacement due to failure risk, four (4) new isolation valves are required to allow sufficient isolation of the distribution network to mitigate the impact from line repairs, and four (4) expansion joints are beyond life expectancy and present a significant risk of failure. The project will involve some limited coordination by NIU personnel which will not be reimbursed by CDB. This coordination support by NIU personnel is anticipated to be less than \$25K.

**Funding:** Appropriated funds held by CDB - \$476,000  
NIU local funding - \$25,000

**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 December 6, 2018.

**QUARTERLY SUMMARY REPORT OF TRANSACTIONS IN EXCESS OF \$100,000  
FOR THE PERIOD JULY 1, 2018 TO SEPTEMBER 30, 2018**

<b>Purchase Amount</b>	<b>No. of Transactions</b>	<b>Appropriated</b>	<b>Non-Appropriated</b>	<b>Total</b>
Over \$100,000	16	\$749,560	\$1,872,680	\$2,622,240

**TRANSACTIONS DETAIL:**

Purchases:

1. Renewal was required of an open order with ASGK Public Strategies, LLC, d/b/a Kivvit for strategic issues management and crisis communications consulting services to provide advice, counsel, planning and implementation support, on an as-needed basis, for the management of issues that have a potential impact on the University's reputation for the period July 1, 2018 - June 30, 2019. This is the second of four one-year renewal options allowed for in a Request for Proposal opened February 25, 2016. The renewal was advertised in the Illinois Procurement Bulletin and has been waived by the PPB. 175,000\*
2. Renewal was required of the contract for Chicagoland public relations representation. This engagement provides for promotion of Northern Illinois University specific to the greater Chicagoland area in an effort to bolster name brand recognition and drive increased enrollment and alumni awareness. The proposed contract was the result of RFP #JLT152459, which opened October 29, 2014. This is the third of nine one-year renewal options. The renewal award was advertised in the Illinois Procurement Bulletin and has been waived by the PPB. 186,000\*
3. Permission was requested for orders for programming and affiliation fees required for the operation of Northern Public Radio for the period 10/31/17 - 9/30/18. The intent to award this contract as a sole source was advertised in the Illinois Procurement Bulletin and has been waived by the PPB. The prior orders did not require President's approval. 230,000
4. The Department of Chemistry and Biochemistry requested permission to purchase used research equipment from Louisiana State University for Professor Evgueni E. Nesterov's start-up package. This equipment was originally selected and used by Professor Nesterov while a faculty member at LSU. This engagement is exempt from the Illinois Procurement Code under 30 ILCS 500/1-10 (b)(1) – contracts between governmental agencies. 151,130
5. Intercollegiate Athletics requested permission to issue an order for athletic officials funding for Fiscal Year 2019 sports. This order will be advertised on the Illinois Procurement Bulletin as an exemption according to 30 ILCS 500 / 1-13(b)(4). 120,000

- |   |          |
|---|----------|
| 6. Intercollegiate Athletics requested permission to issue an open order for third-party ticket sales services. The vendor performs sales and marketing activities to bolster ticket sales for Huskie Athletics. This order will be advertised on the <u>Illinois Procurement Bulletin</u> as an exemption according to 30 ILCS 500 / 1-13(b)(2).   | 110,000  |
| 7. Health Services requested permission to issue a contract for psychiatry services medical staffing during Fiscal Year 2019. This order will be advertised on the <u>Illinois Procurement Bulletin</u> as an exemption according to 30 ILCS 500 / 1-13(b)(5).  | 115,000  |
| 8. Renewal was required of the Ciena Software Maintenance contract for FY19. NIU (DoIT) owns and operates a high-speed Broadband network that provides business services to all NIU campuses and this network is supported by Ciena equipment. The annual maintenance fee allows NIU to have technical support and replacement services for the equipment. Approved MHEC contract #02262015 will be utilized for this purchase and is exempt from advertising on the <u>Illinois Procurement Bulletin</u> . | 203,000  |
| 9. The Division of Information Technology requested permission to enter into a new one-year contract, with 2 one-year renewals, for access to Lynda.com training through LinkedIn. This training is available for all staff, faculty and students. The intent to award this contract as a sole source was advertised on the <u>Illinois Procurement Bulletin</u> (#KM167440).   | 245,860* |
| 10. The National Safety Education Center requested permission to issue purchase orders to the following host sites to offer OSHA courses to be taught during the period October 1, 2018 - September 30, 2019. These orders are exempt from the Illinois Procurement Code, according to Section 30 ILCS 500 / 1-13(b)(2).  | 100,000  |
| 11. The National Safety Education Center requested permission to contract with this vendor as part of a consortium that makes up the National Safety Education Center. The services include the planning and presentation of OSHA courses to be taught during the period October 1, 2018 - September 30, 2019. This order is exempt from the Illinois Procurement Code, according to Section 30 ILCS 500 / 1-13(b)(2).  | 200,000  |
| 12. The National Safety Education Center requested permission to issue orders to the following host sites to offer OSHA courses to be taught during the period July 1, 2018 - June 30, 2019. These orders are exempt from the Illinois Procurement Code, according to Section 30 ILCS 500 / 1-13(b)(2).   | 200,000  |
| 13. Intercollegiate Athletics requested permission to pay Fiscal Year 2019 Membership Dues to the Mid-American (MAC) Conference. Membership in the MAC Conference requires financial support in the form of annual Membership Dues. This order is exempt from the Illinois Procurement Code, according to Section 30 ILCS 500 / 1-13(b)(4).   | 100,000* |

**Capital Improvement Projects:**

1. Campus roadways and entry drives require regular patching and repair due to normal wear and tear, winter weather conditions, and snowplowing activities. Repairs are necessary on Stadium Drive West, University Circle Drive, Wirtz Quadrangle Drive, Anderson Service Drive, and Parking Lot 2 entrance. Repairs will include milling and re-surfacing to ensure improved safety for drivers and pedestrians. 106,750\*\*

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

\*\*Total Project - \$106,750  
App/Income - 42,700\*  
Rev. Funds - 64,050

2. Areas in Grant Towers C and D require touch up painting as part of a regular maintenance program to keep the building and facilities in good condition. In addition, areas of New Residence Hall will be painted. Rotation painting will include those areas that are in the poorest condition. Generally, when areas are clean and aesthetically pleasing they are less likely to be vandalized and will encourage members of the University community to take pride in their surroundings. 249,000

Work will be completed with our in-house workforce under the coordination of a NIU project manager. Existing surfaces will be cleaned and properly prepared prior to painting. Preparation will include the removal of chipping paint as well as patching and sanding. Where appropriate, masons will repair damaged areas of wall surfaces prior to painting.

3. The Art Department currently has student and faculty artist studios located in the Art Annex Building at 2211 Sycamore Road. Program Prioritization recommended that the art studios be relocated back to main campus to make the best use of underutilized space. To accommodate the relocation of the art studios to Grant Towers South, new entry door configurations, new locks and security modifications will be included to allow the use of the tower space for studios while maintaining security for the residents in Grant North. Minor clean-up and repairs will be made including minor maintenance to the mechanical and electrical infrastructure. 130,500

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

\*Appropriated/Income Funds



**PERIODIC REPORT ON INVESTMENTS  
FOR PERIOD ENDING SEPTEMBER 30, 2018**

In accordance with the approved University Investment and Cash Management policy, this report on investments is submitted at the end of each calendar quarter to the Board of Trustees. The following schedules are included with this report:

- Cash and Investment Holdings Summary as of September 30, 2018
- Investment Earnings by Type and Duration for the three months ending September 30, 2018

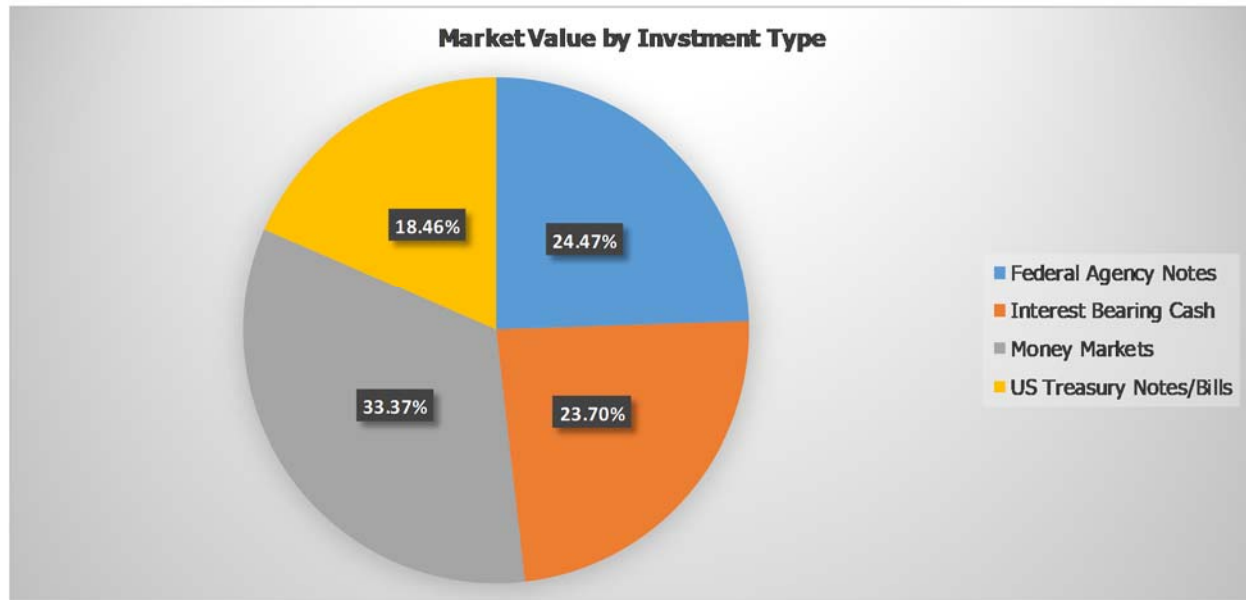
The *Cash and Investment Holdings Summary* shows the ending balances, book values, and market values for each type of investment in Northern Illinois University's custody. At September 30, 2018, Northern Illinois University's holdings total \$172.9 million, a growth of approximately \$23 million compared to the first quarter last year. This increase is largely due to the receipt of State appropriations.

The *Investment Earnings by Type and Duration* report shows the interest earnings for the first quarter of FY19 and the annualized rates of return for this quarter as well as the three previous quarters for all invested funds owned by the University. Interest earnings for July 1 through September 30, 2018 equal \$766,462, and the combined annualized rate of return is 1.73%, which is an increase of 75 basis points over the yield reported one year ago. As anticipated, the portfolio yield has steadily increased each quarter over the past year.

The investment committee continues to align its investment strategy with current market conditions and available cash while complying with the University's Investment and Cash Management policy and the Illinois Public Funds Investment Act. In anticipation of future rate increases, fixed income securities with short-term maturities will be purchased allowing the University to benefit from rising interest rates. Internal factors such as current demands on cash for operations and campus facility needs are important factors in the investment committee's decision-making, as well as external factors such as uncertainty of future State funding, the strengthening economy and rising interest rates.

**NORTHERN ILLINOIS UNIVERSITY**  
**CASH and INVESTMENT HOLDINGS SUMMARY**  
**September 30, 2018**  
**For Fiscal Year 2019**

Investment Type	Purch Price/ Ending Bal *	Book Value **	Market Value ***
<b>Federal Agency Notes:</b>			
Local Funds	\$ 42,253,362	\$ 42,320,646	\$ 42,192,904
<b>Interest Bearing Cash Accounts:</b>			
Local Funds	\$ 40,860,554	\$ 40,860,554	\$ 40,860,554
Project Funds	710	710	710
	\$ 40,861,264	\$ 40,861,264	\$ 40,861,264
<b>Money Markets:</b>			
Local Funds	\$ 35,241,917	\$ 35,241,917	\$ 35,241,917
Project Funds	22,281,145	22,281,145	22,281,145
	\$ 57,523,062	\$ 57,523,062	\$ 57,523,062
<b>US Treasury Notes/Bills:</b>			
Local Funds	\$ 31,900,919	\$ 31,941,109	\$ 31,827,809
<b>TOTAL INVESTMENT HOLDINGS</b>	<b>\$ 172,538,607</b>	<b>\$ 172,646,081</b>	<b>\$ 172,405,039</b>
Non-interest Bearing Cash	\$ 419,987	\$ 419,987	\$ 419,987
<b>TOTAL CASH &amp; INVESTMENT HOLDINGS</b>	<b>\$ 172,958,594</b>	<b>\$ 173,066,068</b>	<b>\$ 172,825,026</b>
<b>TOTAL REPORTED FOR 09/30/2017</b>	<b>\$ 149,111,221</b>	<b>\$ 149,068,205</b>	<b>\$ 148,958,151</b>



\* 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 2019**  
**July 1, 2018 - September 30, 2018**

	September 30 Ending Balance	Average Daily Investment Balance	Percent of Portfolio	Income Earned	Annualized Rates of Return				
					FY 2019	FY 2018			
					1st Qtr	4th Qtr	3rd Qtr	2nd Qtr	
<b>Short-Term Investment Accounts</b>									
Illinois Funds	\$ 35,241,917	\$ 35,191,148	20.01%	\$ 174,867	1.971%	1.746%	1.386%	1.120%	
Investment Accounts - Financial Institutions	\$ 40,860,554	\$ 43,651,803	24.82%	\$ 222,759	2.025%	1.764%	1.437%	1.159%	
Investment Accounts - Project Funds	\$ 22,281,855	\$ 22,900,773	13.02%	\$ 83,923	1.454%	1.227%	0.842%	0.452%	
<b>ST Investment Accounts Total</b>	<b>\$ 98,384,326</b>	<b>\$ 101,743,724</b>	<b>57.84%</b>	<b>\$ 481,549</b>	<b>1.878%</b>	<b>1.671%</b>	<b>1.337%</b>	<b>1.060%</b>	
<b>Fixed Income Securities</b>									
Local Funds	\$ 74,154,281	\$ 74,154,281	42.15%	\$ 284,913	1.537%	1.391%	1.280%	1.057%	
Project Funds	\$ -	\$ -	0.00%	\$ -	-	1.614%	1.057%	1.024%	
<b>Fixed Income Securities Total</b>	<b>\$ 74,154,281</b>	<b>\$ 74,154,281</b>	<b>42.15%</b>	<b>\$ 284,913</b>	<b>1.537%</b>	<b>1.391%</b>	<b>1.257%</b>	<b>1.051%</b>	
<b>Non-interest Bearing Cash</b>	<b>\$ 419,987</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>COMBINED TOTAL</b>	<b>\$ 172,958,594</b>	<b>\$ 175,898,005</b>	<b>100.00%</b>	<b>\$ 766,462</b>	<b>1.73%</b>	<b>1.58%</b>	<b>1.32%</b>	<b>1.06%</b>	

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

**FISCAL YEAR 2018 ANNUAL REPORT OF  
TRANSACTIONS INVOLVING REAL PROPERTY**

Three categories of real property transactions are included in this annual report. In-leases, where NIU acts as the lessee, serve to provide support when either there is insufficient or inadequate space for the requirement within University-owned property. Annual reviews are being conducted to verify the continuing need for the in-lease arrangement before renewals are executed. Leases may be terminated when the mission requirement ends or arrangements can be made to accommodate the function within University property or via another in-lease.

Out-leases, where NIU acts as the lessor, serve to effectively leverage under-utilized property either financially and/or through compatible support to the University mission. Annual reviews are being conducted to evaluate the out-lease value to the University prior to renewal.

Facility capital leases are long-term payment agreements with interim leases where the final objective is University ownership of the property.

<b><u>Type</u></b>	<b><u>Number of Transactions</u></b>	<b><u>Transaction Percentage</u></b>	<b><u>Dollar Volume</u></b>	<b><u>Dollar Percentage</u></b>
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**In-leases (NIU as lessee):** Includes support for academic activities (e.g. steel drum workshop, art studios, law clinic, temporary theater arrangements during Stevens construction), outreach activities (e.g. NPR operations), and research (e.g. robotic submarine).

Under \$100,000	12	100%	\$413,666	100%
\$100,000-\$250,000	--	--	--	--
Over \$250,000	--	--	--	--
<b>Total</b>	<b>12</b>	<b>100%</b>	<b>\$413,666</b>	<b>100%</b>

**Out-leases (NIU as lessor):** Includes support for government organizations (e.g. IL Board of Examiners, IL Dept of Agriculture, State University Retirement System), commercial operations (e.g. Subway fast food, ATM machines, farmland rental), and research (e.g. American Institute for Research in the Biological Sciences\*, REV3 business incubator).

Under \$100,000	8	89%	\$228,265	47%
\$100,000-\$250,000	--	--	--	--
Over \$250,000	1*	11%	\$254,004	53%
<b>Total</b>	<b>9</b>	<b>100%</b>	<b>\$482,269</b>	<b>100%</b>

**Facility capital leases:** Includes the annual payments for the Illinois Association of School Business Officials (IASBO), the New Hall/Northern View Residential Complexes and the Chessick/Yordon Practice Centers.

IASBO Building

- Payments made in FY18	\$69,926
- Payments to date	\$1,334,431
- Remaining debt	\$413,732
- Ending date of term	May 2024

New Residence Hall Complex/Northern View Residential Complex

- Payments made in FY18	\$10,066,794
- Payments to date	\$65,891,089
- Remaining debt	\$273,001,922
- Ending date of term	April 2043

Chessick Practice Center/Yordon Center

- Payments made in FY18	\$319,000
- Payments to date	\$8,400,269
- Remaining debt	\$957,000
- Ending date of term	February 2021

## **FISCAL YEAR 2018 REPORT ON FACILITIES AND INFRASTRUCTURE CAPITAL INVESTMENT ACTIVITIES**

### **Overview**

This report reviews and summarizes a holistic capital investment perspective based on the layered investment strategy of maintenance, major repairs, and mission enhancement (formerly described as discretionary) capital improvement projects. A historical view is presented from information collected from FY00 through FY18. This view is also categorized by the two major classifications of campus buildings as noted below. This differentiation is critical to understanding the source of funds required to support each type of building and the supported University operation.

- **General Revenue**: Consists predominantly of academic and administrative operations, associated buildings and proportional supporting infrastructure. This conservatively represents about \$1B of Plant Replacement Value (PRV) which serves as a common denominator for comparing buildings.
- **Auxiliary Revenue**: Consists predominantly of athletics, housing/dining, recreation, and Holmes Student Center operations, associated buildings, and proportional supporting infrastructure. This also conservatively represents about \$1B of PRV.

The format of this report is consistent with the FY17 annual capital investment report with the intent to (1) provide a strategic view of all investments made in facility assets, (2) present an indication of the level of investment required, and (3) continue to illustrate the overall health of the campus physical plant. A traditional reporting description of capital projects is provided in appendix A showing highlights of significant actions approved between FY12 and FY18. Appendix B is the semi-annual accounting of all current active projects >\$100,000. These appendices do not provide strategic perspective with the information provided, but help illustrate examples for the types of work supported by the various investment categories.

Information presented represents a best effort at collecting and interpreting historical financial data into a meaningful format and developing an investment strategy/model to guide future focus. Improvements and refinements are anticipated for subsequent reports as data is better characterized with future investments. The facility sustainment investment model, initially described in the FY17 report, continues to be utilized as a method of comparison to industry standards and a required investment level. The basis of this model is built on the premise that about 2% of a plant's replacement value (PRV) is the required maintenance and repair investment to keep up with the rate of deterioration. This sustainment investment model has been the inspiration for the financial modeling being done by the Illinois Board of Higher Education (IBHE) and is gaining recognition in the Governor's Office of Management and Budget (GOMB) and the state legislature as a reasonable approach for guiding renewed interest in infrastructure investments.

### **Maintenance Investments**

Maintenance is fundamental investment required to keep facilities operational and functional. The actions represented in this investment category include (1) preventive maintenance (PM) which help ensure building systems function for the intended life, and (2) corrective repairs which allow for smaller critical (and sometimes interim) repair actions to keep the building functioning on a daily basis. A key strategy being implemented to help ensure available funding is utilized in the most effective manner, is the development of a formal PM program. The effort began in FY17 to document and track PM requirements for about 3,700 individual items representing the steady progress planned to continue through FY20, as shown in figure 1 below.

As more data fidelity is added to this critical maintenance function, more definitive work plans are being developed to clearly understand the staffing and material support required to accomplish these work requirements. Once fully implemented, future annual reports can begin to demonstrate the extent available resources will be able to support PM actions. A properly supported PM program will reduce the chances of unplanned failures and minimize disruptions on the campus.

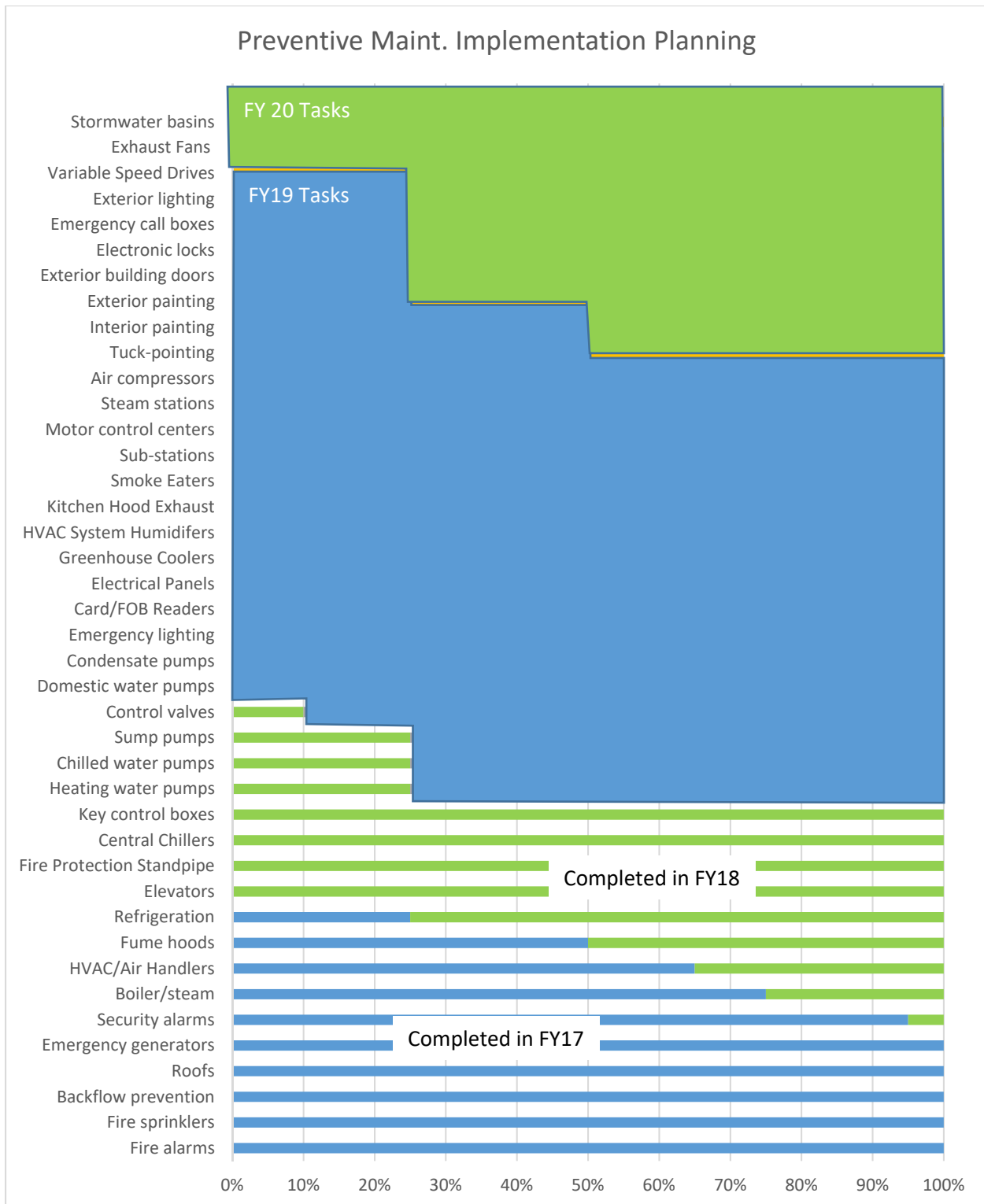


Figure 1

How much should be invested in maintenance depends on the necessary PM actions and historic levels required to address smaller corrective repairs. Presented in figure 2 below, is a historical view of maintenance investment made on general revenue facilities/infrastructure between FY00 through FY18. Utilizing a percentage of a plant's replacement value (PRV) as a basis for comparison and considering the



effort underway for improving overall PM efforts, 0.5% approximates the target investment for the General Revenue portion of the University’s campus. This is an investment area that can be affected by the amount of State appropriations targeted for capital investments. As addressed later in this report, under investment in major repairs creates more demand and reliance on daily maintenance and corrective repair actions to keep building systems functioning while larger repair actions may be deferred.

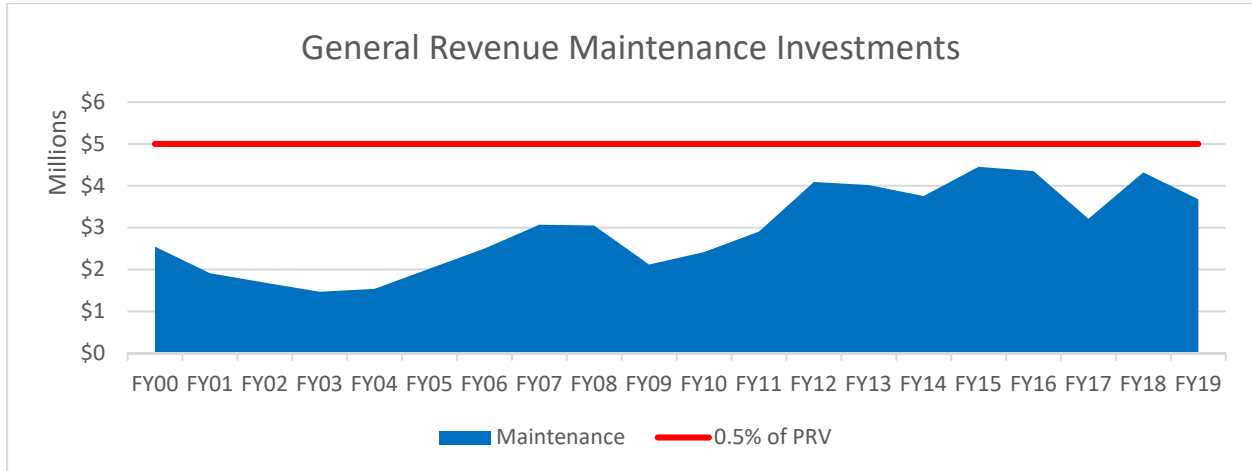


Figure 2

In general, the University has expended a significant effort to increase General Revenue maintenance investments over the past 19 years. From a low point in FY03 of just under \$1M, this investment has increased nearly 4 times to create a respectable investment level for this fundamental layer of facility sustainment. In FY17, this funding level dipped to \$3.1M due to the need to weather the uncertainty of state funding between FY16 and continuing into FY17. For FY19, the budgeted level of investment remains conservative at only \$3.7M which is slightly below the \$3.8M invested in FY18.

In a similar manner, the facility maintenance investment supporting Auxiliary Operations was plotted in figure 3. This shows an overall improved level of investment over this same period as compared to General Revenue investments which may be due to less volatility in funding support as the typical bond-based financing terms require more attention to protecting these facility assets. Similarly, as shown for the General Revenue maintenance, the rough target for Auxiliary maintenance is 0.5% of PRV. While this level of maintenance investment had been reached in FY09 and FY13-15, recent maintenance investment levels have fallen due to overall budgetary pressures caused by enrollment decline.

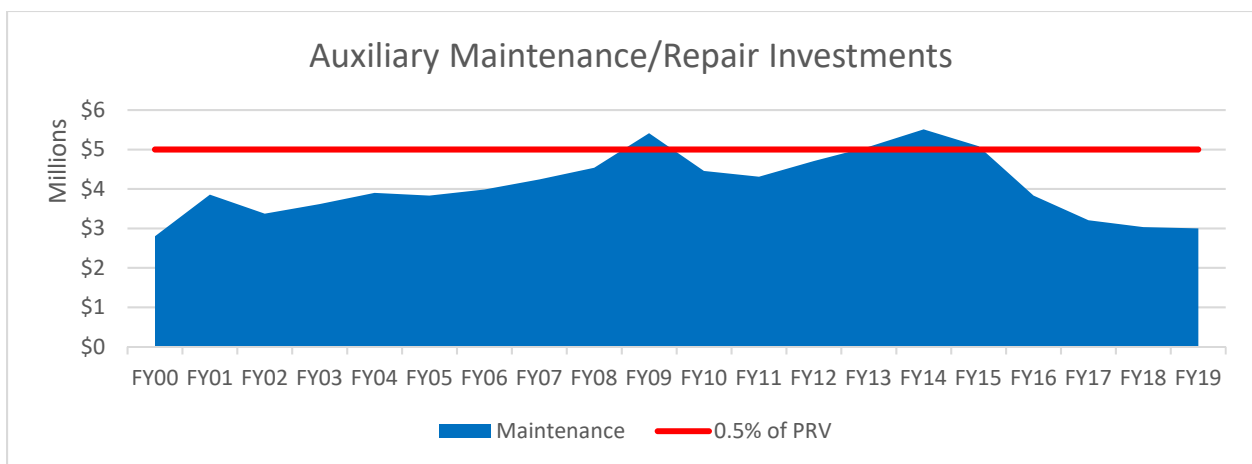


Figure 3

## Major Repair Investments

Major repairs are the next critical investment priority after maintenance. Major repairs commonly include significant restoration/replacement of building components to return the system to near original operating capability. The combined investment of both maintenance and repair is key to maximizing a facility's service life. The investment model utilized for this report to assess the University's facility investment situation is a simple algorithm which measures the maintenance and repair investment as a percentage of overall Plant Replacement Value. In this model, 2% is viewed as a reasonable investment level to sustain facilities for their intended life span when facility management experts generally agree that investment levels of between 2% and 4% are required depending on the type of facility, level of use, and current state of deferred deficiencies. If investments are made too low, the backlog of deferred requirements continues to build as deficiencies accumulate, and overall repairs become more costly to restore to acceptable conditions as deficiencies worsen.

Viewing the campus under the General Revenue and Auxiliary portions as shown previously, each portion of the campus represents about \$1B of PRV for a conservative total of \$2B. Like with any valuation criteria, this PRV calculation will vary by time. The conservative \$2B total is considered a reasonable representation of average value for this nearly 20-year time span. A 2% investment in maintenance and repair would amount to a total of \$40M total, or \$20M for each portion. In figure 4, the complete maintenance and repair General Revenue investment history is presented since FY00, and, on average, the investment level has been only 0.4% despite the inclusion of sporadic support of State repair funding. The void between the investment levels made over the years and this 2% of PRV target represents over \$310M in under-investment in this 20-year period alone.

A minor investment surge occurred between FY12-FY16 which breached the 0.5% level with the help of some state renewal funding. Significant projects in this period consisted of repairs to the underground electrical infrastructure, repairing outdated fire alarm systems, repair/replacement of emergency generators, and roof replacements for seven campus buildings. For FY19, renewed State support for investing in repair requirements has led to an initial investment supplement of ~\$6.5M which will be targeted toward repairs for boilers and steam distribution requirements. Another ~\$20M in urgent requirements supporting additional steam distribution, electrical infrastructure, roofs, and building structural repairs has been identified for possible funding in FY19.

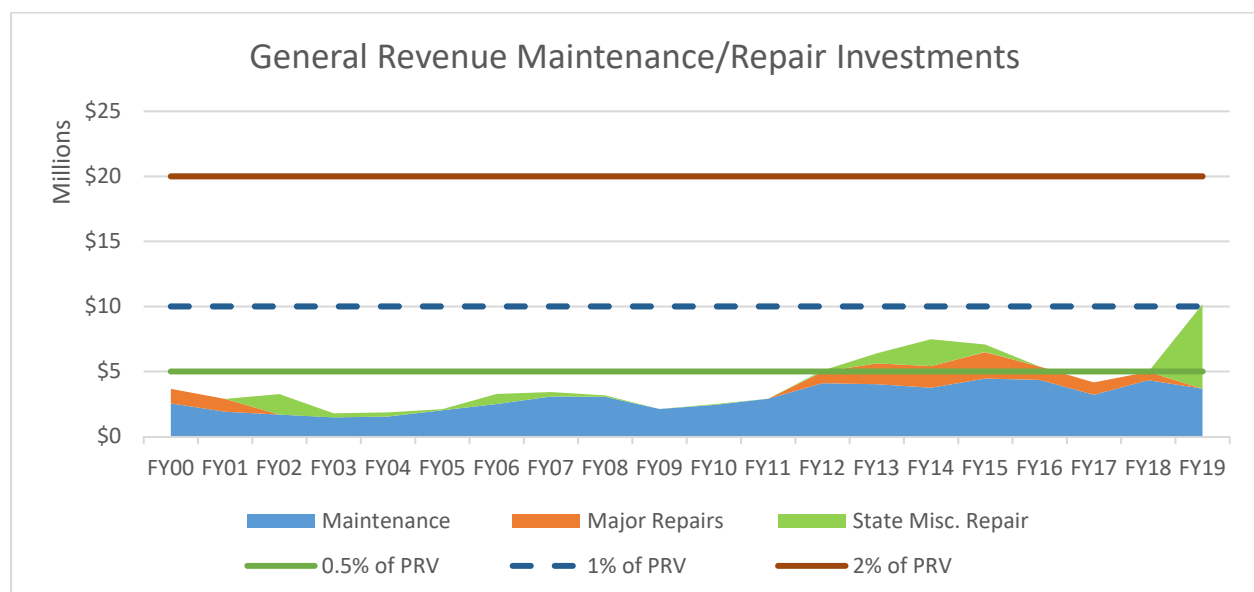


Figure 4

This level of historic and current level of investment has not been sufficient to keep up with the constant accumulation of facility deficiencies. FY18 General Revenue investments fell short of this 2% industry guideline by \$15M with total maintenance and repair investments barely reaching the 0.5% level.

To illustrate the impact of this long-term maintenance and repair underinvestment, a subjective condition assessment was developed for the inventory of General Revenue buildings using a grading scale as shown in table 1. While recognized as not a precise assessment of overall building condition, it does help illustrate the magnitude of concern and how conditions are likely to worsen if continued under investment occurs. A higher fidelity accounting of facility conditions can typically cost >\$200K and could not be justified at this time.

Building Condition Grading Spectrum: Table 1

Red (R)	Building or portions of building is not currently habitable without repair investment.
Yellow-Low (Y-L)	Building has significant repair needs that will impact mission within a year.
Yellow-High (Y-H)	Building in generally good condition with significant repair needs that may impact mission in 1-2 years.
Green-Low (G-L)	Building in generally good condition with some indication of significant repair needs in 2-3 years.
Green-High (G-H)	Building in good condition with normal maintenance/minor repair needs. Little risk to mission.

In figure 5 below, the condition of 62 General Revenue buildings is shown by overall count where each building is equally represented and then shown by square footage area. The representation by area is a more realistic view of the overall campus condition and demonstrates how over 2/3 of the General Revenue building space is at risk of needing significant repairs within a 2-year horizon to remain adequately mission capable. Continued underinvestment in maintenance and repair will cause this picture to worsen as more buildings become either unoccupiable or accumulate more deficiencies that increase the risk of mission impact. The red condition represents Adams Hall which is not occupied on the upper floors due to water infiltration and elevator repair deficiencies. Other buildings may be coming close to the threshold of not being able to support the intended mission.

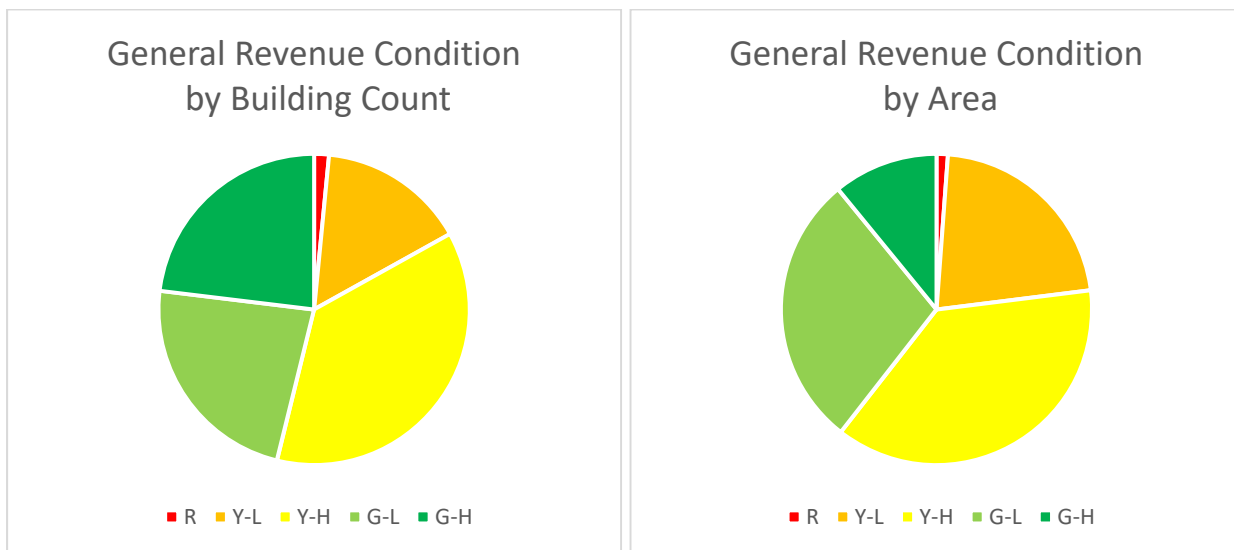


Figure 5

In a similar manner, the total facility maintenance/repair investment supporting Auxiliary operations was plotted in figure 6. On average, particularly with an investment spike in FY13-FY14 supported by Build America Bond financing, this investment level comes to 0.6% as opposed to the General Revenue

investment level of 0.4%. As previously addressed under the construct of the 2% of PRV investment model, FY18 Aux/Bond investments fell short of the 2% industry standard by \$15.6M. When considered cumulatively over this 20-year period, the under-investment from the 2% of PRV objective represents over \$280M.

The investment surge in FY13-14 period supporting Aux/Bond structures included repair efforts such as electrical infrastructure improvements, parking lot patching/repaving, steam line/tunnel repairs, painting and roof replacement at the Recreation Center and Holmes Student Center.

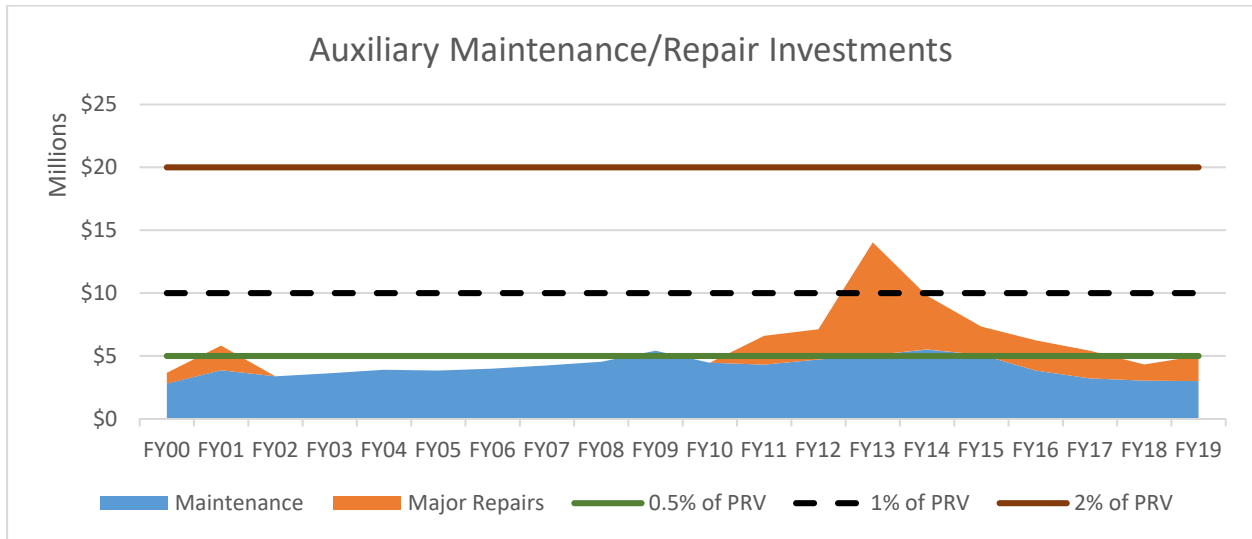


Figure 6

In figure 7 below, the condition of 31 Auxiliary/Bond Revenue buildings are shown by overall count where each building is equally represented and then shown by square footage area. The representation by area is a more realistic view of the overall condition and demonstrates how over 1/2 of the Aux/Bond building space is at risk of needing significant repairs within a 2-year horizon. Continued underinvestment in maintenance and repair will cause this picture to worsen as more buildings become either unoccupiable or accumulate more deficiencies that increase the risk of mission impact. The red condition represents the Lincoln Hall residential complex which is currently not capable of being utilized due to the state of deterioration. Given the reduced need for residential housing, Lincoln Hall represents an opportunity to right size the housing footprint through a future demolition effort.

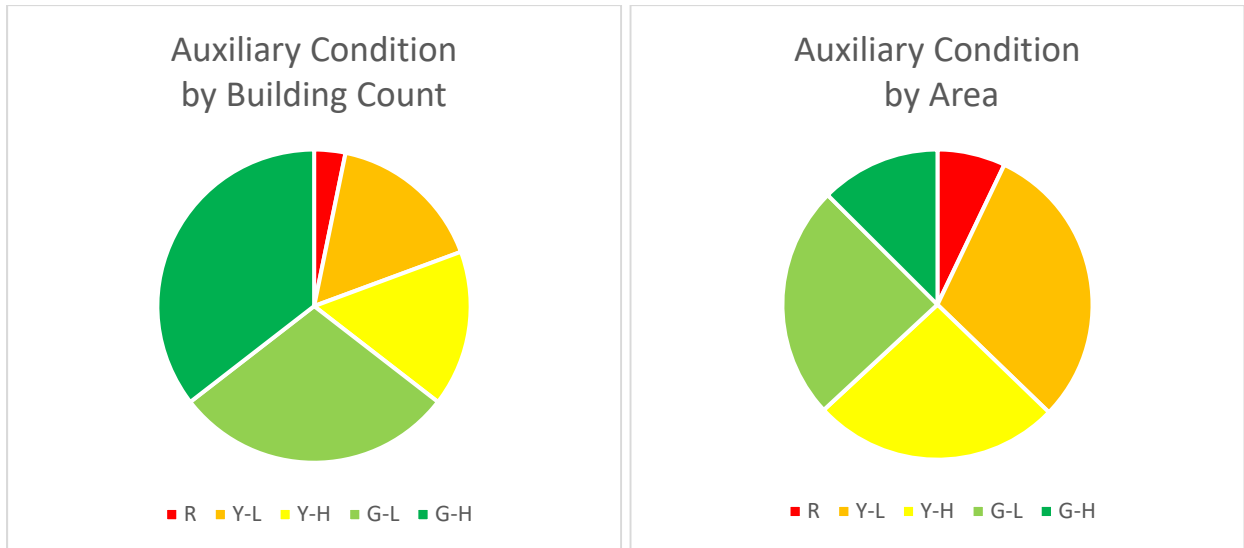


Figure 7

### Mission Enhancement Investments

Mission enhancement investments in facilities are defined as improvements that are new or add to an existing capability. As such, these investments may or may not have a direct impact on sustaining a building for its intended life span. This could include updates to a building’s appearance, reconfiguring spaces to better accommodate the supported mission, or adding other capabilities not previously present in the structure. While still important investments for enhancing a building’s appeal and general functionality, this category is differentiated from the maintenance/repair investments which are meant to sustain facilities.

Mission enhancement investments in General Revenue buildings are plotted in figure 8 below. The % of PRV investment model is shown as a reference for the magnitude for this investment, but the entire mission enhancement investment should not be construed as directly contributing towards the 1% or 2% maintenance and repair investment targets. While these mission enhancement investments may have been important for updating, modernizing, or generally improving the building’s mission support, they may not be contributing towards the sustainment of the building by eliminating existing deficiencies.

Assuming for a moment that the entirety of mission enhancement investments did contribute towards a building’s sustainment, the combination of maintenance, repairs, and mission enhancement investments over this 20-year period averaged to only 0.8% of the PRV. This cumulative gap of over \$230M from reaching the 2% investment target further illustrates the magnitude of under-investment for the General Revenue facilities and infrastructure. Mission enhancement investments for FY18 consisted mostly of the state-funded Stevens construction project which ended in May.

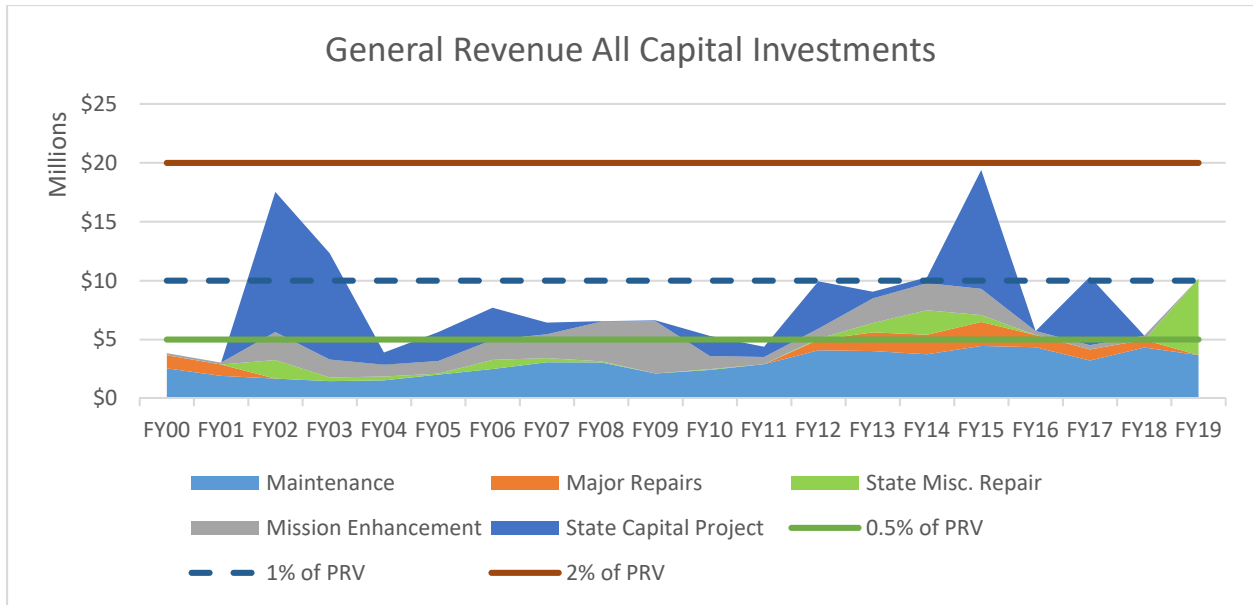


Figure 8

Mission enhancement investments in Auxiliary/Bond Revenue buildings are plotted in figure 9 below<sup>1</sup>. Again, the % of PRV investment model is shown as a reference only to illustrate the magnitude for this investment. Assuming for a moment that the entirety of maintenance, repair, and mission enhancement investments would contribute towards sustaining a building/infrastructure, the total investments over this 20-year period average to 1% of PRV. While slightly better than the General Revenue side, this cumulative gap of over \$180M from reaching the 2% investment target also further illustrates the magnitude of under-investment in Auxiliary buildings/infrastructure. The largest period of investment in the Auxiliary portion of the campus occurred during the FY11-FY16 period and was spurred by the financing from the Build America Bonds. This supported projects such as the Gilbert Hall renovation, Grant North towers renovation, Outdoor Recreation Center construction, fire sprinkler installation for Stevenson Hall, and the Lucinda Ave extension following the Douglas Hall demolition. The remaining Build America Bond availability is planned to be expended mostly in FY19 and FY20 for the Holmes Student Center ground floor renovation.

<sup>1</sup> The financed construction investment of the New Residential Hall was not able to be incorporated into this historical assessment at this time and will be evaluated in future assessment reports as more information is gathered.

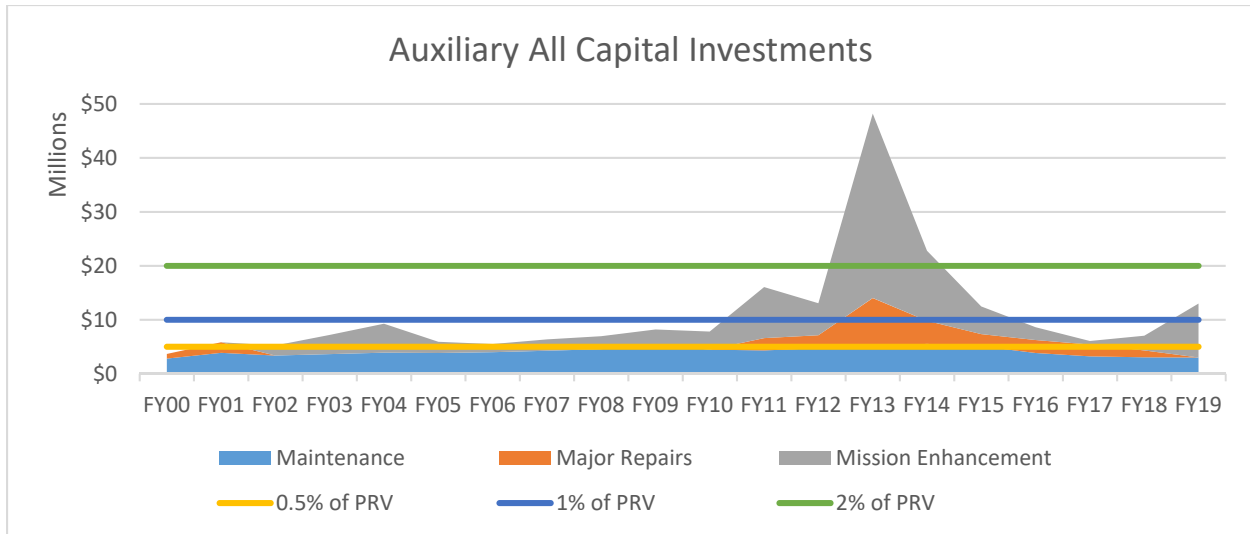


Figure 9

### Conclusion

This report continues to represent a fundamental shift in how the University is viewing facility investments and the overall health of the campus physical plant. The extended period of systematic underinvestment, shown in this report, has removed much of the flexibility facilities might typically have to endure periods of low funding support through deferred repairs with interim patches. Older facilities have endured this strain longer than newer facilities and will be the structures that exhibit the more significant future failures that may cause mission impacts. As more “repair attention” must be paid to these pending failing building systems, sacrifices are likely to be made by deferring timely repairs to the newer structures which tends to continue the overall cycle of deterioration rather than sustain a consistent level of overall condition across an inventory of buildings.

Efforts have continued to explain this dire investment requirement to various state leaders and there appears to be renewed interest from the legislature and GOMB on this topic. The funding released to date in FY19 allowing the Capital Development Board to proceed with critical repair projects focused on the steam infrastructure are a good indication of changing perspectives. Continuing discussions with these key stakeholders will focus on sustained investment levels through a multi-year investment plan and reintroduction of large mission enhancement investments such as new construction and whole building renovations.

In the meantime, the University continues to systematically prioritize maintenance and repair needs and integrate high impact mission enhancement investments, where possible. For FY18, as shown in figure 10, this has focused more funding towards maintenance/repair requirements. As the Holmes Student Center renovation project executes in FY19, this will show more investment mission enhancement investment for the auxiliary side than maintenance/repairs.

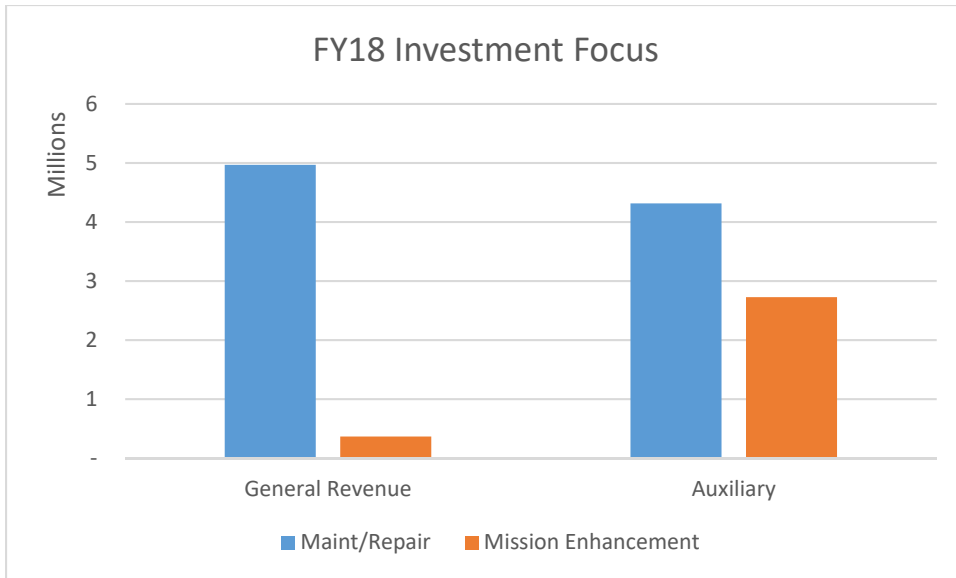


Figure 10



## Appendix A

### Historical Highlights of Approved Projects

In Fiscal Year 2011, the Board approved seven projects in excess of \$1.0 million: \$85.76 million for projects related to Campus Non-Instructional Modernization and Capacity Improvement, \$7 million for the renovation of parking facilities, \$5.24 million for a new Outdoor Recreation Facility, \$3.00 million for Grant Tower Renovation Phase I, \$2.88 million for Electrical Infrastructure upgrades, \$2.69 million for Stevenson Fire Sprinkler System and \$1.74 million approval of CDB Funds for Roof Replacement on seven general revenue buildings. There was one project between \$500,000 and \$1,000,000: \$970,000 was approved for the roof replacement at Holmes Student Center. There were two project approvals between \$250,000 and \$500,000 that totaled \$692,000: \$365,000 for Campus Alert Phase II, and \$327,000 to repair the building envelope at Lincoln Hall. There were three project approvals between \$100,000 and \$250,000 that totaled \$601,932 and twenty seven projects under \$100,000 were approved. There were ten repair and remodeling projects approved for research, learning, classroom, and support spaces.

In Fiscal Year 2012, the Board approved two projects in excess of \$1.0 million: \$3.30 million for Huskie Stadium scoreboard, \$1.80 million for campus 100% wireless coverage. In addition, the Capital Development Board approved a budget increase of \$2.90 million for Stevens Building Renovation. There was one project between \$500,000 and \$1,000,000: the CDB approved a budget increase of \$572,600 for roof replacements on seven campus buildings. There was one project approval between \$250,000 and \$500,000: \$385,000 for Campus Alert Phase III. There were ten project approvals between \$100,000 and \$250,000 that totaled \$1,799,048, there were twenty-seven projects under \$100,000 approved, fourteen of which were under \$25,000. There were eight repair and remodeling projects approved for research, learning, classroom, and support spaces. Notable projects include the new DOD super computer for Computer Science, 100% wireless coverage for campus, three smart classrooms and a new laboratory for Computer Science.

In Fiscal Year 2013, the Board approved two projects in excess of \$1.0 million: \$2.58 million for Electrical Infrastructure and \$1.25 million for Campus Alert Systems. In addition, Campus maintenance projects totaled \$1.65 million for general campus improvements. There was one item between \$500,000 and \$1,000,000 approved by the Board: \$650,000 for new electronic advertising fascia boards at Huskie Stadium. There was one project between \$250,000 and \$500,000: \$270,985 for emergency repairs of the entry plaza/mechanical room deck at Montgomery Hall. There were fifteen project approvals between \$100,000 and \$250,000 that totaled \$2,430,729 and there were twenty-three projects under \$100,000 approved, nine of which were under \$25,000. There were ten repair and remodeling projects approved for research, learning, smart classroom, and support spaces. Notable projects include the new entry door system for Founders Library, four smart classrooms and a renovated temporary Anthropology lab space for use during the renovation of Stevens Building.

In Fiscal Year 2014, the Board approved two projects in excess of \$1.0 million: \$2.25 million for a new Public Safety radio system and \$1.38 million for Electrical Infrastructure. In addition, Campus maintenance projects totaled \$1.59 million for general campus improvements. There was one project between \$250,000 and \$500,000: \$450,000 for new "beta version" small bus transit system for central campus. There were ten project approvals between \$100,000 and \$250,000 that totaled \$1,685,620 and there were fifty projects under \$100,000 approved, thirty of which were under \$25,000. There were twenty repair and remodeling projects approved for research, learning, smart classroom, and support spaces. Notable projects include three smart classrooms, the new walk-in cooler for Geology research in Davis Hall and a new computerized video message board system for the College of Education.

In Fiscal Year 2015, the Board approved one project in excess of \$1.0 million: \$1.5 million for planning the renovation of Holmes Student Center and Neptune Residential Complex. There were two projects over

\$500,000: Grant Central Roof Replacement at \$812,000 and renovation of the Animal Research Facilities located in Psychology / Computer Science and Montgomery Hall at \$850,000. Maintenance project approvals totaled \$3.03 million for general campus improvements with an additional \$373,071 approved for two emergency repairs. There were five projects between \$250,000 and \$500,000. Most notably two projects at Huskie Stadium: \$460,000 for a new turf field and \$300,000 for additional LED advertising ribbon boards. There were twenty-one project approvals between \$100,000 and \$250,000 that totaled \$4,760,342 and there were forty-nine project approvals under \$100,000, thirty were under \$25,000. There were seventeen repair and remodeling projects approved for academics, research, smart classrooms, and support spaces. Notable projects include the renovation of the Animal Research Facilities for Psychology and Biology, nine smart classrooms and classroom upgrades, additional compact storage for the Anthropology Museum, the first electric car charging station on campus, and this year one new facility was added, a new salt shed for Grounds Department to help manage purchasing and storing of winter de-icing salt.

In Fiscal Year 2016, the Board approved three projects in excess of \$1.0 million: The reallocation of \$20 million in Build America Bonds for the renovation of Holmes Student Center, \$1.9 million for renovation of New Hall Dining and Residence, \$1.25 million to replace the roof of Gabel Hall. There were five projects over \$400,000: \$750,000 for Grant Steam Vault, \$700,000 for the Boiler Assessment and Phase I Design, \$625,000 for Stevenson Towers Roof Replacement; \$440,000 for Lucinda Avenue Realignment; and \$400,000 for DuSable Steam Vault Repairs. There were four projects between \$200,000 and \$400,000. Most notable was the repair of the heating system for the Child Development Lab for \$246,300. There were twenty-three project approvals between \$25,000 and \$200,000 that totaled \$1,446,620 and there were twenty-eight projects under \$25,000 approved. There were twelve projects approved for General Revenue buildings. The majority of these projects were major repairs to critical building systems such as heating, ventilating, air conditioning, leaking roofs and deteriorated walls.

In Fiscal Year 2017, the State Budget impasse and the University's budget constraints played a major role in the number and dollar value of capital projects approved in Fiscal Year 2017. The Board approved only one project over \$1.0 million: the reallocation of \$5.4 million in Build America Bonds to begin remodeling, maintenance, repairs and updates to Neptune Residential Complex. There were only two projects over \$250,000: \$750,000 for Grant South Steam Vault replacement and \$500,000 to facilitate and complete the move-in to Stevens Building. The anticipated completion of Stevens by the State of Illinois Capital Development Board is spring 2018. There were six projects between \$100,000 and \$250,000 that totaled \$1,073,400 and six projects between \$50,000 and \$100,000 that totaled \$424,200. There were 52 projects between \$1,200.00 and \$50,000 totaling \$850,275. Total investment in Fiscal 2017 was 67 projects totaling \$8,997,875 in approvals. There were nine boiler, heating plant, steam tunnel, steam piping, and valve related repairs. Five other projects also related to mechanical systems and equipment on campus were completed. There was one major emergency repair to the water main at Neptune Residential Complex.

In Fiscal Year 2018, continuing enrollment and budget uncertainties played a role in the number and dollar value of capital projects approved in FY18. The Board reconfirmed approval of the budget and use of Build America Bond funds for Holmes Student Center renovation at \$20 million. The Board approved only one additional project over \$1.0 million: \$1.27 million to replace the video boards and scoreboards at the Convocation Center. There were only two projects approved over \$250,000: \$468,000 for the renovation of Founders Café and \$275,000 for the renovation of the Nelson Suite at Convocation Center. There were eight projects between \$100,000 and \$250,000 that totaled \$1,262,600.00 and six projects between \$50,000 and \$100,000 that totaled \$449,000. In addition there were approximately 75 other projects totaling \$1,719,000. There was one major emergency repair to the steam tunnel on Normal Road at LaTourette Hall.

## Appendix B

### Semi-Annual Progress Report of Active Capital Projects with a Budget over \$100,000

All projects listed herein were previously approved by the Board of Trustees or the President and are currently in process. The Authorization Date is identified for all NIU-funded projects; the fiscal year is identified for all CDB-funded projects. Status reports are provided on any project, regardless of initiation date, until all work has been completed and all payments have been made.

#### **CAPITAL DEVELOPMENT BOARD PROJECTS**

##### **I. Projects in the Planning Phase**

N/A

##### **II. Projects in the Design Phase**

###### **A. Remodeling and Rehabilitation**

N/A

###### **B. Site and Utilities**

###### **1. DeKalb Campus –West Heating Plant and Boiler Replacement Phase I**

**Total Project Budget:** \$16,000,000  
**Source of Funding:** Institutional - Auxiliary Reserves  
FY2019 – CDB State Appropriated  
**Authorization Date:** June 2017  
**Architect/Engineer:** TBD

**Status:** The University will enter into an Inter-Governmental Agency Agreement with Capital Development Board to manage the Phase I Design and Construction of the Boiler Replacement project using a "Design/Build" project delivery method. The State Legislature granted authority to CDB to manage a portion of State funded construction projects using the design build process.

##### **III. Projects in the Construction Phase**

###### **A. Remodeling and Rehabilitation**

###### **1. Stevens Building – Addition & Renovation**

**Total Project Budget:** \$37,300,135 (estimated)  
**Source of Funding:** FY2010 – CDB Amended FY2017  
FY2017 – NIU Appropriated Funds  
**Architect/Engineer:** PSA Dewberry/BCA - Elgin

**Status:** Construction work was completed in May and building commissioning was completed during the summer. School of Theatre and Dance and Department of Anthropology moved back into the facility in mid-May and the building is back in use for fall semester academic classes. Contractors are completing remaining punch list work and final payment applications are in process.

## **NORTHERN ILLINOIS UNIVERSITY PROJECTS**

### **I. Projects in the Planning Phase**

#### **A. Remodeling and Rehabilitation**

##### **1. Holmes Student Center / Neptune Complex Redevelopment Plans**

**Total Project Budget:** \$1,500,000  
**Source of Funding:** Bond Series 2010 Project  
**Authorization Date:** June 2014  
**Architect/Engineer:** Dewberry - Peoria (Holmes)  
Design Organization – Chicago (Neptune)

**Status:** Master planning work has been completed for both Holmes Student Center and Neptune Complex. Final payments for the planning work are in process.

##### **2. Stevenson and Grant Residence Halls - Building Envelope Repairs**

**Total Project Budget:** \$525,000  
**Source of Funding:** Institutional - Auxiliary Reserves  
**Authorization Date:** December 2016  
**Architect/Engineer:** TBD

**Status:** An assessment of the existing building envelope systems (exterior walls) which include precast concrete, aluminum curtain wall and masonry wall systems will provide a reliable cost estimate and detailed specifications for repair. Efforts to proceed with this project have been delayed due to competing priorities. The University is preparing to contract with a qualified Architectural/Engineering firm to provide the assessment and design.

##### **3. Holmes Student Center Hotel Tower - Building Envelope Repairs**

**Total Project Budget:** \$250,000  
**Source of Funding:** Institutional - Auxiliary Reserves  
**Authorization Date:** December 2016  
**Architect/Engineer:** TBD

**Status:** An assessment of the existing building envelope systems (exterior walls) which include aluminum curtain wall and masonry wall systems will provide a reliable cost estimate and detailed specifications for repair. Efforts to proceed with this project have been delayed due to competing priorities. The University is preparing to contract with a qualified Architectural/Engineering firm to provide the assessment and design.

### **II. Projects in the Design Phase**

#### **A. Remodeling and Rehabilitation**

##### **1. Stevenson Towers A & D – Roof Replacement**

**Total Project Budget:** \$625,000  
**Source of Funding:** Institutional – Auxiliary Reserves  
**Authorization Date:** March 2016  
**Architect/Engineer:** Arcon Associates - Lombard

**Status:** Design documents are in process. Construction work will be planned and scheduled to take advantage of semester breaks and summer schedules.

## 2. Holmes Student Center - Phase I Redevelopment

**Total Project Budget:** \$20,000,000  
**Source of Funding:** Bond Series 2010 Project  
**Authorization Date:** June 2016  
**Architect/Engineer:** Dewberry - Peoria

**Status:** Design and construction bid documents are complete. A/E firm continues to assist with assessments during the construction phase.

## 3. Stevenson Towers B & C – Roof Replacement

**Total Project Budget:** \$625,000  
**Source of Funding:** Institutional – Auxiliary Reserves  
**Authorization Date:** September 2016  
**Architect/Engineer:** Arcon Associates - Lombard

**Status:** Project design is complete. Construction work will be planned and scheduled to take advantage of semester breaks and summer schedules. Future reports of this project will be included in "Projects in the Construction Phase" section of this report.

## B. Site and Utilities

### 1. Naperville Parking Lot Reconstruction – Phase II

**Total Project Budget:** \$1,215,000  
**Source of Funding:** Local Funds - NIU Naperville Operations  
**Authorization Date:** September 2015  
**Architect/Engineer:** Engineering Resource Associates, Inc. - Warrenville

**Status:** Project is cancelled in lieu of smaller repair actions. Larger repair actions will be reassessed for the future. Last report for this action.

## III. Projects in the Construction Phase

### A. Remodeling and Rehabilitation

#### 1. DeKalb Campus – Campus Alerting System Phase IV

**Total Project Budget:** \$1,250,000  
**Source of Funding:** Appropriated Funds  
**Authorization Date:** March 2013  
**Architect/Engineer:** NIU A&E Services

**Status:** This project encompasses the final phase of the campus alert system. The work is approximately 70% complete. The construction work will be planned and scheduled to take advantage of semester breaks, weekends, and summer schedules. Project has been temporarily delayed due to cash flow considerations. Once the overall University budget is stabilized, the project is expected to be completed in 18 months.

#### 2. Holmes Student Center - Phase I Redevelopment

**Total Project Budget:** \$20,000,000  
**Source of Funding:** Bond Series 2010 Project  
**Authorization Date:** June 2016  
**Architect/Engineer:** Dewberry - Peoria

**Status:** Construction bids were received in August and construction contracts with the five prime contractors have been completed. Construction work started in October. The construction fence is in place, demolition and removal of remaining equipment is in process.

**3. Neptune Complex Upgrade**

**Total Project Budget:** \$5,400,000  
**Source of Funding:** Bond Series 2010 Project  
**Authorization Date:** March 2017  
**Architect/Engineer:** Cordogan Clark - Aurora  
NIU A/E Services

**Status:** Additional work in Neptune West was completed during the summer break of 2018. Remaining renovation improvements are planned for Neptune East and are anticipated to be completed by summer 2019.

**4. Founders Library – Café Renovation**

**Total Project Budget:** \$467,500  
**Source of Funding:** Institutional – Auxiliary Operating Funds  
Institutional – Auxiliary Reserves  
**Authorization Date:** October 2017  
**Architect/Engineer:** NIU A/E Services

**Status:** All work is complete. Final payments to the contractors are in process.

**5. Founders Library – Discover Financial Services Renovation**

**Total Project Budget:** \$1,000,000 (est.)  
**Source of Funding:** Lessee Improvement  
**Authorization Date:** December 2017  
**Architect/Engineer:** Gensler - Chicago

**Status:** Discover has completed all renovation work as planned and successfully implemented the internship program in the new space for the beginning of the fall semester. Contractors are completing remaining punch list work and final payment applications are in process.

**6. Residence Halls – FY18 Rotation Painting**

**Total Project Budget:** \$220,500  
**Source of Funding:** Institutional – Auxiliary Reserves  
**Authorization Date:** February 2018  
**Architect/Engineer:** NIU Physical Plant

**Status:** Work is complete. Final payments have been made. This will be the final report on this project.

**7. Convocation Center – Replace Video Board/Scoreboard**

**Total Project Budget:** \$1,270,000  
**Source of Funding:** Institutional – Auxiliary Reserves  
Institutional – Local Funds  
**Authorization Date:** March 2018  
**Architect/Engineer:** NIU A&E Services & Intercollegiate Athletics

**Status:** Work on the video and scoreboard has been completed. Training and programming is complete. Contractors are completing remaining punch list work and final payment applications are in process.

**8. Lincoln Hall – Salvage Equipment from Building**

**Total Project Budget:** \$107,600  
**Source of Funding:** Institutional – Auxiliary Reserves  
**Authorization Date:** March 2018  
**Architect/Engineer:** NIU Physical Plant

**Status:** Work is complete. Final payments have been made. This will be the final report on this project.

**9. Lorado Taft Campus – Repair Roofs on Five Buildings**

**Total Project Budget:** \$214,200  
**Source of Funding:** Institutional – Local Funds  
**Authorization Date:** March 2018  
Amended May 2018  
**Architect/Engineer:** NIU Physical Plant

**Status:** All work is complete. Final payments to the contractors are in process.

**10. Convocation Center – Update Nelson Suite**

**Total Project Budget:** \$275,000  
**Source of Funding:** Foundation – Local Funds  
**Authorization Date:** March 2018  
**Architect/Engineer:** Populus - Kansas City, Missouri  
Larson Darby – Rockford, Illinois

**Status:** Design work and donor review was completed, and construction documents are complete. Work will be scheduled when feasible and will take advantage of semester breaks and event schedules.

**11. Telephone & Security – Asian American Resource Center Relocation**

**Total Project Budget:** \$132,650  
**Source of Funding:** Appropriated – Income Funds  
**Authorization Date:** June 2018  
**Architect/Engineer:** NIU A/E Services

**Status:** Renovations were undertaken during summer break, all work is now complete. Final payments are in process.

**12. DuSable Hall – Remodel the Dusable Food Venue**

**Total Project Budget:** \$105,000  
**Source of Funding:** Institutional – Auxiliary Reserves  
**Authorization Date:** June 2018  
**Architect/Engineer:** NIU A/E Services

**Status:** Renovations were made during summer break. Contractor is working on punch list items. Final payments are in process.

**13. Residence Halls – FY19 Rotation Painting**

**Total Project Budget:** \$249,000  
**Source of Funding:** Institutional – Auxiliary Reserves  
**Authorization Date:** July 2018  
**Architect/Engineer:** NIU Physical Plant

**Status:** Work will be scheduled when feasible and will be scheduled to take advantage of semester breaks to minimize disruptions. The work is approximately 35% complete; the work will continue with completion anticipated in May 2019.

**14. Grant Tower A – Art Studios Relocation from Art Annex**

**Total Project Budget:** \$130,500  
**Source of Funding:** Appropriated – Income Funds  
**Authorization Date:** September 2018  
**Architect/Engineer:** NIU A/E Services

**Status:** Renovations, ventilation and security improvements will allow the Art Studios to move into Grant Tower A. Work will continue to be scheduled to take advantage of semester breaks and as schedules allow.

**B. Site and Utilities**

**1. DeKalb Campus – Electrical Infrastructure Replacement Phase II**

**Total Project Budget:** \$2,580,000 (estimated)  
**Source of Funding:** Bond Series 2010 Project  
Appropriated Funds – Administrative Support  
**Authorization Date:** March 2013  
**Architect/Engineer:** NIU A&E Services

**Status:** Construction started in Fall 2013 and is approximately 95% complete. A consulting engineer is completing a critical survey of the existing electrical service at each building. This work will continue to be scheduled to take advantage of semester breaks and as schedules allow.

**2. DeKalb Campus - Electrical Infrastructure Replacement Phase III**

**Total Project Budget:** \$2,550,000 (estimated)  
**Source of Funding:** Appropriated Funds  
Bond Series 2010 Project  
**Authorization Date:** March 2014  
**Architect/Engineer:** NIU A&E Services

**Status:** Construction work began in late 2014 and is approximately 29% complete. Work has been temporarily delayed due completing priorities.

**3. DeKalb Campus – Steam Tunnel – Supports and Stanchion Repairs**

**Total Project Budget:** \$105,900  
**Source of Funding:** Institutional - Auxiliary Reserves  
**Authorization Date:** May 2017  
**Architect/Engineer:** NIU Heating Plant

**Status:** All work is complete. Final payments have been made. This will be the final report on this project.

**4. DeKalb Campus – Electrical Distribution & Steam Tunnel Emergency Repairs**

**Total Project Budget:** \$249,000 (estimated)  
**Source of Funding:** Appropriated – Income Funds  
**Authorization Date:** August 2017



**Architect/Engineer:** NIU A&E Services

**Status:** All repair work is complete. Reimbursement claims are being made to responsible parties via insurance provider. This will be the final report on this project.

**5. DeKalb Campus – Parking Lot Repairs**

**Total Project Budget:** \$124,800  
**Source of Funding:** Institutional - Auxiliary Reserves  
**Authorization Date:** August 2017  
**Architect/Engineer:** NIU A&E Services

**Status:** All work is complete. Final payments have been made. This will be the final report on this project.

**6. DeKalb Campus – FY18 West Campus Steam Outage Repairs**

**Total Project Budget:** \$108,850  
**Source of Funding:** Institutional - Auxiliary Reserves  
Appropriated – Income Funds  
**Authorization Date:** May 2018  
**Architect/Engineer:** NIU Physical Plant

**Status:** All work is complete. Final payments are in process.

**7. DeKalb Campus – FY19 Roadway Repairs**

**Total Project Budget:** \$106,750  
**Source of Funding:** Institutional - Auxiliary Reserves  
Appropriated – Income Funds  
**Authorization Date:** July 2018  
**Architect/Engineer:** NIU A&E Services

**Status:** All work is complete. Final payments are in process.