



# Board of Trustees

Finance, Audit, Compliance,  
Facilities and Operations  
Committee

*August 24, 2023*

**BOARD OF TRUSTEES OF NORTHERN ILLINOIS UNIVERSITY**  
**Finance, Audit, Compliance, Facilities and Operations Committee**  
**11:00 a.m. – Thursday – August 24, 2023**  
**Board of Trustees Room**  
**Altgeld Hall 315**

**AGENDA**

1. Call to Order and Roll Call
2. Verification of Quorum and Appropriate Notification of Public Meeting
3. Meeting Agenda Approval..... *Action*..... i
4. [Review and Approval of Minutes of May 11, 2023](#) ..... *Action*..... 1
5. Chair’s Comments/Announcements
6. Public Comment\*
7. Financial Update
  - a. [Fiscal Year 2022 Audit and Financial Results](#)..... *Information*.....7
  - b. [Fiscal Year 2022 External Audit Corrective Action Plans Update](#)..... *Information*.....9
  - c. [Annual Report of Cash and Investments for Period Ending June 30, 2023](#) ..... *Information*.....12
8. University Recommendations
  - a. [Miles Education Inc. Contract](#) ..... *Action*.....17
  - b. [Bowl Game Participation Expenses](#)..... *Action*.....18
  - c. [Lowden Hall Heat Exchanger Replacement](#) ..... *Action*.....19
9. University Reports
  - a. [Semi-Annual Progress Report of Active Capital Projects Update and Presentation](#) ..... *Information*.....20
  - b. [Annual Summary Report on Obligations of Financial Resources for Year Ended June 30, 2023](#)..... *Information*.....30
  - c. [Quarterly Summary Report of Transactions in Excess of \\$100,000 for the Period April 1, 2023 to June 30, 2023](#)..... *Information*.....31
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 Crystal Doyle, ccoppel@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 Crystal Doyle, ccoppel@niu.edu or (815) 753-1273, as soon as possible.**

Minutes of the  
**Board of Trustees of Northern Illinois University**  
**Finance, Audit, Compliance, Facilities and Operations**  
**Committee Meeting**  
May 11, 2023

**CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 11:15 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: Present

Trustee Montel Gayles: Present

Trustee Veronica Herrero: Present

Committee Chair Dennis Barsema: Present

Trustee Tim Moore: Present

Board Chair Eric Wasowicz: Present

Also present: President Lisa Freeman; Committee Liaison and Vice President for Administration and Finance and Chief Financial Officer George Middlemist; Vice President and General Counsel and Board Parliamentarian Bryan Perry; Vice President for Enrollment Management, Marketing and Communications Sol Jensen; Vice President for University Advancement Catherine Squires; Chief of Staff and Liaison to the Board of Trustees Matthew Streb; Associate Vice President and Chief Information Officer Matthew Parks; Vice President for Student Affairs Clint-Michael Reneau; University Advisory Council (UAC) Representative Brad Cripe.

**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.

Committee Chair Dennis Barsema noted that Trustee Rita Athas was attending remotely because of an illness. Committee Chair Barsema asked for a motion to approve to allow Trustee Athas to participate in today's meeting remotely. Trustee Gayles so moved, and Board Chair Wasowicz seconded.

The motion was approved.

**MEETING AGENDA APPROVAL**

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

The motion was approved.

**REVIEW AND APPROVAL OF MINUTES OF FEBRUARY 16, 2023**

Committee Chair Barsema asked for a motion to approve the minutes of February 16, 2023. Board Chair Wasowicz so moved, and Trustee Moore seconded.

The motion was approved.

*Trustee Rita Athas joined the meeting at 11:17 a.m.*

## CHAIR'S COMMENTS/ANNOUNCEMENTS

Committee Chair Barsema welcomed everyone and recognized the University Advisory Committee. He asked if anyone had any comments. Brad Cripe commented on the HAVI Center for Analytics and thanked all for their attention to that item.

Committee Chair Barsema shared a few comments by opening with remarks congratulating graduates, their families, and the faculty and staff on another successful year. The Board had a full agenda for the meeting and was focused on a set of important financial updates with a number of recommendations in support of university activities and needs.

The University is moving forward 13 recommendations for approval; including seven that will go to the Special Meeting, which are time sensitive.

## 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 Vice President and Chief Financial Officer (VPCFO) George Middlemist to present the University Financial Update.

### **VPCFO Middlemist presented Agenda Item 7.a. Quarterly Financial Summary Fiscal Year 2023 Third Quarter as of March 31, 2023**

VPCFO Middlemist asked Andrew Rogers, Assistant Vice President for Budget and Financial Planning, to present the item.

It was recognized that seeing the difference between the structural and non-structural is very helpful in order to get a better view of what needs to be focused on and not focused on when the board is reviewing the numbers. Focusing on revenue generation as well as looking at strategic spending was stressed to the board and university leadership; as well investing in our faculty and staff is an important focus from the standpoint of the board and leadership.

The trustees discussed the importance of beginning to make strategic changes to close the growing deficit. It was noted that several measures will need to be looked at: how can more revenue be generated, how can spending be more linked to our mission; any strategic conversation will need to be done collaboratively across the university.

### **VPCFO Middlemist presented Agenda Item 7.b. Periodic Report on Investments for Period Ending March 31, 2023**

VPCFO Middlemist asked Shyree Sanan, Associate Vice President for Finance and Treasury, to present the item.

On May 10, 2023, NIU received word that Moody's Investors Service had upgraded NIU's issuer and Auxiliary Facilities Revenue Bond (AFS) ratings to Baa3 from Ba1, while upgrading the Certificates of Participation (COP) to Ba1 from Ba2. This is the second consecutive rating upgrade the university has received in a number of years. Similar to the upgrade received in 2022, the improvement in rating reflects continued strengthening of the State's fiscal condition, the university's prospect for improving operating environment beyond fiscal 2023, and maintenance of adequate liquidity. Moody's outlook reflects expectations that NIU will continue working toward the goal of modifying NIU's footprint and cost structure, maintaining operating performance and enrollment stability. This provides important and public endorsement of NIU's

mission, vision and values, as well as the difficult, but necessary decisions underway to align NIU's structure with the available financial resources. The improvement is encouraging and due in no small part to the work of the finance and budget teams. Thanks was given to President Freeman, Shyree Sanan and Jason Askins for their leadership these past years that led to this upgrade.

**VPCFO Middlemist presented Agenda Item 7.c. Fiscal Year 2024 University Budget Preliminary Summary**

VPCFO Middlemist asked Andrew Rogers, Assistant Vice President for Budget and Financial Planning, to present the item.

Appreciation for the ongoing move toward multi-year budgeting, as it is a critical move for the university strategic planning, was expressed. Continuing these efforts moves the university toward fiscal sustainability as the university works to regain stability to support university operations, forecasting and planning ahead. The Board appreciates the continued updates in order to stay on top of this budgeting format.

**UNIVERSITY RECOMMENDATIONS**

Committee Chair Barsema asked VPCFO George Middlemist to present the University Recommendations.

**VPCFO Middlemist presented Agenda Item 8.a. Services and Leases in Support of Student Health and Athletic Care**

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

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.b. Graphic Design Services**

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

Sol Jensen, Vice President for Enrollment Management, Marketing and Communication, confirmed and expressed that moving from their current provider (Wiley) to this new provider will allow the opportunity to utilize more services and not be limited as they are now. With that, the amount requested may or may not be reached as more services are utilized to allow more branding and outreach. Additional outreach in communities will allow for the ability to increase enrollment marketing as well.

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.c. Fiscal Year 2024 NIU Foundation Professional Services Contract**

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

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.d. Fiscal Year 2024 Cisco Maintenance Contract**

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

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.e. Fiscal Year 2024 Division of Information Technology Adobe Enterprise Term License Agreement**

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

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.f. Fiscal Year 2023 Campus Fleet Printing Additional Funding Request**

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

Clarification was requested on what fleet printing is and Matthew Parks, Associate Vice President and Chief Information Officer, responded that it is in relation to the paper that is purchased and paper volume that is used across campus.

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.g. Charter Bus Services**

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

After discussion, this item was tabled to the June 15, 2023 Board of Trustees meeting, in order to provide more information which the Board of Trustees requested.

**VPCFO Middlemist presented Agenda Item 8.h. College of Business Barsema Hall Renovation for New HAVI Center for Analytics and Technology**

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

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.i. Stevenson Residential Complex Towers A, B, C, & D Washroom Faucet Replacements Capital Project Approval**

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

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.j. Stevenson Residential Complex Tower Elevator Upgrades Capital Project Approval**

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

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.k. Patterson Hall East Fire Sprinkler System Piping Replacement**

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

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.I. Yordon Center Room 125 Northwestern Medicine Performance Center Flooring Replacement Budget Increase**

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

The motion was approved.

**UNIVERSITY REPORTS**

Committee Chair Barsema asked VPCFO George Middlemist to present the University Reports.

VPCFO Middlemist presented the items. 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 three reports provided include comprehensive written updates and are submitted in accordance with board regulations. VPCFO Middlemist stated there were no formal presentations but there were individuals present for any questions.

**Information Item 9.a. – Campus Printer Lease Program Update**

**Information Item 9.b. – London Interbank Offered Rate Transition For Series 2020A Bonds**

**Information Item 9.c. – Quarterly Summary Report of Transactions in Excess of \$100,000 for the Period January 1, 2023 to March 31, 2023**

*Trustee Montel Gayles left the meeting at 1:02 p.m.*

**OTHER MATTERS**

There were no other matters.

**NEXT MEETING DATE**

The next meeting of the Finance, Audit, Compliance, Facilities and Operations Committee will be August 24, 2023.

**ADJOURNMENT**

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

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

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Absent

Trustee Veronica Herrero: Yes

Committee Chair Dennis Barsema: Yes

Trustee Tim Moore: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

The meeting adjourned at 1:04 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.*

## **FISCAL YEAR 2022 AUDIT AND FINANCIAL RESULTS**

### **Financial Audit Results for the Year Ended June 30, 2022**

The university's financial statement audit for the year ended June 30, 2022 was completed and released by the Office of the Auditor General on Thursday, February 16, 2023. The university received an unmodified audit opinion, which is the best possible outcome. Financial audit testing was substantially complete as of December 2022. However, the release of the FY22 financial audit was significantly delayed due to statewide census data testing procedures related to the State University Retirement System (SURS) and other post-employment benefit (OPEB) plans. As a result of this testing, all public universities in Illinois received a repeat audit finding related to internal controls over SURS and Central Management Services (CMS) census data. This finding is noted in the auditor's report on internal control over financial reporting and on compliance and other matters performed in accordance with Government Auditing Standards for the fiscal year ended June 30, 2022. Also included in this report was a finding related to inadequate internal controls over revenue recognition. This was an isolated and immaterial error related to Athletics unearned revenue and this finding is not expected to repeat in the next fiscal year.

### **Financial Results for the Year Ended June 30, 2022**

The university's net position decreased from \$120.8M in FY21 to \$120.7M in FY22, a decrease of \$116K. Net position represents the residual amount of the university's total assets and deferred outflows of resources, less total liabilities and deferred inflows of resources. The university's FY23 net position is expected to decline as a result of an anticipated operating deficit related to decline in net tuition revenue and federal relief grant revenue, and a one-time nonoperating revenue from bond refinancing debt service reserve contribution that will not be available in FY23.

The university's working capital, a measure of the university's ability to meet its short-term obligations, decreased from \$7.4M in FY21 to \$0.54M in FY22. The resulting working capital ratio decreased from 1.12 in FY21 to 1.01 in FY22. The decrease in working capital and the working capital ratio is primarily due to a decrease in cash and investments as a result of the continued impacts of the COVID-19 pandemic on university operations. The university's FY22 working capital ratio of 1.01 fell below the target working capital ratio range of 1.20 to 2.00. The university's FY23 working capital is expected to further decline as a result of the decrease in cash and investments balances related to the final receipt of pandemic relief funds and increase in cash disbursements, and assuming current liabilities remain relatively flat.

The university's long-term debt payable decreased from \$328M in FY21 to \$316.6M in FY22, a decrease of \$11.4M. The decrease of \$11.4M is due to repayment of principal, as a result of debt restructuring that occurred in FY22. Long-term debt is anticipated to decrease \$6.2M in FY23 due to principal repayment.

Overall, the university maintains a relatively sizable scope of operations and very good overall wealth, as noted in Moody's credit opinion issued on May 11, 2023 for its rating upgrade of the university's revenue bonds. Nevertheless, rising expense pressures and a highly challenging student market will continue to constrain operating performance improvement. The university is currently preparing to close its FY23 accounting records and submit Generally Accepted Accounting Principles (GAAP) based financial statements to the Illinois Comptroller's Office by

September 15, 2023. The Board will be provided unaudited financial information on the university's FY23 performance at its November 2023 meeting.

## FISCAL YEAR 2022 EXTERNAL AUDIT CORRECTIVE ACTION PLANS UPDATE

The university's FY22 Compliance Audit was released on July 6, 2023. As a result of FY22 audit findings, the university's responsible officers developed formal corrective action plans intended to strengthen internal controls and address each audit recommendation as described in the FY22 Examination. There were 16 audit findings, of which 13 were repeated from the prior year. The total number of findings decreased by two compared to the prior year. The average number of findings received for all nine Illinois public institutions was 13. The university's FY22 compliance report contains a full description of each audit finding's condition, associated risk, auditor recommendation, and management response. The FY22 compliance report can be found on the Illinois Auditor General's [website](#).

In August 2022, Management identified the below five corrective actions to be prioritized for full implementation during the fiscal year. All corrective action plans have been implemented for each of these findings, except for the inadequate controls over employee terminations. The finding related to inadequate controls over property and equipment was eliminated and did not repeat during FY22 audit.

1. Inadequate Internal Controls over Census Data
2. Inadequate Controls over Employee Terminations
3. Inadequate Controls over Property and Equipment
4. Lack of Annual Employee Training
5. Inadequate Controls over Procurement Card Use

Management continues to take action to strengthen controls and institute best practices that will eliminate these findings, with a primary focus on issues that may impose real financial risk to the university. The FY22 findings have been categorized into one of three actions being taken to address these findings:

1. **Review and Update Policies and Procedures:** In several instances, the corrective action to correct the condition requires improved alignment between university policies, practices, workflow, and institutional deadlines, as well as determining NIU imposed practices versus state or federal requirements in order to support successful and appropriate corrective action. For these findings, the university will review and update policies and procedures as necessary to implement appropriate corrective action.
2. **Campus-Wide Administrative Efficiency:** Compliance is being enhanced through actions associated with our campus-wide initiative to automate manual processes and leverage electronic solutions to reduce processing time and data entry errors.
3. **Legislative Relief:** There are two audit findings where the university seeks legislative change as the corrective action to the audit finding. The University believes the requirements are not practical and would welcome dialogue on possible solutions. Legislative relief was provided during FY23 for subsidies between accounting entities and will eliminate this finding.

Responsible officers have provided status updates on corrective action steps taken during FY23 to address material audit findings. As noted in the chart below, corrective action plans have been fully implemented or partially implemented where significant progress has been made towards full

implementation, and the probability of a repeat finding in FY23. This status update on corrective actions is current as of June 2023.

### **FY22 FINDINGS AND CORRECTIVE ACTIONS**

<b>Finding Number</b>	<b>Description of Finding</b>	<b>Status</b>	<b>Action Category</b>	<b>Responsible Area</b>	<b>Repeat Probability</b>
Finding 2022-001	Inadequate Internal Controls over Census Data (repeated since 2020)	Implemented	1	Human Resources	Low
Finding 2022-002	Inadequate Internal Controls over Revenue Recognition	Implemented	1	Controller	Low
Finding 2022-003	Inadequate Internal Controls over Contracts (repeated since 2012)	Partially Implemented	1, 3	Procurement Services & Contract Management	High
Finding 2022-004	Failure to Submit Proper Time Reporting (repeated since 2005)	Partially Implemented	3	Human Resources	High
Finding 2022-005	Lack of Annual Performance Reviews (repeated since 2018)	Partially Implemented	1	Human Resources	High
Finding 2022-006	Inadequate Controls Over I-9 Forms (repeated since 2018)	Partially Implemented	2	Human Resources	High
Finding 2022-007	Inadequate Controls over Employee Terminations (repeated since 2019)	Partially Implemented	2	Human Resources	High
Finding 2022-008	Subsidies between Accounting Entities (repeated since 2018)	Implemented	3 (relief granted during FY23)	Controller	Low
Finding 2022-009	Noncompliance with the Illinois Articulation Initiative Act (repeated since 2020)	Implemented	1, 3	Registration & Records	Low
Finding 2022-010	Lack of Annual Employee Trainings (repeated since 2020)	Implemented	2	Human Resources	Medium
Finding 2022-011	Untimely Reporting of Auto Accidents (repeated since 2021)	Implemented	1	Material Management	Medium
Finding 2022-012	Inadequate controls over Procurement Card Use (repeated since 2021)	Implemented	2	Procurement Services & Contract Management	Low
Finding 2022-013	Lack of Adequate Controls Over the Review of Internal Controls over External Service Providers (repeated since 2020)	Partially Implemented	1	Controller/Division of Information Technology	Medium
Finding 2022-014	Inadequate controls over Terminated Employee User Accounts (repeated since 2021)	Partially Implemented	2	Division of Information Technology	High
Finding 2022-015	Weaknesses in Cybersecurity Programs and Practices	Implemented	2	Division of Information Technology	Low
Finding 2022-016	Disaster Recovery Planning Weaknesses	Implemented	2	Division of Information Technology	Low

Barriers that limit full implementation include navigating the great resignation post pandemic, limited financial and staff resources, staff turnover, increased workloads, limited information technology functionality, and competing priorities. In addition, the FY22 compliance examination report was not final until July 6, 2023 which eliminated the lead time available to implement all corrective actions by June 30, 2023.

The university is committed to instituting corrective actions and continuous improvement that will affect positive change, increase accountability, and foster good stewardship over university resources. The Ethics and Compliance Office assists the university campus in a proactive manner to ensure its activities comply with the laws, regulations, and policies that govern the university and adhere to the highest legal, professional, and ethical standards.

## **Prior Year Findings Not Repeated**

- 1. Noncompliance with the Business Enterprise for Minorities, Women, and Persons with Disabilities Act:** During the current year examination, the auditors noted the University complied with the Act. Similar exceptions were not noted during their current year sample testing.

### **Honorable Mention:**

In addition to eliminating this finding, NIU's Director of Procurement Services and Contract Management, Dr. Antoinette Bridges, received an Illinois Public Higher Education Cooperative's Commitment to Diversity Award on July 13, 2023 for her commitment to supplier diversity and her leadership in driving NIU's success in the largest percentage growth compared to all other Illinois public higher education institutions. NIU's BEP spend increased from \$2.6M, a 6.2% achievement of dollars subject to goal in FY21, to \$6.8M, an 18.4% achievement of dollars subject to goal in FY22, an overall growth of 162%.

- 2. Enrollment Status Reporting:** During the current audit, the auditors noted the University strengthened its controls over enrollment status reporting to the National Loan Student Data System (NLSDS). Similar exceptions were not noted during their current year sample testing.
- 3. Information Technology Risk Assessment Not Performed:** During the current audit, the auditors noted the University performed and documented the required information technology risk assessments required under the Gramm-Leach-Bliley Act. Similar exceptions were not noted during their current year testing.
- 4. Higher Education Emergency Relief Fund (HEERF) Reporting:** During the current audit, the auditors noted the University improved controls related to HEERF reporting requirements. Similar exceptions were not noted during their current year testing.
- 5. Inadequate Controls over Property and Equipment:** During the current year examination, the auditors noted the University improved controls related to property and equipment. Similar exceptions were not noted during their current year sample testing.

## ANNUAL REPORT OF CASH AND INVESTMENTS FOR PERIOD ENDING JUNE 30, 2023

In accordance with the University's Investment and Cash Management policy, this report on cash and investments is submitted at the end of each calendar quarter to the Board of Trustees. This report is required by *Board of Trustees Regulations (Section V, Subsection D)*. The following schedules are included:

- Report of Depositories as of June 30, 2023
- Cash and Investment Holdings Summary as of June 30, 2023
- Investment Earnings for the quarter ended June 30, 2023

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

The *Report of Depositories* is submitted annually, along with a hyperlink to the University's [Investment and Cash Management Policy](#) and reflects all funds deposited in banks authorized by the Board of Trustees to serve as depositories. The depository summarizes deposits and withdrawals in each bank account during the fiscal year. The ending balances reflect bank statement amounts and may differ from university financial records due to reconciling items. The *Report of Depositories* does not include the fixed income investment portfolio that contains \$25M in Agency and Treasury notes.

The *Cash and Investment Holdings Summary* at June 30, 2023 shows NIU's total holdings at just over \$127M. Of the total holdings balance, approximately \$65M is available for daily operations providing approximately 60 days cash on hand. This operating cash balance is sufficient to meet the University's current obligations for approximately two months based on the historical burn rate of \$1.2M per day. The remaining balance is restricted per collateralization requirements and contractual obligations. The total holdings balance is down \$15M from the balance at June 30, 2022. This decrease was anticipated and is primarily a result of increases in cash disbursements while cash receipts have held relatively flat.

The *Investment Earnings* report shows income of \$1.8M and an overall annualized rate of return of 4.96% for the fourth quarter. This represents an increase in interest earned of approximately \$1.5M when compared to the same quarter of FY22. The increase in interest earned is primarily due to increasing market investment yields. Operating funds are primarily invested in interest-bearing savings accounts, money markets, and fixed-income securities to balance liquidity needs with investment earnings.

Recent indicators of economic activity continue to show modest growth, while job gains continue to be strong, and the unemployment rate remains low. Inflation still remains elevated, well above the 2% goal set by the Federal Open Market Committee (FOMC). The Federal Open Market Committee decided to maintain the target range for the fed funds rate at 5% to 5.25% at its most recent meeting, which allows the FOMC to assess other information and the implications of the monetary policy. The FOMC meets again July 25 - 26, 2023 and may determine additional rate increases are warranted. Management is continuously monitoring market changes that will affect

the university's cash management and investment goals. Management is committed to the fiscal sustainability of NIU and is reviewing all available options for strengthening the university's cash position within the limitation of the Illinois Public Funds Investment Act.



**Northern Illinois University**  
**REPORT OF DEPOSITORIES**  
**For the Year Ended June 30, 2023**

	Beginning Balance 7/1/2022	Deposits*	Withdrawals*	Ending Balance 6/30/2023**
<b>Amalgamated Bank</b>				
Series 2010 Build America Bonds	\$14,654	\$34	\$8,178	\$6,510
Series 2014 Certificates of Participation	2	1,502,982	1,502,975	9
Series 2020A Revenue Bonds	-	1,131,959	1,131,959	-
Series 2020B Revenue Bonds	-	6,852,600	6,852,600	-
Series 2021 Revenue Bonds	-	4,235,950	4,235,950	-
	<b>\$ 14,656</b>	<b>\$ 13,723,525</b>	<b>\$ 13,731,662</b>	<b>\$ 6,519</b>
<b>First National Bank</b>				
Investment	\$ 834,601	\$ 93,868,826	\$ 94,558,200	\$ 145,227
Contributory Trust	9,838,590	337,708	337,298	9,839,000
	<b>\$ 10,673,191</b>	<b>\$ 94,206,534</b>	<b>\$ 94,895,498</b>	<b>\$ 9,984,227</b>
<b>Old National Bank***</b>				
Credit Card Account	\$ 50,000	\$ 66,661,351	\$ 66,661,351	\$ 50,000
Deposit Account	496,713	116,211,872	116,404,225	304,360
Disbursement Account	50,000	55,182,560	55,182,560	50,000
Investment Account	51,866,594	383,294,101	394,118,342	41,042,353
Payment Account	50,000	419,116,266	419,116,266	50,000
Payroll Account	66,878	169,700,057	169,688,380	78,555
Escrow Account	-	1,217,509	-	1,217,509
	<b>\$ 52,580,185</b>	<b>\$ 1,211,383,716</b>	<b>\$ 1,221,171,124</b>	<b>\$ 42,792,777</b>
<b>JP Morgan Chase Bank</b>				
CD	\$ 1,515,306	\$ 492	\$ -	\$ 1,515,798
<b>Illinois National Bank</b>				
NIU Operations- IL Funds	\$ 5,000	\$ 1,158,458	\$ 1,158,458	\$ 5,000
<b>US Bancorp Fund Services</b>				
NIU Operations- IL Funds	\$ 37,326,493	\$ 91,395,067	\$ 80,000,100	\$ 48,721,460
<b>Total For All Banks</b>	<b>\$ 102,114,831</b>	<b>\$ 1,411,867,792</b>	<b>\$ 1,410,956,842</b>	<b>\$ 103,025,781</b>

\* Deposits and Withdrawals include interaccount transfers.

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

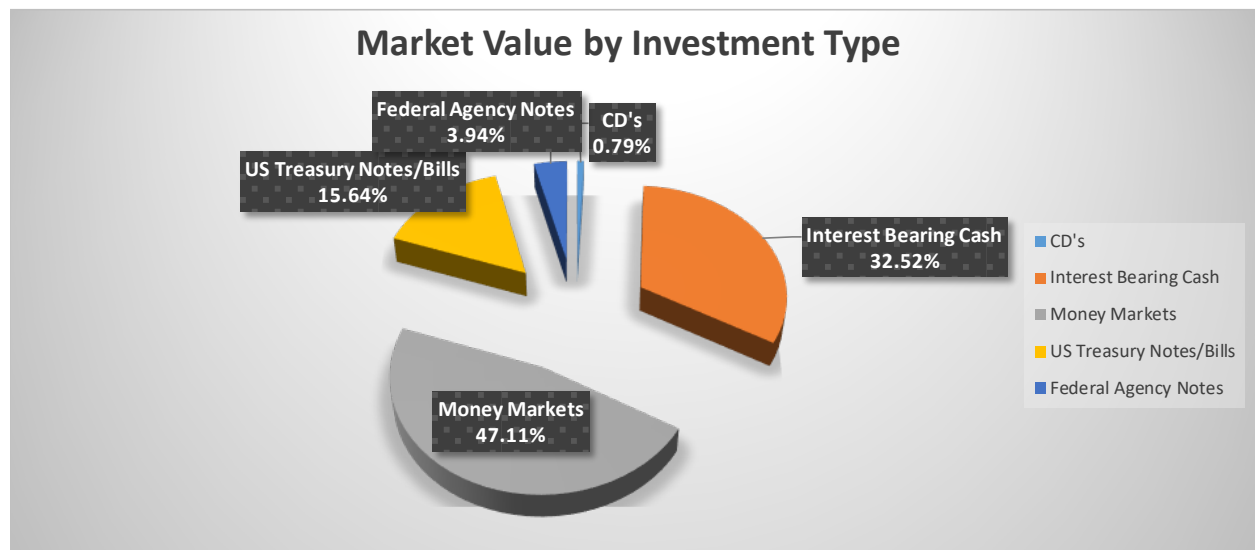
\*\*\* First Midwest Bank became Old National Bank effective July 11, 2022 due to all-stock merger of equals.

**NORTHERN ILLINOIS UNIVERSITY**  
**CASH and INVESTMENT HOLDINGS SUMMARY**

June 30, 2023

For Fiscal Year 2023

Investment Type	Purch Price/ Ending Bal *	Book Value **	Market Value ***
<b>CD's:</b>			
Local Funds	\$ 1,000,983	\$ 1,000,983	\$ 1,000,983
<b>Federal Agency Notes:</b>			
Local Funds	\$ 4,880,649	\$ 4,995,484	\$ 4,993,294
<b>Interest Bearing Cash Accounts:</b>			
Local Funds	\$ 41,266,144	\$ 41,266,144	\$ 41,266,144
<b>Money Markets:</b>			
Contributory Trust	\$ 9,839,000	\$ 9,839,000	\$ 9,839,000
Escrow Account	1,217,509	1,217,509	1,217,509
Local Funds	48,721,460	48,721,460	48,721,460
	\$ 59,777,969	\$ 59,777,969	\$ 59,777,969
<b>US Treasury Notes/Bills:</b>			
Local Funds	\$ 19,603,873	\$ 19,867,843	\$ 19,849,761
<b>TOTAL INVESTMENT HOLDINGS</b>	<b>\$ 126,529,618</b>	<b>\$ 126,908,423</b>	<b>\$ 126,888,151</b>
Non-interest Bearing Cash	\$ 528,290	\$ 528,290	\$ 528,290
<b>TOTAL CASH &amp; INVESTMENT HOLDINGS FOR 6/30/2023</b>	<b>\$ 127,057,908</b>	<b>\$ 127,436,713</b>	<b>\$ 127,416,441</b>
<b>TOTAL REPORTED FOR 6/30/2022</b>	<b>\$ 142,011,746</b>	<b>\$ 142,013,688</b>	<b>\$ 141,951,557</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**  
**For Fiscal Year 2023**  
**April 1, 2023 - June 30, 2023**

	June 30 Ending Balance	Qtr 4 Average Daily Balance	Percent of Portfolio	Qtr 4 Income Earned	Annualized Rates of Return				
					FY2023				
					4th Qtr	3rd Qtr	2nd Qtr	1st Qtr	
<b>Short-Term Investment Accounts</b>									
Illinois Funds	\$ 48,721,460	\$ 50,211,999	34.11%	\$ 630,965	5.040%	4.485%	3.491%	2.114%	
Investment Accounts - Financial Institutions	\$ 41,266,144	\$ 46,260,126	31.42%	\$ 579,271	5.023%	4.715%	3.406%	2.023%	
Contributory Trust	\$ 9,839,000	\$ 9,838,748	6.68%	\$ 120,338	4.906%	4.393%	3.526%	2.020%	
Escrow Account	\$ 1,217,509	\$ 1,212,676	0.82%	\$ 14,131	4.674%	4.177%	3.217%	0.000%	
Investment Accounts - Project Funds	\$ -	\$ -	0.00%	\$ -	0.000%	0.000%	0.000%	1.408%	
CD's	\$ 1,000,983	\$ 1,399,181	0.95%	\$ 14,554	4.172%	3.857%	2.763%	1.206%	
<b>ST Investment Accounts Total</b>	<b>\$ 102,045,096</b>	<b>\$ 108,922,730</b>	<b>73.98%</b>	<b>\$ 1,359,259</b>	<b>5.005%</b>	<b>4.573%</b>	<b>3.444%</b>	<b>2.049%</b>	
<b>Fixed Income Securities</b>									
Local Funds	\$ 24,484,522	\$ 38,303,574	26.02%	\$ 460,197	4.819%	4.141%	2.770%	2.102%	
<b>Fixed Income Securities Total</b>	<b>\$ 24,484,522</b>	<b>\$ 38,303,574</b>	<b>26.02%</b>	<b>\$ 460,197</b>	<b>4.819%</b>	<b>4.141%</b>	<b>2.770%</b>	<b>2.102%</b>	
<b>Non-interest Bearing Cash</b>	<b>\$ 528,290</b>	<b>-</b>	<b>-</b>	<b>-</b>					
<b>COMBINED TOTAL</b>	<b>\$ 127,057,908</b>	<b>\$ 147,226,304</b>	<b>100.00%</b>	<b>\$ 1,819,456</b>	<b>4.96%</b>	<b>4.43%</b>	<b>3.25%</b>	<b>2.07%</b>	

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

**MILES EDUCATION INC. CONTRACT**

**Summary:** The College of Business wishes to enter into an agreement with Miles Education Inc. for marketing, recruiting, career advising and career placement services in support of the NIU Master of Accounting Science (MAS) program for a 5-year term beginning September 1, 2023. The agreement encompasses a flat fee payment to Miles Education Inc. for each student enrolled in the MAS program at NIU as a result of their efforts under this agreement. Initial efforts will commence in the fall of 2023 with the first enrollments taking effect in the spring of 2024. The cost of the services will not exceed \$1.5M over the course of the contractual term.

**Background:** Miles Education Inc. has partnered with the Association to Advance Collegiate Schools of Business (AACSB) accredited business schools across the country to place students from India (studying Accounting) into a MAS program. Miles Education Inc. has been a sponsor of AACSB and the American Accounting Association annual meetings this past year and is aggressively seeking partner schools. Their main goal is to create a pathway for students to complete their Certified Public Accountant (CPA) designation. Students who complete the MAS program are eligible to sit for the CPA exam. Upon completion of the program, students will have the option to stay in the United States if employed at a US company for three years under Optional Practical Training (OPT) or return to India.

Miles Education Inc. plans to enroll at least 25 students into the NIU MAS program each semester (Fall and Spring), and the request for not-to-exceed \$1.5M encompasses flexibility for a potential increase in enrollment over the course of this partnership. With the 150-hour requirement to apply to take the CPA exam being reduced to 120 hours by many states in the country, enrollment in MAS programs will likely decline. This proactive move to partner with Miles Education Inc. will offer the College of Business a new pipeline of well-prepared students to maintain and grow the MAS program enrollment.

Department of Accountancy		
Pro-Forma Income Statement		
Miles Education Agreement for MAS Student Enrollment per 25 Students		
Number of Students Per Year	25	50
Tuition Per Student	\$ 17,500	\$ 17,500
Total Tuition Received	\$ 437,500	\$ 875,000
Fee to Miles Education (\$5,000 per student)	\$ (125,000)	\$ (250,000)
Tuition Revenue Before Operating Expenses	\$ 312,500	\$ 625,000

**Funding:** Institutional Funds: \$1,500,000

**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 special meeting on August 24, 2023.

## BOWL GAME PARTICIPATION EXPENSES

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

**Background:** For eleven of the past 15 football seasons, the NIU football team has been invited to participate in a post-season Bowl Game. Through a shared cost model, the Mid-American Conference and respective institutions participating in bowl games account for the costs (amount established each fiscal year). The university is unsure of the bowl scenario at this point of the season, but should the team qualify, there is a quick turn-around for logistics. Bringing this item to the Board in advance allows university leadership and Intercollegiate Athletics to prepare in the most efficient manner.

**Funding:** Institutional Funds

**Recommendation:** The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on September 21, 2023.

## LOWDEN HALL HEAT EXCHANGER REPLACEMENT

**Summary:** The Lowden Hall mechanical system for exchanging steam heat in the air handling ventilation is beyond its useful life and requires replacement. The system provides heating during the cold weather season and is currently operating on only one functional exchanger and pump with no redundancy. Replacement repairs for the system are required before the winter season.

**Background:** Lowden Hall was originally opened in 1965 and has not had any major renovations or upgrades beyond minor repairs needed as they arise. The scope of work for this project will be to remove and replace the original existing heat exchangers and associated equipment such as pumps and steam traps. The intent is to complete this work in fall of 2023, prior to the cold weather season. The work will be completed by outside contractors with support from internal trades as needed.

**Funding:** Institutional Funds: \$282,000

**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 special meeting on August 24, 2023.

## SEMI-ANNUAL PROGRESS REPORT OF ACTIVE CAPITAL PROJECTS UPDATE AND PRESENTATION

John Heckmann, Associate Vice President for Facilities Management and Campus Services, Division of Administration & Finance, will provide an update on significant capital projects underway on the campus followed by an update on the Health Technology Center.

This report is provided as required by *Board of Trustees Regulations (Section VI. Subsection B.6.a)*. All projects listed herein have received the needed approvals and are currently in process. The Authorization Date is identified for all NIU funded projects; the fiscal year is identified for all Capital Development Board (CDB) funded projects. Status reports are provided on any project, regardless of initiation date, until all work has been completed.

### A. CAPITAL DEVELOPMENT BOARD PROJECTS

#### I. Projects in the Planning Phase

##### 1. Anderson Hall Structural Repairs & Still Hall/Still Gym Masonry Repairs

**Total Project Budget:** \$7,212,000  
**Funding Sources:** Capital Renewal State Appropriation  
**Authorization Date:** Pending

**Status:** This is the next priority deferred maintenance project as identified by the annual IBHE submission for the capital renewal program and is expected to be started in an upcoming cycle of funding releases by the state.

#### II. Projects in the Design Phase

##### 1. Music Building & Gabel Hall Roof Repairs

**Total Project Budget:** \$4,224,000  
**Funding Sources:** Capital Renewal State Appropriation  
**Authorization Date:** April 2022

**Status:** In April 2022, Capital Development Board (CDB) was notified of pending release of funding to proceed with this project. CDB is currently finalizing a contract for the design consultant. Design work is expected to begin this fall, with bidding and construction in 2024.

##### 2. Northern Illinois Center for Community Sustainability (NICCS)

**Total Project Budget:** \$20,000,000 (\$15,000,000 construction and \$5,000,000 equipment)  
**Funding Sources:** Grant Funds & Institutional Local Funds  
**Authorization Date:** December 2018

**Status:** In March 2022, CDB was notified of pending release of funding to proceed with this project. A consultant firm has been selected by CDB to prepare bridging documents for a design-build solicitation. Planning work to begin this fall, with a design-build solicitation anticipated for spring/summer 2024 and construction likely beginning by fall 2024.

##### 3. New Construction Health Technology Center (HTC) Building

**Total Project Budget:** \$77,000,000  
**Funding Sources:** FY20 State Appropriation

**Authorization Date:** January 2020 (\$7,700,000)

**Status:** In summer of 2021, a design firm was selected with a contract award in April 2022. Programming of the building began in late spring of 2022 and was completed in spring of 2023. It is anticipated that design work will begin late summer/fall of 2023 with construction possibly beginning in 2025.

**4. Swen Parson Roof Replacement & Masonry Repairs**

**Total Project Budget:** \$5,685,200

**Funding Sources:** FY21 Capital Renewal State Appropriation

**Authorization Date:** April 2021

**Status:** Design began in January 2022 and is projected to be issued for bidding in September 2023 with construction anticipated to take place spring/summer of 2024.

**III. Projects in the Construction Phase**

**1. DeKalb Campus Repair Steam Tunnel Distribution**

**Total Project Budget:** \$5,097,000

**Funding Sources:** FY19 State Appropriated and FY21 Capital Renewal State Appropriation

**Authorization Date:** September 2018

**Status:** The construction contract was awarded February 2023, and work is scheduled to be completed this fall.

**2. Visual Arts Building Structural Repairs & Exterior Building Improvements**

**Total Project Budget:** \$4,936,600

**Funding Sources:** FY21 Capital Renewal State Appropriation

**Authorization Date:** April 2021

**Status:** Construction began spring of 2023 and is scheduled to be completed fall 2023.

**3. DeKalb Campus West Heating Plant & Boiler Replacement Phase I**

**Total Project Budget:** \$20,581,130

**Funding Sources:** Institutional Funds, FY19 State Appropriation, FY21 Capital Renewal State Appropriation, & FY23 State Appropriation

**Authorization Date:** August 2017

**Status:** Following a failed initial solicitation effort, a design-build team was selected in December 2021 and a contract was awarded July 2023. Construction schedule and IEPA permit is currently being updated and work on site is anticipated this fall.

**4. Stevens Building Addition & Renovation**

**Total Project Budget:** \$37,300,135

**Funding Source:** FY10, CDB Amended FY17, & FY17 NIU Appropriated Funds

**Authorization Date:** February 2010

**Status:** Construction work was completed and building reoccupied in May 2018. Building HVAC refinements were completed in 2020. The remaining item is a delayed State of Illinois commissioned artwork. Once artwork is installed, the project will be closed.

**B. NORTHERN ILLINOIS UNIVERSITY PROJECTS**

**I. Projects in the Planning Phase**

**1. DeKalb Campus Summer 2023 Roof Repairs**



**Total Project Budget:** \$1,000,000 – \$2,000,000

**Funding Source:** Institutional Funds

**Authorization Date:** Pending

**Status:** Scope will include roof replacement and repairs at various buildings across campus. Prioritization of work currently in process. Work is planned to be completed summer of 2024.

**2. DeKalb Campus FY24 Elevator Upgrades**

**Total Project Budget:** \$200,000

**Funding Source:** Institutional Funds

**Authorization Date:** Pending

**Status:** Scope of work currently being developed.

**3. DeKalb Campus Carbon Neutrality Assessment**

**Total Project Budget:** \$150,000

**Funding Source:** Institutional Funds

**Authorization Date:** Pending

**Status:** Scope of work currently being developed.

**4. McMurry Hall Exterior Envelope Repairs**

**Total Project Budget:** \$200,000

**Funding Source:** Institutional Funds

**Authorization Date:** Pending

**Status:** Scope will include exterior masonry and drainage system repairs and some interior repairs to arrest water infiltration and associated interior repairs.

**5. Holmes Student Center Space Assessment & Design Options**

**Total Project Budget:** \$115,000

**Funding Source:** Institutional Funds

**Authorization Date:** December 2022

**Status:** Design consultant began work in February 2023. After meetings with HSC staff, design options and cost estimates were developed and are currently under review for future prioritization of possible projects. This will be the last report for this project.

**6. Neptune, Stevenson & Grant Space Assessment & Design Options**

**Total Project Budget:** \$160,000

**Funding Source:** Institutional Funds

**Authorization Date:** January 2023

**Status:** Design consultant began work in March 2023. After meetings with Housing staff, design options and cost estimates are currently in development. Work is anticipated to be completed by September 2023.

**7. Standalone Boilers Assessment**

**Total Project Budget:** \$195,200

**Funding Source:** Institutional Funds

**Authorization Date:** December 2021

**Status:** Some additional sustainability related options are being considered for Rockford campus and Broadcast building boilers. Finalized assessment will support future repair/replacement planning starting to be developed.

**8. Standalone Boiler Replacements**

**Total Project Budget:** \$590,000

**Funding Source:** Institutional Funds

**Authorization Date:** Pending

**Status:** Developing scopes and estimates for existing boilers at Rockford campus and Broadcast building. Currently evaluating if alternative/sustainable options are feasible rather than one for one replacement. Scope yet to be finalized.

**9. Relocation of Human Resource Services Offices**

**Total Project Budget:** \$750,000

**Funding Source:** Institutional Funds

**Authorization Date:** February 2022

**Status:** Originally planned relocation to Neptune North until surge in demand for campus housing drove reconsideration. Other central campus locations are being evaluated.

**10. DeKalb Campus Ponds/Lagoons Restoration Assessment**

**Total Project Budget:** \$150,000

**Funding Source:** Institutional Funds

**Authorization Date:** November 2022

**Status:** The project is approximately 75% complete. The Consultant has gathered the necessary information to develop options for restoring the campus ponds. The assessment report is in development and anticipated to be finalized by early fall.

**11. DeKalb Campus Master Planning Framework**

**Total Project Budget:** \$155,000

**Funding Source:** Institutional Funds

**Authorization Date:** March 2023

**Status:** Consultant team was hired in April 2023. Meetings with campus stakeholders were held over the spring semester with further meetings planned for summer and fall with final deliverables anticipated later in the fall.

**12. DeKalb Campus Facilities Condition & Needs Assessment Phase I**

**Total Project Budget:** \$200,000

**Funding Source:** Institutional Funds

**Authorization Date:** May 2022

**Status:** After consultant award in June 2022, facility walk-throughs were completed over the summer. Finalized reports were received February 2023. Final payments have been made; this is the last report for this project.

**II. Projects in the Design Phase**

**1. Huskie Stadium West Stands Exterior Maintenance Repairs Phase II**

**Total Project Budget:** \$240,000

**Funding Source:** Institutional Funds

**Authorization Date:** Pending

**Status:** Scope of work is currently being finalized for a continuation of prioritized repairs. Work is intended to be completed fall 2023 through early summer 2024.

**2. DeKalb Campus Summer 2023 Parking Lot Repairs**

**Total Project Budget:** \$175,000

**Funding Source:** Institutional Funds

**Authorization Date:** Pending

**Status:** Contractor pricing being finalized. Anticipate work to be completed late summer/early fall.

### **3. Lorado Taft Campus Wastewater Treatment Plant Replacement**

**Total Project Budget:** \$3,500,000

**Funding Source:** Institutional Funds (& IEPA Loan)

**Authorization Date:** December 2022

**Status:** Following Board approval, IBHE approval was received in June of 2023. The Consultant's design team is currently in the process of finalizing scope along with permitting preparations. Construction scheduling is yet to be determined.

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

### **1. Stevenson Hall FY24 Rotation Painting**

**Total Project Budget:** \$249,000

**Funding Source:** Institutional Funds

**Authorization Date:** June 2023

**Status:** Work has begun and will continue through the fiscal year.

### **2. Northern View Complex Building #3 Exterior Repairs**

**Total Project Budget:** \$105,000

**Funding Source:** Institutional Funds

**Authorization Date:** June 2023

**Status:** Work began in July and is substantially complete. Final payments will begin processing. This is the last report for this project.

### **3. Patterson Hall East Fire Sprinkler System Piping Replacement**

**Total Project Budget:** \$1,650,000

**Funding Source:** Institutional Funds

**Authorization Date:** May 2023

**Status:** Initial scope for replacing piping in a zone on the 4<sup>th</sup> floor was completed July 2023. Piping will continue to be replaced in other areas during future break periods. Information from material testing will be used to target areas with the most risk.

### **4. Stevenson Hall Complex Washroom faucet replacements**

**Total Project Budget:** \$650,000

**Funding Source:** Institutional Funds

**Authorization Date:** May 2023

**Status:** Work is currently in process and anticipated to be completed prior to the beginning of the fall semester.

### **5. Stevenson Hall Complex Tower Elevator Upgrades**

**Total Project Budget:** \$560,000

**Funding Source:** Institutional Funds

**Authorization Date:** May 2023

**Status:** Work in process and anticipated to be completed by end of calendar year 2023.

### **6. Barsema Hall Renovate for HAVI Center for Analytics & Technology**

**Total Project Budget:** \$800,000

**Funding Source:** Foundation/Donation Funds

**Authorization Date:** May 2023

**Status:** Finalized construction documents are currently in process. Following contractor pricing, construction is anticipated to begin fall/winter 2023/2024.

### **7. Naperville Campus 2023 Parking Lot Repairs**

**Total Project Budget:** \$156,000

**Funding Source:** Institutional Funds  
**Authorization Date:** April 2023  
**Status:** Work was completed in June and final payments have been made. This is the last report for this project.

**8. Stevenson & Grant Complexes Building Envelope Repairs Phase II**

**Total Project Budget:** \$3,200,000  
**Funding Source:** Institutional Funds  
**Authorization Date:** April 2023  
**Status:** Contractor mobilized on site in July 2023. Work is expected to continue on all eight towers through the summer of 2024.

**9. Rockford Campus First Floor Flooring Replacement**

**Total Project Budget:** \$171,465  
**Funding Source:** Institutional Funds  
**Authorization Date:** April 2023  
**Status:** Work began in May of 2023 and is substantially complete. Final payments will begin processing. This is the final report for this project.

**10. Stevenson Tower A Penthouse Apartment Remodel**

**Total Project Budget:** \$124,400  
**Funding Source:** Institutional Funds  
**Authorization Date:** April 2023  
**Status:** Construction began in May 2023 and is substantially complete. Final payments will begin processing. This is the last report of this project.

**11. Holmes Student Center Building Envelope Repairs Phase 1**

**Total Project Budget:** \$1,700,000  
**Funding Source:** Institutional Funds  
**Authorization Date:** April 2023  
**Status:** Design consultant is currently finalizing repair scope. On-site destructive investigation to take place in early August with repair work intended to begin fall 2023 and continue through summer/fall 2024.

**12. DeKalb Campus Recreation Drive Roadway Repairs**

**Total Project Budget:** \$400,000  
**Funding Source:** Institutional Funds  
**Authorization Date:** April 2023  
**Status:** Bidding was completed in June and work is scheduled to begin in early August and intended to be completed prior to the beginning of the fall semester.

**13. Neptune East Student Rooms Door Replacements**

**Total Project Budget:** \$233,100  
**Funding Source:** Institutional Funds  
**Authorization Date:** March 2023  
**Status:** Work in process, anticipated to be completed prior to fall move-in.

**14. West Campus 2023 Boiler Repairs**

**Total Project Budget:** \$110,600  
**Funding Source:** Institutional Funds  
**Authorization Date:** March 2023

**Status:** Work is complete and final payments are in process. This will be the final report on this project.

**15. Patterson Hall West Nexus Valve Replacements**

**Total Project Budget:** \$210,850

**Funding Source:** Institutional Funds

**Authorization Date:** March 2023

**Status:** Work is substantially complete and final payments will be processed in the coming weeks. This will be the last report for this project.

**16. Holmes Student Center Hot Water Converter Abatement & Replacement**

**Total Project Budget:** \$145,750

**Funding Source:** Institutional Funds

**Authorization Date:** January 2023

**Status:** Work is complete and final payments are in process. This will be the last report for this project.

**17. Patterson Hall East 2<sup>nd</sup> Floor North Fire Sprinkler Break**

**Total Project Budget:** \$249,000

**Funding Source:** Institutional Funds & Insurance Reimbursement

**Authorization Date:** December 2022

**Status:** Building repairs are complete and IT infrastructure repairs pending equipment delivery. Insurance reimbursement for amount over deductible to follow.

**18. Patterson Hall East 3<sup>rd</sup> Floor North Fire Sprinkler Break**

**Total Project Budget:** \$249,000

**Funding Source:** Institutional Funds & Insurance Reimbursement

**Authorization Date:** December 2022

**Status:** Building repairs are complete. Awaiting insurance reimbursement for amount over deductible. This will be the last report for this project.

**19. DeKalb Campus December 2022 Extreme Cold Event Repairs**

**Total Project Budget:** \$249,000

**Funding Source:** Institutional Funds & Insurance Reimbursement

**Authorization Date:** December 2022

**Status:** Work is substantially complete and final payments will be processed in the coming weeks. This will be the final report for this project.

**20. Cole Hall Humidification Improvements Phase 2**

**Total Project Budget:** \$110,500

**Funding Source:** Institutional Funds

**Authorization Date:** December 2022

**Status:** Work is substantially complete and final payments will be in process. This will be the last report for this project.

**21. Recreation Center Changing Room Remodel**

**Total Project Budget:** \$1,370,000

**Funding Source:** Institutional Funds

**Authorization Date:** December 2022

**Status:** First phase of renovation amounting to ~\$780,000 to start November 2023.

**22. East Campus Winter Repairs 2022/2023 Chillers**

**Total Project Budget:** \$242,550

**Funding Source:** Institutional Funds  
**Authorization Date:** December 2022  
**Status:** Work has been completed and final payments are in process. This will be the last report for this project.

**23. West Campus Winter Repairs 2022/2023 Chillers**

**Total Project Budget:** \$226,900  
**Funding Source:** Institutional Funds  
**Authorization Date:** December 2022  
**Status:** Work has been completed and final payments are in process. This will be the last report for this project.

**24. Yordon Center Northwestern Medicine Performance Center Flooring Replacement**

**Total Project Budget:** \$465,000  
**Funding Source:** Foundation/Donation Funds  
**Authorization Date:** December 2022  
**Status:** Work began in May and is substantially complete. Final payments will begin processing. This will be the last report for this project.

**25. DeKalb Campus Summer 2023 Roof Repairs**

**Total Project Budget:** \$3,500,000  
**Funding Source:** Institutional Funds  
**Authorization Date:** December 2022  
**Status:** Repair work on Faraday Hall is substantially complete. Neptune East roof work is anticipated to be completed in August. Roofs for Montgomery greenhouse, Williston, and Grant Towers A & B will continue through fall 2023.

**26. DeKalb Campus 2022 Elevator Repairs**

**Total Project Budget:** \$171,850  
**Funding Source:** Institutional Funds  
**Authorization Date:** December 2022  
**Status:** Project is currently 80% complete. All equipment is in hand and work is in process. Anticipated to be completed this fall.

**27. DeKalb Campus Soccer and Baseball Fields Artificial Turf Installation**

**Total Project Budget:** \$1.455M  
**Funding Source:** Institutional Funds & Foundation/Donation Funds  
**Authorization Date:** November 2022  
**Status:** Soccer field scope was completed prior to fall 2022 season as planned. Baseball field scope was completed and ready for spring 2023 season. Final payments have been made and the project is closed. This is the final report for this project.

**28. Chilled Water Plant Chiller #2 VFD Replacement and Overhaul**

**Total Project Budget:** \$420,000  
**Funding Source:** Institutional Funds & Appropriated Income Funds  
**Authorization Date:** November 2022  
**Status:** Work is 65% complete, waiting for remanufactured parts to arrive, completion anticipated fall of 2023.

**29. Wellness & Literacy Center Remodel for School of Nursing Relocation**

**Total Project Budget:** \$950,000  
**Funding Source:** Institutional Funds

**Authorization Date:** November 2022

**Status:** Work is substantially complete. School of Nursing staff have been relocated in July and final preparations are being made to be ready for fall semester academic operations at the Wellness & Literacy Center. This is the final report for this project.

**30. Patterson Hall Complex FY23 Rotation Painting**

**Total Project Budget:** \$190,000

**Funding Source:** Institutional Funds

**Authorization Date:** June 2022

**Status:** Work was completed in FY23, final payments have been made and the project is closed. This is the final report for this project.

**31. Swen Parson UPS Replacement**

**Total Project Budget:** \$124,400

**Funding Source:** Institutional Funds

**Authorization Date:** May 2022

**Status:** Work was completed in FY23, final payments have been made and the project is closed. This is the final report for this project.

**32. East Plant Summer Repairs 2022**

**Total Project Budget:** \$195,350

**Funding Source:** Institutional Funds

**Authorization date:** May 2022

**Status:** Work was completed in FY23, final payments have been made and the project is closed. This is the final report for this project.

**33. Psychology/Computer Science Building Rooms 51, 53, 56 Remodel to Research Labs**

**Total Project Budget:** \$220,800

**Funding Source:** Institutional Funds

**Authorization Date:** May 2022

**Status:** Original scope of work was substantially complete by January 2023. Some minor additional work was completed in July 2023. This will be the last report for this project.

**34. Patterson Hall East Nexus Valve Replacements**

**Total Project Budget:** \$235,000

**Funding Source:** Institutional Funds

**Authorization Date:** May 2022

**Status:** Work is complete and final payments have been made. This will be the last report for this project.

**35. DeKalb Campus Utility Submetering Pilot Installation**

**Total Project Budget:** \$246,150

**Funding Source:** Institutional Funds

**Authorization Date:** December 2021

**Status:** Design was completed in October 2022 with bidding in spring 2023. Scope adjustments were made due to higher pricing received and installation work is anticipated to be completed spring 2024.

**36. Huskie Stadium Summer 2022 West Stands Exterior Maintenance Repairs**

**Total Project Budget:** \$238,250

**Funding Source:** Institutional Funds

**Authorization Date:** October 2021

**Status:** Work was completed by spring of 2023. Final payments are complete. This is the last report for this project.

**37. Dorland Building Freezer Condenser/Evaporator Replacement Phase II**

**Total Project Budget:** \$164,500

**Funding Sources:** Institutional Funds

**Authorization Date:** August 2021

**Status:** Delivery of the replacement equipment was delayed due to supply chain issues. Installation is approximately 50% complete and is anticipated to be completed by winter 2023.

**38. Holmes Student Center Tower Elevator Controls Upgrade**

**Total Project Budget:** \$1,500,000

**Funding Source:** Institutional Funds

**Authorization Date:** December 2019

**Status:** Work is in progress and anticipated to be completed by Spring 2024.



**ANNUAL SUMMARY REPORT ON OBLIGATIONS OF FINANCIAL RESOURCES FOR YEAR ENDED JUNE 30, 2023**

<b>Category</b>	<b>Number of Transactions</b>	<b>Percentage</b>	<b>Dollar Volume</b>	<b>Percentage</b>
\$0 to \$25,000 <sup>1</sup>	1981	74.84	\$ 15,985,711	17.26
\$25,001 to \$100,000 <sup>1</sup>	463	17.49	20,284,639	21.91
\$100,001 to \$250,000 <sup>2</sup>	114	4.31	12,201,467	13.18
\$250,001 to \$500,000 <sup>3</sup>	44	1.66	11,697,274	12.63
Over \$500,000 <sup>3</sup>	45	1.70	32,433,533	35.02
<b>TOTAL</b>	<b>2,647</b>	<b>100%</b>	<b>\$92,602,624</b>	<b>100%</b>

The Annual Summary Report on the Obligation of Financial Resources is required by the *Board of Trustees Regulations (Section V, Subsection B.5)* and supplements the Periodic Summary Report of Transactions which is presented on a quarterly basis.

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

Transactions above do not include purchase card obligations. This report is as of July 25, 2023, and is subject to changes due to fiscal year-end close out.

<sup>1</sup> Authorizations for transactions less than \$100,000 are approved at the university level (above \$25,000 by the President).

<sup>2</sup> Authorizations for purchases and capital projects greater than \$100,000 and less than \$250,000 are approved by the President and periodically reported to the Board of Trustees.

<sup>3</sup> Authorizations for purchases and capital projects \$250,000 and greater are presented for approval by the Board of Trustees, unless exempt.

**QUARTERLY SUMMARY REPORT OF TRANSACTIONS IN EXCESS OF  
\$100,000 FOR THE PERIOD APRIL 1, 2023 TO JUNE 30, 2023**

In accordance with *Board of Trustees Regulations (Section V, Subsection B.5)*, this report of all obligations of financial resources greater than \$100,000 but less than \$250,000 is submitted at the end of each calendar quarter to the Board of Trustees. Transactions included in this quarterly report reflect the maximum approved amount that orders may not exceed and does not include commercial card obligations. Following is a summary of the number of transactions, fund source, and total dollar amount, and transaction details for obligations incurred during the quarter ended June 30, 2023.

<b>Purchase Amount</b>	<b>No. of Transactions</b>	<b>Appropriated*</b>	<b>Non-Appropriated</b>	<b>Total</b>
Over \$100,000	27	\$635,301	\$3,488,548	\$4,123,849

TRANSACTIONS DETAIL:

Purchases:

1. The Division of Information Technology requested permission to replace the network switches in the basement of Patterson Hall that were corroded due to water damage on October 26, 2022. (CDWG, Vernon Hills, IL) 121,428
2. Athletics requested permission to issue an FY23 open order for basketball officials during home games for the period July 1, 2022 through June 30, 2023. (Mid-American Conference, Cleveland, OH) 162,050
3. Athletics requested permission to issue an FY23 open order for football officials during home games for the period July 1, 2022 through June 30, 2023. (Mid-American Conference, Cleveland, OH) 121,875
4. Continuing and Professional Education requested permission to issue an FY24 purchase order for reimbursement of services for OSHA courses held between July 1, 2023 through June 30, 2024. (Construction Safety Council, Hillside, IL) 200,000
5. The Division of Information Technology requested permission to purchase wireless access coverage and equipment for Neptune North. Improvements were made to residence halls wireless access in 2019, but Neptune North was not included in that process. (Presidio Networked Solutions Group, Chicago, IL) 176,410

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| 6. Transportation requested permission to replace vehicles supporting Building Services and Grounds due to existing vehicles being uneconomical to repair. An 18-year-old Building Services pick-up truck used for hauling cleaning and snow removal equipment had to be removed from service because of unsafe structural deterioration. A 12-year-old Grounds dump truck used for plowing, salting, hauling snow, general grounds use, and had specific height requirements to address parking garage hauling, had to be removed from service due to extensive repairs required. (Various vendors) | 142,000  |
| 7. Athletics requested permission to purchase a 3-year subscription to ARMS and a one-time set-up fee. ARMS software provides all the tools to help sports organizations streamline the recruiting process, create operational efficiency, and mitigate the risk of costly compliance violations. (ARMS Software LLC, North Chesterfield, VA)  | 109,500  |
| 8. The Provost Office requested permission to purchase furniture to replace the old and outdated furniture currently being used in Montgomery Room 443, DuSable Rooms 176 and 322, and Engineering Building Room 211. (Krueger Intl., Green Bay, WI)   | 138,858* |
| 9. The Bursar Office requested permission to issue an FY24 open order for collections agency commissions for accounts receivable commercial accounts for the period July 1, 2023 through June 30, 2024. (Conserve Commissions, Fairport, NY)   | 132,000  |
| 10. The Bursar Office requested permission to issue an FY24 open order for collections agency commissions for accounts receivable commercial accounts for the period July 1, 2023 through June 30, 2024. (National Credit Management, St. Louis, MO)   | 148,000  |
| 11. The Division of Information Technology requested permission to purchase equipment to modernize classroom technology for four auditorium spaces in Faraday and LaTourette Hall. This purchase included computing, projection, and control systems compatible with current builds. The systems allow remote access and capabilities to service and support technology breakdowns if they occur during a scheduled class. (Conference Technologies Inc., Itasca, IL)  | 206,434  |
| 12. The Division of Information Technology requested permission to purchase network services to provide NIUNet and contracted customers with 24/7 service when contacting Northern Illinois Monitoring Center (NIMC), monitoring NIMC network alerts, creating service requests, and dispatching for immediate service for the period April 1, 2023 through June 30, 2024. (Alert IT Solutions, Woodridge, IL)   | 115,899  |
| 13. Housing and Dining requested permission to purchase a new commercial dishwasher with related supplies for Patterson Hall. The total cost includes delivery, labor, installation, and warranty. (Cooks Correctional, Warrenville, IL)   | 225,067  |

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| 14. The Division of Information Technology requested permission to utilize the renewal option of Bid #CAB156820 for the period July 1, 2023 through June 30, 2024 for 10 Gig ISP link for ISP services to DeKalb Wellness and Literacy Center, located at 3100 Sycamore Road. This was the eighth of nine renewal options based on a bid opened September 29, 2015. The renewal award was advertised in the <i>Illinois Procurement Bulletin</i> . (Syndeo Network Inc., St. Charles, IL) | 126,600  |
| 15. The Provost Office requested permission to renew the software license subscription for Explorance Blue for the period July 1, 2023 through June 30, 2024. This is the course/instructor evaluation software used by academic units throughout campus. (Explorance, Inc., Chicago, IL)   | 114,123* |
| 16. The Division of Information Technology requested permission to issue an FY24 open order for Illinois Century Network for 10 Gig NIU Internet connectivity for the period July 1, 2023 through June 30, 2024. (Dept. Of Innovation & Technology, Sterling, IL)   | 180,000  |
| 17. The Center for Innovative Teaching and Learning requested permission to purchase a 3-year license for an online learning platform. (Yellowdig, Philadelphia, PA)  | 162,000* |
| 18. Athletics requested permission to enter into an agreement with Taymar Sales U, a college sports marketing company, to purchase a third-party ticket unit for football, basketball, and volleyball ticket sales. (Taymar Sales U LLC, Winston-Salem, NC)   | 112,000  |
| 19. HSC Accounting requested permission to issue an FY24 open order for food and non-food items needed to operate Einstein Bagels for the period July 1, 2023 and June 30, 2024. (Kuna Food Service, Dupo, IL)  | 139,000  |
| 20. The College of Health and Human Sciences requested permission to increase the open order for phone number samples to be used in the Survey Research Lab for the period through June 30, 2023. This item was originally approved on the July 6, 2022 President's Report in the amount of \$75,000. The requested increase was for \$43,535, bringing the total amount over \$100,000. (Marketing Systems Group, Mount Laurel, NJ)  | 118,535  |
| 21. Athletics requested permission to issue an FY24 open order for union-skilled labor for setup at Convocation Center events for the period July 1, 2023 through June 30, 2024. (Purple Tally Productions, Lakeville, MN)  | 125,000  |
| 22. The Division of Information Technology requested permission to purchase a 4-year cloud video hosting, streaming, and management platform for the period July 1, 2023 through June 30, 2027. (Kaltura Inc., New York, NY)  | 220,320* |

Capital Improvement Projects:

1. Naperville parking lot repairs: The Naperville satellite campus location requires parking lot repairs to address the last phased section of pavement deterioration. 156,000
2. Stevenson apartment renovation: This project was to refresh and update the apartment in Stevenson Tower A that will be used by live-in residence hall staff for the upcoming academic year. The scope of work included replacement of kitchenette cabinetry and appliances, flooring and window treatments replacement, interior surface patching and painting, and other minor improvements. The intent is to have this work completed prior to residence hall staff move in prior to the beginning of the fall semester. 100,850
3. Rockford campus carpet replacement: The existing carpet is original to the building and requires replacement. The scope of work includes replacement of first floor areas with carpet/vinyl tiles to facilitate easier future maintenance/repairs. 215,900
4. Stevenson rotation painting: The scope of the project was to repair walls or other surfaces where damage or wear had occurred and paint the surfaces with the appropriate coating. Areas typically include hallways, student lounges, entry ways and other designated high visibility spaces. 249,000
5. Northern View Residential Complex façade repairs: Involves required repairs to the building's facades to address deterioration and prevent water infiltration. Work will include replacement of rotten siding and soffits, repairs to brick and mortar and replacement/resecuring of siding as well as painting and cleaning. 105,000

\*Appropriated/Income Funds