

Minutes of the
Board of Trustees of Northern Illinois University
Finance, Audit, Compliance, Facilities and Operations
Committee Meeting
February 10, 2022

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 12:00 p.m. by Committee Chair Dennis Barsema. This committee meeting was being conducted in person and through videoconferencing communications pursuant to Public Act 101-0640, enacted June 12, 2020, and section 7(e) of the Illinois Open Meetings Act, allowing for virtual board meetings during a disaster declaration relating to public health concerns. The Chair of the Board determined that an in-person meeting was not practical or prudent because of the disaster. As such, trustees attended this meeting by audio and visual conferencing and not by physical presence.

Recording Secretary Christina Doe conducted a roll call of the Trustees.

Trustee Rita Athas: Present

Trustee John Butler: Present

Trustee Montel Gayles: Present

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Present

Trustee Jacob Sommer: Present

Committee Chair Dennis Barsema: Present

Board Chair Eric Wasowicz: Present

Also present: President Lisa Freeman; Committee Liaison and Vice President for Administration and Finance and Chief Financial Officer Sarah Chinniah; Vice President and General Counsel and Board Parliamentarian Bryan Perry; Executive Vice President and Provost Beth Ingram; Board Liaison and Chief of Staff Matt Streb; Vice President for Enrollment Management, Marketing and Communications Sol Jensen; and University Advisory Council (UAC) Representative Felicia Bohanon.

VERIFICATION OF QUORUM AND APPROPRIATE NOTICE OF PUBLIC MEETING

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

MEETING AGENDA APPROVAL

Committee Chair Barsema asked for a motion to approve the meeting agenda. Board Chair Wasowicz so moved, and Trustee Athas seconded.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

REVIEW AND APPROVAL OF MINUTES OF NOVEMBER 18, 2021

Committee Chair Barsema asked for a motion to approve the minutes of November 18, 2021. Trustee Gayles so moved, and Committee Vice Chair Pritchard seconded.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Committee Chair Barsema welcomed everyone and recognized the University Advisory Committee. He asked if anyone had any comments but with no response he moved forward.

Committee Chair Barsema stated the agenda focused on a set of important financial updates and several recommendations that include tuition and fee requests for FY23 as well as financial commitments in support of university activities and needs.

Many of the items put forward build on discussions from committee meetings earlier in the day. Committee Chair Barsema commented he appreciates, on behalf of the Board of Trustees, the efforts of university leadership to connect the discussions and establish a thorough understanding of the items moving forward. Committee Chair Barsema stated that there has been great benefit to aligning these discussions throughout the day in support of resource actions put to this committee.

As this committee also reports on progress toward University Goal #6, Resource Development and Fiscal Responsibility, the board supports this strategy. The quarterly reports provided in this committee provide the board and NIU community with progress toward financial milestones. The committee will also receive updates on the progress of facility planning priorities in the context of continued efforts in aligning the physical footprint of campus with the evolving academic priorities, changing economic conditions, and resumed emphasis on master planning.

PUBLIC COMMENT

Committee Chair Barsema introduced the public comment portion of the meeting. General Counsel Perry stated there were no requests for public comment.

FINANCIAL UPDATE

Committee Chair Barsema asked VPCFO Chinniah to present the Financial Update.

VPCFO Chinniah presented Agenda Item 7.a. Quarterly Financial Summary Fiscal Year 2022 Second Quarter as of December 31, 2021

VPCFO Chinniah invited Andrew Rogers, Assistant Vice President for Budget and Financial Planning, to give the overview of item 7.a.

Committee Chair Barsema thanked Assistant Vice President Rogers for the update. Committee Chair Barsema also thanked the Board liaisons and the administrative team for all the effort that

was put forward to put together this packet as well as all of the work that is done throughout the year. Committee Chair Barsema noted the continued tracking of the loss of \$10M without further applications of federal funds as mentioned in the supplemental budget announced by the Governor. Committee Chair Barsema reiterated past comments that federal relief funding and savings from bond refinancing is limited in scope and time frame and should not be used to mask the reality of the need to make changes in pursuit of the long-term fiscal sustainability/viability of the university. While this funding is available, the university needs to intentionally and aggressively pursue sustainable solutions to offset the university anticipated financial losses.

Board Chair Wasowicz noted a decrease in tuition/student fees and asked if that was enrollment related; Assistant Vice President Rogers stated it was believed to be enrollment related as it's almost exclusively undergraduate tuition and fees, but revenues are coming in better than originally projected and as those beat the expectations those will drive a better net revenue situation for the university.

Additional conversation ensued around whether the \$10M deficit is sustainable or if increased expenses are anticipated. The managers are monitoring those very closely and working within what they have.

VPCFO Chinniah presented Agenda Item 7.b. Periodic Report on Investments for Period Ending December 31, 2021

VPCFO Chinniah invited Shyree Sanan, Associate Vice President for Finance and Treasury Operations, to give the overview of item 7.b., which highlighted timely receipt of state appropriations and anticipated rate hikes.

Committee Chair Barsema stated the news that Moody's performed its annual lay review of the university and revised NIU's outlook from stable to positive, which is significant as this has not happened in over 20 years. Attributed to this was NIU's improved operating performance as well as the potential for enrollment growth. The improvement is encouraging and acknowledged the campus-wide work that was done in order for this improvement to be recognized. This rating directly impacts what investors look at as far as the safety of their investment. Any positive impact is a signal to investors that NIU is a strong investment.

UNIVERSITY RECOMMENDATIONS

Committee Chair Barsema asked VPCFO Chinniah to present the University Recommendations.

VPCFO Chinniah noted there are five items that establish student pricing for the next academic year being presented. These recommendations were developed with the goals of addressing affordability concerns and maintaining fiscal responsibility by keeping the total cost of attendance for full-time students as low as possible. These items are being presented now with the ask that they move forward to the full board later today; this expedited approval confirms pricing for next year and is in support of the goals of NIU to release detailed and accurate financial aid packages to students admitted into NIU. The timely release of accurate financial information will allow students to make the most informed decisions.

VPCFO Chinniah presented Agenda Item 8.a. Fiscal Year 2023 Undergraduate Tuition Pricing Recommendation

Committee Chair Barsema asked for a motion to approve item 8.a. Board Chair Wasowicz so moved, and Trustee Athas seconded.

Conversation followed around financial aid, including usage statistics and the Huskie Pledge impact. The discussion then went into how the proposed tuition increase is in line with what other universities are implementing.

Committee Chair Barsema stated that the need for mental health services and financial advising on our campus for our student body is extremely important not just today but going forward. This increase will help move NIU in that direction.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.b. Fiscal Year 2023 Graduate and Law Tuition Pricing Recommendation

Committee Chair Barsema asked for a motion to approve item 8.b. Trustee Athas so moved, and Board Chair Wasowicz seconded.

For the record, Committee Chair Barsema mentioned that Trustees Gayles' daughter is currently enrolled in the College of Law at NIU and, therefore, Trustee Gayles will be abstaining for items 8.b. through 8.e.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Abstain

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.c. Fiscal Year 2023 Undergraduate, Graduate, and Law Student Fee Pricing Recommendation

Committee Chair Barsema asked for a motion to approve item 8.c. Committee Vice Chair Pritchard so moved, and Board Chair Wasowicz seconded.

A brief conversation ensued around appropriate use of fees throughout the pandemic. VPCFO Chinniah affirmed that although activities might look and feel different, NIU has honored the commitment that the services and activities, especially those paid for by student funds, were offered.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Abstain

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.d. Fiscal Year 2023 Room and Board Fee Recommendation

Committee Chair Barsema asked for a motion to approve item 8.d. Board Chair Wasowicz so moved, and Committee Vice Chair Pritchard seconded.

Conversation followed around which students are impacted by the requested increases and Block Plan offerings.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Abstain

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.e. Fiscal Year 2023 Student Health Insurance

Committee Chair Barsema asked for a motion to approve item 8.e. Trustee Athas so moved, and Committee Vice Chair Pritchard seconded.

Discussion began around efforts to reduce pricing going forward, including state-wide shared purchasing opportunities and IBHE involvement.

Additional conversation ensued around the evolution of student health insurance and the variables, like the Affordable Care Act and demographic changes, which have curbed the offerings over the past several years for NIU and other institutions.

Conversation concluded around the overall pricing approach, any proposed increases, the university's commitment to affordability, and means deployed to keep costs of attendance down.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Abstain

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.f. Relocation for Human Resource Services

Before presenting the item for recommendation, VPCFO Chinniah invited Jerry Blazey, Vice President for Research and Innovative Practices, and Bill Hodson, Senior Associate Vice President for Human Resource Services and Chief Human Resource Officer, to speak on this item.

Committee Chair Barsema asked for a motion to approve item 8.f. Trustee Gayles so moved, and Board Chair Wasowicz seconded.

The conversation began with the current footprint of Human Resource Services and confirmation that Affirmative Action would be part of the move. Additional conversation ensued around use of the space to further the university's research goals. Review of the current Human Resource Services space has just begun, and part of that review will entail how the space will be used as it relates to the Innovative footprint with potential external partners and co-locating with laboratories. Additional conversation followed around renovation details for Neptune North, and VPCFO Chinniah noted that approximately 30% of the cost will be represented through a BEP commitment.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.g. Payment Card Processing

Committee Chair Barsema asked for a motion to approve item 8.g. Board Chair Wasowicz so moved, and Trustee Athas seconded.

VPCFO Chinniah mentioned that this item was a sole source that had an exemption of the BEP component. However, the university is working with the vendor to secure some BEP component.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.h. Third Sector Intelligence Contract

Committee Chair Barsema asked for a motion to approve item 8.h. Committee Vice Chair Pritchard so moved, and Trustee Gayles seconded.

Jon Furr, Director of Education Systems Center, spoke to the item and pointed out that this contract is fully externally funded.

Further discussion allowed Mr. Furr to explain to the Trustees that this 3si is a major data initiative for the City of Chicago Early Childhood Integrated Data System. This is an effort to bring together data from all public entities that oversee early childhood services within Chicago. Mr. Furr mentioned they are working to ensure that the latest technology is in place for management of data security and necessary compliance.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.i. DeKalb Campus Summer 2022 Roof Repairs Capital Project Approval

Committee Chair Barsema asked for a motion to approve item 8.i. Trustee Athas so moved, and Board Chair Wasowicz seconded.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.j. Stevenson and Grant Towers Building Envelope Repairs Capital Project Approval

Committee Chair Barsema asked for a motion to approve item 8.j. Trustee Gayles so moved, and Board Chair Wasowicz seconded.

Discussion included if there would be further funding request for interior repairs once the initial exterior repairs are completed. Associate Vice President John Heckmann responded that those repairs will take place and it is unknown what those costs will be.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.k. Fiscal Year 2023 Consumable Commodities

Committee Chair Barsema asked for a motion to approve item 8.k. Committee Vice Chair Pritchard so moved, and Board Chair Wasowicz seconded.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.l. Fiscal Year 2023 Facility Master Contract Renewals

Committee Chair Barsema asked for a motion to approve item 8.l. Trustee Gayles so moved, and Trustee Athas seconded.

Discussion began with the Trustees wishing to learn how the vendors are chosen. Associate Vice President John Heckmann provided a brief description of the process, which includes securing quotes from BEP vendors. Each year it is encouraged that more vendors sign up to be part of the quote request list which allows for opportunity for distribution of services among many different vendors.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Abstain

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.m. Fiscal Year 2023 Division of Information Technology Microsoft Enrollment Contract Renewal

Committee Chair Barsema asked for a motion to approve item 8.m. Committee Vice Chair Pritchard so moved, and Board Chair Wasowicz seconded.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

UNIVERSITY REPORTS

Committee Chair Barsema asked VPCFO Chinniah to present the University Reports.

VPCFO Chinniah stated NIU Board regulations stipulate that the university presents regular summaries of designated activities including financial and property transaction, as well as confirmation that state and federal requirements are met. The two reports provided today include comprehensive written updates and are submitted in accordance with board regulations. No specific presentations are planned. VPCFO Chinniah stated she was happy to answer any questions.

Information Item 9.a. – Quarterly Report of Transactions in Excess of \$100,000 for the Period October 1, 2021 to December 31, 2021

Information Item 9.b. – Fiscal Year 2021 Report on Facilities and Infrastructure Capital Investment Activities

John Heckmann, Associate Vice President for Facilities Management and Campus Services, presented during this item and built on earlier discussions throughout the day specifically to the Health Informatics and Technology Center as well as conversations about deferred maintenance needs. AVP Heckmann also highlighted goals of west campus, progress toward master planning goals, and taking buildings offline and reducing the university’s footprint.

Trustee Athas stated that part of the master plan should also include review of how green space is created and used across campus.

OTHER MATTERS

There were no other matters.

NEXT MEETING DATE

The next meeting of the Finance, Audit, Compliance, Facilities and Operations Committee will be May 12, 2022.

ADJOURNMENT

Committee Chair Barsema asked for a motion to adjourn. Board Chair Wasowicz so moved, and Trustee Gayles seconded.

Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

The meeting adjourned at 2:14 p.m.

Respectfully submitted,

Christina Doe
Recording Secretary

In compliance with Illinois Open Meetings Act 5 ILCS 120/1, et seq, a verbatim record of all Northern Illinois University Board of Trustees meetings is maintained by the Board Recording Secretary and is available for review upon request. The minutes contained herein represent a true and accurate summary of the Board proceedings.