

Minutes of the
Board of Trustees of Northern Illinois University
Finance, Audit, Compliance, Facilities and Operations
Committee Meeting
August 18, 2022

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 11:30 a.m. by Committee Chair Dennis Barsema in the Board of Trustees Room, 315 Altgeld Hall.

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

Trustee Rita Athas: Absent

Trustee John Butler: Absent

Trustee Montel Gayles: Present

Trustee Veronica Herrero: Present

Committee Vice Chair Bob Pritchard: Present

Trustee Tim Moore: Present

Committee Chair Dennis Barsema: Present

Board Chair Eric Wasowicz: Present

Also present: President Lisa Freeman; Committee Liaison and Interim Vice President for Administration and Finance and Chief Financial Officer James Cofer; Vice President and General Counsel and Board Parliamentarian Bryan Perry; Executive Vice President and Provost Beth Ingram; Vice President for Enrollment Management, Marketing and Communications Sol Jensen; Vice President for Research and Innovation Partnerships Gerald Blazey; Vice President for Diversity, Equity and Inclusion and Chief Diversity Officer Vernese Edghill-Walden; Senior Vice President and Chief Human Resource Officer Bill Hodson; Associate Vice President and Chief Information Officer Matthew Parks; University Advisory Council (UAC) Representatives Felicia Bohanan, Brad Cripe and Holly Nicholson.

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.

Trustee Rita Athas joined the meeting at 11:37 a.m.

MEETING AGENDA APPROVAL

Committee Chair Barsema asked for a motion to approve the meeting agenda. Trustee Gayles so moved, and Committee Vice Chair Pritchard seconded.

The motion was approved.

REVIEW AND APPROVAL OF MINUTES OF MAY 12, 2022

Committee Chair Barsema asked for a motion to approve the minutes of May 12, 2022. Board Chair Wasowicz so moved, and Committee Vice Chair Pritchard seconded.

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. Brad Cripe presented comments regarding the financial statements and that human capital is not reflected in the statements.

Committee Chair Barsema recognized the university is moving forward four recommendations for approval. Committee Chair Barsema noted that he appreciated the efforts of the university to continue to connect the discussions and establish a thorough understanding of the items moving forward.

It was recognized that this committee reports on the progress toward University Goal #6, Resource Development and Fiscal Responsibility and the Board understands the alignment of actions in support of strategy. It was noted that the quarterly reports provide the Board, and the NIU community, with progress toward financial milestones as the university works through FY23 budgets and in support of multi-year planning. Also incorporated into the conversation at this meeting is an update on Campus Facility Projects.

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 Interim Vice President and Chief Financial Officer Dr. James Cofer to present the University Financial Update.

Dr. Cofer presented Agenda Item 7.a. Fiscal Year 2021 Audit and Financial Results

Dr. Cofer provided some background on the item and invited Shyree Sanan, Associate Vice President for Finance and Treasury Operations, to give the overview of item 7.a.

Committee Chair Dennis Barsema thanked Associate Vice President Sanan for the update and noted that since Agenda Item 7.a. flows into Agenda Item 7.b. Associate Vice President Sanan would proceed with the next item and comments and questions would then be taken.

Dr. Cofer presented Agenda Item 7.b. Fiscal Year 2021 External Audit Corrective Action Plans Update

Committee Chair Dennis Barsema invited Shyree Sanan, Associate Vice President for Finance and Treasury Operations, to give the overview of item 7.b.

Committee Chair Dennis Barsema thanked Associate Vice President Sanan and provided some comments which recognized the criticality of compliance and supported the university's efforts to prioritize, minimize, and mitigate audit findings where possible.

President Freeman also reported the Legislative Liaisons for the twelve state universities are putting forth a list of suggested legislative changes that would reduce the number of compliance related items that are outdated and that don't create risk through their removal.

Dr. Cofer presented Agenda Item 7.c. Annual Report of Cash and Investments for Period Ending June 30, 2022

Dr. Cofer once again invited Shyree Sanan, Associate Vice President for Finance and Treasury Operations, to give the overview of item 7.c.

Committee Chair Dennis Barsema commented that the Board recognizes the increase in funds is

due in part to funds received from pandemic-related Federal relief funds which are not consistent forms of revenue going forward, as has been mentioned in previous meetings. University leadership was thanked, as was the entire finance team, for their continued hard work, and the Board looks forward to discussing the overall FY22 year-end performance at the November FACFO meeting.

UNIVERSITY RECOMMENDATIONS

Committee Chair Barsema asked Dr. James Cofer to present the University Recommendations.

Dr. Cofer presented Agenda Item 8.a. Investment and Cash Management Policy

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

Discussion requested that the board be able to more clearly see what was changed in the Policy as well clarification on any wording updates in the Policy.

Committee Chair Dennis Barsema noted that Trustee Butler joined the meeting at 11:35 a.m.

This item was tabled until the September 15, 2022 Board of Trustees meeting to give the Investment Committee time to provide the information requested.

Dr. Cofer presented Agenda Item 8.b. Bowl Game Participation Expenses

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

The motion was approved.

Dr. Cofer presented Agenda Item 8.c. Education Systems Center Early Childhood Transformation Team

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

Theresa Hawley, Executive Director of Education Systems Center, was present and gave background information, including the goal of the initiative, potential integration with other campus departments and offerings, and enhancing financial models for early childhood education in other states.

The motion was approved.

Dr. Cofer presented Agenda Item 8.d. Education Systems Center Chicago-Based Lease Extension

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

A brief discussion ensued around affordability of the space and the potential need for future expansion.

The motion was approved.

UNIVERSITY REPORTS

Committee Chair Barsema asked Dr. James Cofer to present the University Reports.

Dr. Cofer introduced the first item which was a Campus Facility Project Update presentation given by John Heckmann, Associate Vice President for Facilities Management and Campus Services.

Information Item 9.a. – Campus Facility Project Update Presentation

Associate Vice President Heckmann presented Item 9.a. and briefly updated the Board on the timeline and overall project trajectory for two large forthcoming new builds: NICSS and the Health Informatics Technology Center.

For the remaining university reports, Dr. Cofer 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 include comprehensive written updates and are submitted in accordance with board regulations.

Information Item 9.b. – Quarterly Summary Report of Transactions in Excess of \$100,000 for the Period April 1, 2022 to June 30, 2022

Information Item 9.c. – Annual Summary Report on Obligations of Financial Resources for the Year Ended June 30, 2022

OTHER MATTERS

There were no other matters.

NEXT MEETING DATE

The next meeting of the Finance, Audit, Compliance, Facilities and Operations Committee will be November 10, 2022.

ADJOURNMENT

Committee Chair Barsema asked for a motion to adjourn. Committee Vice Chair Pritchard so moved, and Trustee Herrero 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: Yes

Committee Vice Chair Bob Pritchard: Yes

Trustee Tim Moore: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

The meeting adjourned at 12:44 p.m.

Respectfully submitted,

Christina Doe
Recording Secretary

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.