

Meeting of the  
**BOARD OF TRUSTEES**  
**OF NORTHERN ILLINOIS UNIVERSITY**  
June 16, 2016

**1. CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 9:02 a.m. by Board Chair Marc Strauss in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Kathy Carey conducted a roll call. Members present were Trustees Robert Boey, Wheeler Coleman, Robert Marshall, Tim Struthers, James Zanayed, John Butler and Board Chair Marc Strauss. Members Absent: Trustee Cherylyn Murer.

Also present: President Doug Baker, Board Liaison Mike Mann; General Counsel Jerry Blakemore, Executive Vice President and Provost Lisa Freeman, Vice President Al Phillips, Vice President Anne Kaplan, University Advisory Council (UAC) Representatives Greg Long, Holly Nicholson and Dan Gebo, Catherine Squires, Jerry Blazey, Eric Weldy, Vernese Edghill-Walden, Denise Schoenbachler, Promod Vohra, Lisa Miner, Laurie Elish-Piper. Matthew Holmes, Balaji Rajagopalan, Eric Dannenmaier, and Paul Kassel.

**2. VERIFICATION OF QUORUM AND APPROPRIATE NOTIFICATION OF PUBLIC MEETING**

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

**3. MEETING AGENDA APPROVAL**

Chair Strauss asked for a motion to approve the meeting agenda with the following items moved to the consent agenda: 8.a.1. – 8.a.13., 8.a.17, 8.a.18. and 8.a.21.; 8.b.1. – 8.b.11; 8.b.13 - 8.b.15. Trustee Coleman so moved and Trustee Butler seconded. The motion passed.

**4. REVIEW AND APPROVAL OF MINUTES OF FEBRUARY, 18, 2016; MARCH 17, 2016;  
APRIL 14, 2016**

Chair Strauss noted at today's meeting we will be approving three sets of minutes. He began by asking for a motion to approve the minutes of the Board of Trustees Special Meeting of February 18, 2016, Trustee Coleman so moved and Trustee Zanayed seconded. The motion passed.

Chair Strauss continued, asking for a motion to approve the minutes from the Regular Meeting of the Board of Trustees March 17, 2016. Trustee Coleman so moved and Trustee Zanayed seconded. The motion passed.

Chair Strauss called for a motion to approve the minutes of the Special Meeting of the Board of Trustees on April 14, 2016. Trustee Marshall so moved and Trustee Boey seconded. The motion passed.

**5. PUBLIC COMMENT\***

General Counsel Blakemore indicated that there were three requests for public comment.

Derek Van Buer: Good morning. Thank you for the opportunity to speak this morning. I'm going to speak today about ethically inspired leadership and spin control. As many of you are aware there have been many issues with President Baker such as College Town Partners and not-for-profit. Do you remember when he said it to you during a committee meeting that NIU had no financial interest in John Street and College Avenue, but NIU did. The Alvarez subcontract, the hiring of Wally Pfeiffer, the hiring of Keith Echols, and the list goes on. Recently we had the e-mail from Ron Walters to Wally Pfeiffer which Mr.

Walters states, "I was well received although Doug had already gotten some flak for hiring his buddy right off the bat to come in under some lucrative consulting contract that wasn't put out for bid." Last evening I e-mailed you information about the super university model. A new board immersed and all foundations and alumni associations access to local taxes. Were you as a Board aware of this activity as I don't recall it being discussed in an open meeting. Do you know who Craig Burkhardt is? How much has Craig Burkhardt invoiced NIU? When bad news hits President Baker do you know what he does? It appears from his e-mails that he quickly contacts Mr. Teller to do some spin control. Look what happened when the news about the inappropriate travel expenses was released. On February 10, 2016 President Baker penned an article in NIU Today. How did President Baker start his article? It said, "Almost immediately upon my arrival at NIU I set forth ethically inspired leadership as one of the pillars that would support all of my administration's efforts on behalf of the university. Key to delivering on this commitment is to be clear and transparent in our response to issues raised about our stewardship of university resources." The article had a link to the Faculty Senate meeting on September 4, 2013. There is a section on ethically inspired leadership. There are five bullets but I will only read the first and the fifth. Ethically inspired leadership requires a leader to behave and make decision in an ethical manner. However, ethically inspired leadership is not merely leading by example. There is an expectation that ethically inspired leadership will be the culture of ethics that permeates all levels of the administration and the entire NIU community. Bullet five states values will be applied to the decision making process in a transparent manner and all within the NIU community, especially the leaders, must be accountable for their actions and decisions. I don't believe that it was ethically inspired to hire his good buddy Ron Walters without going through the procurement process or any other matters that had been raised. President Baker here's your chance to abide by item five. Please explain to the Board and the public in a transparent and honest manner. Do not try to spin it. Please be accountable for your actions. If you can't, I am asking the Board again to take action and either place President Baker on administrative leave or fire him. Thank you.

Sharon May: Good morning. Thank you for the opportunity to speak today. I would like to address the opening comments at the last CARL committee meeting as attributed to Committee Chair Murer. I must say attributed as I was not in attendance and for some reason the audio recording did not start until later in the meeting. But what I was told is that Chair Murer had implied that the OEIG investigation was merely the result of disgruntled employees. Really? Later in the meeting Chair Murer used the word inflammatory to describe a public speakers comments. This could be a good word to describe her comments as well. However, there may be better words to use. Would inappropriate work? Oh yes, with limited exceptions, if any employee did file a complaint with the OEIG it is doubtful they would allow the OEIG to use their name as a complainant due to the known appetite for retribution that has been exhibited by this administration. Therefore this Board probably does not or actually should not know each and every person who filed a complaint. It is inappropriate to create a generic group that is then dismissed as simply "disgruntled employees" and upon which you place all blame for this administration's violations of state rules. Would irresponsible work? Oh yes, Chair Murer seemed to be akin to wanting to place the blame on someone who reported a murder with the murder rather than charging the person that actually pulled the trigger. The Board is apparently ignoring its own responsibility to investigate an act upon these well documented complaints and instead is irresponsibly trying to shift blame for this administration's actions to those who possibly reported the violations. But ultimately the best word to describe her comments is irrelevant. The OEIG would not investigate unless there was sufficient cause shown, regardless of the sources of the complaints. Apparently there were enough causes for investigation as it appears they had in excess of 36,000 pages of documents. With 36,000 plus pages there must be at least some truth to the complaints regardless of who filed them. Further, Chair Murer and this Board appear so eager to parse the new ethics rules and focus only upon the penalties for those employees who file deliberate false complaints that they seem to ignore the rest of the new rules. Now an employee must report violations when they become aware of the violation. Must! Therefore, even given Chair Murer's desire to misdirect the blame for the OEIG investigation if any employee did report the violations of this administration, he or she should be lauded as proactive under the new rule rather than dismissed as a disgruntled employee. Stop deflecting the blame for the ills that have befallen this institution and act to correct the issue at the source. Please note that as always I speak as an

independent individual. I speak only for myself not on behalf of any others. Thank you again for the opportunity to speak.

Bessie Chronopoulos: Thank you for the opportunity to speak. I just gave Trustee Struthers a hard copy of articles from Illinois Leaks. I think you might find them interesting. This is the type of information that citizens like myself, who live in DeKalb, who love DeKalb, whose alma mater happens to be NIU are subjected to on a continual basis and people are very concerned about the stability of this institution. Very concerned. Perhaps some of you in the last couple of years are dismissing some of the information that is coming out about this institution, the negatives. I hope not. I hope you're really looking into every single allegation and trying to come to a conclusion about what it is that you need to do because I tell you if NIU is not viable neither is the city of DeKalb. As I mentioned to you another time when I came to speak to you, DeKalb and the university are married for life. There is no such thing as a divorce in that relationship and they do need to work together. But I don't see that happening in a positive way. I've been involved in this community for many, many years in many positions and I know some of you personally, we have worked together on a variety of items, and I find it to be very honest, and forgive me for being so bold, appalling that you are not taking a more serious stance on what is going on. You need to speak up Mr. Struthers I know you, Mr. Boey I know you, Mr. Strauss, Mr. Butler. I know you. I know you would not run your personal businesses in a bad way. I know that you would be very, very aggressive about doing the right thing. You need to do the same thing here because the buck stops here. Something is amiss. Something is amiss and it needs to be taken care of and maybe you'll listen to what people are saying, maybe you'll dismiss, I don't know. All I can do is speak out and do my best to advocate for what I think is just and right for this community. Thank you.

Chair Strauss responded thank you. I believe Trustee Coleman would like to speak.

Trustee Coleman responded, first of all I want to thank all of our speakers for coming out today and, for many, for coming out to each and every one of our meetings. I want to let everybody know that we are inundated with e-mails, correspondence and conversations from a handful of individuals and typically the same individuals that are providing us information and concerns about the institution. I want to assure everybody in this room that we don't take any of these allegations lightly. I also want you to know that there is a process and if the state is investigating then we need to let them do their investigation. I personally take offense when anybody accuses me or other members of the Board of taking their duties and responsibilities lightly. We have a vested interest in this institution's success. We want to see this institution succeed. We take our responsibility very, very seriously. If someone is advocating that we terminate, suspend, or fire anybody we're not going to take that action based on some e-mails or somebody getting up in front of us sharing their wishes. It has to be fact based. I know many of the comments that were made, there's e-mails and FOIA requests that you're trying to hang your hat on, but there's a due process here. I believe that we've got to let that process take place. I believe we're also crossing the line when we're making personal attacks at Board members that are volunteering their time to see this institution go to the next level.

## **6. CHAIR'S COMMENTS/ANNOUNCEMENTS**

Chair Strauss noted he had no comments or announcements and offered the opportunity to speak to representatives from the University Advisory Council.

Speaker Greg Long commented, thank you Chair Strauss. My name is Greg Long. I am the Faculty Senate President and Executive Secretary of University Council. I have 30 years' experience as a faculty member and I'm just completing my first year of experience as the Faculty Senate President and I will tell you it's been an eye opening experience with a significant learning curve. Because prior to this, I had no experience with the Board of Trustees, the operations, organization, governance documents; so I've learned a lot. It's been a good learning curve and part of that has also then provided me perspective on how much trustees, yourselves, work to support the university and I want to thank you on behalf of NIU and the State for the work you're doing and encourage your continued advocacy on our behalf. We need you to be talking to our legislators and anything we can do to push things forward to get a budget

because everything that we're doing right now does depend upon having a budget to make the university work. So as a Board, I would encourage you to please continue your advocacy in that regard. Also, another point of suggestion would be to take advantage of us as our University Council Advisory Committee. I think as faculty and staff we have a lot of information and suggestions and perspectives that we would be more than happy to share and would like to play an ever increasing role in that regard. We are working on that. We have a meeting scheduled with President Baker and some others to talk about how we can increase the role and function and efficiency of the University Advisory Council because our inclusion is very important at this point. We are in uncharted waters with the budget impasse, with salary issues, with workload issues, program prioritization, all those things are just what's happening but they have led to a situation where faculty and staff are frustrated, the morale is low. We're facing some difficult times now. I think on the faculty side we've seen that faculty respond to this and moving to unionization. With that, I support the decisions of the faculty. My role is neither to be opposed to or in support of, so I do support the faculties decision. My concern as we move forward with this though as the Faculty Senate President and Executive Secretary of University Council is that we maintain the integrity of shared governance. That shared governance cannot be pushed to the side. We want to have continued input and responsibility particularly with regard to curricular matters and academic freedom issues. As you'll hear later, we are continuing to review the constitution and bylaws. You've got a report coming later on that and I think that's going to be helpful as well. As we consolidate and look at policies and placement of where things are and so overall I would just like to thank you for the opportunity to speak this morning and I look forward to our continued interaction and collaboration.

Speaker Holly Nicholson commented, thank you for the opportunity. I was thinking back to last year when we were facing this year of uncertainty and where we are today and I think that we're in a stronger place. Probably many people couldn't have imagined that we would be in as strong of a place this year. However, there's still, of course the fact that we're facing the same uncertainties coming into this next year. Greg touched a little bit on the challenges that we faced in the past year and staff especially have some additional challenges coming up. There's some uncertainty about our benefits as it relates to insurance premiums and also a change to the fair labor standards act which could have significant financial implications on possibly 500 of our employees. I'm just asking that the university be open in communications, communicate early and often to mitigate any rumors and to help the staff feel more comfortable. Thank you.

## **7. REPORTS OF BOARD COMMITTEES AND BOARD LIASIONS**

### **a. Executive Committee**

Chair Strauss indicated the Executive Committee has not met so there will be no report.

### **b. Academic Affairs, Student Affairs and Personnel Committee (AASAP)**

Trustee Marshall reported, at the May 19, 2016 meeting of the Academic Affairs, Student Affairs and Personnel Committee, we approved four items for forwarding to the full Board. Those items were the recommendations for faculty promotions, tenure, and promotions with tenure for 2016 through 2017. We also approved a request for a new degree program, the Bachelor of Fine Arts in Dance Performance. Another was the request for a new degree program in the Master of Science in Athletic Training. The last was the review of the Oral English Proficiency Annual Report from the previous academic year of 2014-2015. We did deal with two information items; presentations from the Chief Diversity Officer, the year in review, and presentation on NIU and the Association for Black Culture Centers.

### **c. Compliance, Audit, Risk Management and Legal Affairs Committee (CARL)**

Trustee Struthers, who serves as the Vice Chair, reported the CARL committee met on Thursday, May 19, 2016. The minutes of the February 18, 2016 CARL committee meeting were approved. The agenda for the May 19, 2016 meeting including both information and action items. An update on the enterprise risk management initiative by Dr. Alan Phillips, Vice President for Administration and Finance. Dr. Phillips also

provided the committee a summary of the 2015 external audit summary. An update was given by Special Counsel and University Ethics Officer, James Guagliardo, and the governor's executive order 16-04 in whistle blower protections. The executive order imposes additional reporting requirement on all state and university employees. A report of the recently completed quality review of our Internal Audit Department was provided by Danielle Schultz, Director of Internal Audit. It is a pleasure to confirm that the State Internal Audit Advisory Board provided President Baker with a letter accepting NIU's report and confirming NIU's Internal Audit Department generally conformed to the Institute of Internal Auditors International Standards for the Professional Practice in Auditing and Code of Ethics. To report further, it was identified that NIU complied in all material respects with the Illinois Fiscal Control and Internal Auditing Act. Ms. Schultz also provided a review of the Internal Audit Department charter and proposed approval of the charter. The committee unanimously approved the proposed charter. The committee recommends that the full Board of Trustees approve the proposed update internal audit charter.

#### **d. Finance, Facilities and Operations Committee (FFO)**

Trustee Butler reported the Finance, Facilities and Operations Committee met on May 19, 2016. The committee considered six information items including a semi-annual progress report of active capital projects; a report of transactions in excess of \$100,000; a periodic report on investments; a quarterly financial summary; a fiscal year 2017 internal budget; and a presentation of a five year repair and improvement planning protocol. The committee also considered 14 action items including the fiscal year 2017 university outreach education centers catering services contract renewals; the Intercollegiate Athletics fiscal year 2017 student health insurance contract renewal; the Intercollegiate Athletics fiscal year 2017 air charter services for the football team; the Department of Information Technology security hardware and software amendment; the Department of Information Technology network and communication services voice trunking services and local domestic long distance services amendment; the fiscal year 2017 Department of Information Technology document services and materials management printing paper open orders contract renewal; the waste management and utilities fiscal year 2017 solid waste removal and recycling at NIU DeKalb contract renewal; the fiscal year 2017 EMC maintenance renewal; two capital project approvals, one dealing with Grant South steam vault replacement and another the Holmes Student Center phase one redevelopment project which has significant amount of attention by the committee in prior meetings as well; the Zeke Giorgi Law Clinic lease renewal; a real property lease for the School of Art; the fiscal year 2017 materials, management, commodities open orders; and the fiscal year 2016 internal budget amendment.

#### **e. Legislative Affairs, Research and Innovation Committee (LARI)**

Trustee Coleman, who serves as Vice Chair of the committee, reported last month the Legislative Affairs, Research and Innovation Committee report included four items, three of which were presented to the committee. Mike Mann provided an update on the difficult budget situation in Springfield that we all are very familiar with. We were pleased to learn that some partial funding for the university was provided. I'm looking forward to an update today during the President Baker's report on the budget situation. Dr. Anna Quider presented the federal update via Skype. Unfortunately, there has been limited legislative activities in Washington this summer increasing the likelihood of a continuing resolution for fiscal year '17. Among the issues she revealed were overtime rule changes and the cancer moonshot initiative. As part of our survey of NIU research, we heard from the College of Engineering Dr. Mansour who provided an overview of the college program and Professor Sciammarella focused on applied manufacturing. Although not reported verbally, I'd like to mention that the sponsored research in the 3rd quarter included 45 awards totaling \$3.1 million. Cumulative external funding through the end of the 3rd quarter was \$17.2 million with an end-year projection of \$25 million.

#### **f. Ad Hoc Committee on Enrollment**

Chair Strauss reported the ad hoc committee did meet on April 14th. There were four agenda items. Two were updates; one on historical enrollment trends and one on undergraduate recruitment and retention. These were designed simply to provide data over the period of time from the last similar reports received

by the committee and give us some context for our consideration of the more in depth issues that were before the Ad Hoc Committee on Enrollment. We spent most time on two other reports; one on graduate recruitment and retention and the other on off campus recruitment and retention. We had focused our primary effort up until these reports on undergraduate, particularly the mechanisms involved with the day-to-day functioning of our enrollment operation. So these last two agenda items before the ad hoc committee were really the start of consideration of new ground to make sure that we understood that there were different mechanisms that were used for the admissions and recruitment processes within those two areas. We have our next meeting scheduled for July 21st.

#### **g. Ad Hoc Committee on Governance**

Trustee Butler reported the Ad Hoc Committee on Governance met also on April 14, 2016, where we reviewed the achievements of the committee to date and indicated issues that the committee intended to address going forward. Particular to the April meeting was the committee's extensive discussion of the naming rights policy we are considering for adoption today. Vice President Alan Phillips described his work with Vice President for Advancement Catherine Squires to put together a proposed new naming policy and an accompanying Board regulation change. The committee offered significant input and recommended that the policy revised with the input under consideration be forwarded to the full board for adoption and that is item 9.b.1 on our agenda today. We then received an update on the ongoing constitution reform effort from Greg Long, the Executive Secretary of the University Council, and considered a reform protocol recommended by the Office of the General Counsel in cooperation with Dr. Long. We also received an update from Dr. Long about changes to Article 22 of the NIU constitution and bylaws which altered the voting threshold for changes to the bylaws which is an important first step in making overall constitutional and university regulation reforms. The committee adopted a motion to delegate the responsibility to the appropriate university staff to participate in the ongoing negotiations regarding the reform of the organic university governing documents and that such university staff remain in close consultation and communication with the committee. Finally, the committee received copies of the existing descriptions contained in the Board bylaws concerning the mandates of each of the Board's existing standing committees and materials related to the formation of the Board's existing ad hoc committees. The committee charged itself with the task of reviewing these mandates and goals so that we could discuss possible alterations to those mandates, expansion of the descriptions of those mandates and the bylaws and/or other changes that might be proposed to the Board's committee structure included possibly making the enrollment and/or matters of the enrollment and/or governance ad hoc committee matters a permanent standing committee concern in some form.

#### **h. Illinois Board of Higher Education**

President Baker reported the Illinois Board of Higher Education has not met so there will be no report.

#### **i. Universities Civil Service Merit Board**

Trustee Marshall reported, the Merit Board was able to meet on May 11, 2016, and one of the first items before the Board were two discipline cases. In giving some information on that, the Board has the option of termination, suspension, sometimes reassignment to another area for the employee and it exercised in both of the discipline cases this past meeting a 60 day suspension for the two employees involved, and a reassignment where they could use their current knowledge in another position at their two different institutions. Along with that, there was discussion on changing some of the rules and policies that are tied into the discharge procedures so that is still ongoing and there will be upcoming information to you on that. On proposed rulemaking there was another important item. The code regarding furloughs, while I have no information of any impeding furloughs or anything like that at NIU, remember that this furlough rule is set for the state universities and a number of the serving agencies including SURS. With that, it was recommended by the state legislature that the new furlough rule be placed in its own section instead of adding to a current section of the administrative rules. There will be an automatic repeal date of October 1, 2017 for this particular rule when it becomes final. Regarding discharge procedures also, the Merit Board has authorized the circulation of this rule making proposal to the universities that are a

part of our system and affiliated agencies for comments and publications in the Illinois register for the first public notice period. Upon a voice vote that was passed, we have action. The system budget for FY2017, while we don't quite have a budget for this year, a motion was made and seconded authorizing the executive director to implement the FY2017 budget as funds become available. That motion passed. The report of the executive director; in the past there was a question on whether the advisory committees to the Merit Board were obligated to follow the Open Meetings Act. We were able to get an opinion from the Attorney General and the various committees, Human Resource and any of the committees, will be required in their meetings to go by the rules of the Open Meetings Act. There was a legal counsel report and for the year that we're finishing out, charges for discharge served on employees, 11 employees have requested a hearing out of a total number of 46 who were scheduled for discharge hearings.

#### **j. Northern Illinois University Foundation**

Vice President Squires commented, it has been one year since my arrival and I appreciate the opportunity to give you an update on how things have been going. As Trustee Strauss mentioned this is a joint report and I'll speak to the Alumni Association in a second. First of all, I'm very happy to report that as of the end of May the NIU Foundation has successfully raised \$27.5 million on a goal of \$16 million for this fiscal year. This is 70% over the goal that we set for ourselves for this year, and 71% over last year's performance. That's pretty extraordinary in a time when there's lots of consternation swirling around campus and around the state. So I'm immensely proud of the staff who's done a great deal of work to make this happen and I hope that you all will share in my enthusiasm. This eclipses successfully the 2001 which was a \$27 million year which the year many of you remember Dennis and Stacey Barsema made their \$20 million gift to the College of Business. What's remarkable, I think as bookends, many of you know Dennis has ended his tenure as chairman of the Foundation Board, so the largest year in the history of giving to NIU was in the year when he made his transformational gift and now we have eclipsed that as Dennis sunsets his tenure. So I think it's actually perfect to have Dennis end his tenure on such a high note. But like every year for us, philanthropy comes to us in a variety of ways. Cash giving is a very important part of our income. We have many people who generously make multi-year pledges that get collected over time, and then there are generous commitments from donors who recognize NIU in their estate plans and it was nearly 50% of our success this year that came from donors such as those who made a provision and shared with us their plans to remember NIU in their estate plans at a very specific amount. Of course we want to recognize those gifts in the lifetime and it gives us a wonderful opportunity to talk about transformative philanthropy at a time when the donors are with us and very engaged in how their gifts will ultimately be put to work. So I say that for a couple of reasons. I think it's easy to hear a big number like \$27.5 million and wonder where all that cash is, and unfortunately it doesn't always come that way, but it's important nevertheless for a couple of reasons. One is we're probably going to be planning very shortly, as the trustees have indicated an interest, in having a next capital campaign for NIU and having a very strong fundraising year upon which we can build not only our case for support, but our case with donors that despite tough times, philanthropy is making a real difference here at NIU. It doesn't solve all the problems that we have financially and fiscally, but it really, really helps and I think having a strong year like this becomes something very important upon which we can build. So I would ask that the public record reflect the profound gratitude of the Board and the staff of the NIU Foundation as well as all the members of the Advancement Division to the loyal donors, alumni, and friends of NIU for the extraordinary and generous commitment that has been made to NIU this year and on behalf of all of Huskie nation, I acknowledge and profoundly thank the trustees and President Baker for your partnership and your support. It's a partnership and it takes all of us working together in close concert to make results like this a reality for NIU. Personally I'm immensely grateful that in my first year I have had to do little else than pick up the phone and ask for help and you have been there and I'm immensely grateful, thank you.

#### **k. Northern Illinois University Alumni Association**

Vice President Squires continued, on behalf of the Alumni Association, I know that the Board is aware that Joseph Matty, after 15 years of dedicated service, has transitioned to another important role in his

career and he left us last week. I am working in very close concert with the NIU AA Board to identify and recruit his successor. Those efforts are ongoing and our goal is to have someone in place by fall. That might feel a little ambitious but the phone is ringing. I think Joe did a number of important things for NIU and not the least of which was raising the public profile not only of our Alumni Association to his colleagues in other institutions, but also the unique partnership between the Foundation and the Alumni Association working together which is very unusual in many public institutes of higher learning. He's left a foundation that I think is very attractive to other candidates who may come to us from smaller universities and are ready to step up to a bigger job or a number two in a big place who wants to run their own shop. It's a great opportunity. The phone is ringing. They are big shoes to fill, but I have every confidence that working together with the Board we will identify and successfully recruit a worthy successor. The Board also has undertaken a strategic planning initiative which has been very robust and thorough over the last few months. Many of you, I'm sure, have received phone calls and were interviewed. President Baker has now had a chance to review as I have the first draft of their task force recommendation; and again great, introverted analysis about their own operations, great external review and feedback which will help us with our plans going forward and I think they are eager to share some of their learnings with President Baker with the Chairman of this Board with the leadership of the Foundation and again working all together in close concert. I think we have a lot of good work to do ahead informed by real opinions and that's never a bad place to be.

Chair Strauss responded, thank you for your report. Congratulations on the first year and please convey our gratitude to the Boards of both organizations.

#### **I. Northern Illinois Research Foundation**

Vice President Blazey reported, NIRF met twice since I last reported, on March 10, 2016 and June 14, 2016. At the highest level, NIRF has been working on process improvements and strategy development. As recommended by the recent NIRF audit and consistent with best practices, the NIRF Board has chartered an audit committee to oversee NIRF financial activities. The Board was just sort of doing that itself over the past years and a recommendation was clear that we should have an independent audit committee. The charter was approved March 10th and the committee had their first conference call on June 9th to discuss the upcoming audit and reported back to the full Board at our meeting on Tuesday. Also consistent with best practice, the committee has been updating and completing policies including a bank reconciliation policy, a whistle-blower policy, and record retention policy. During the last two meetings the Board reviewed and improved the process for selecting IP for licensing. Prior to that, the method had been rather ad hoc because our through-put was rather low. It's starting to require us to take a hard look and actually start thinking about the pros and cons and each licensing opportunity. At this week's meeting the Board heard the year-end financial report for the year from the treasurer. The report offered context for a lively discussion on future directions and investments for NIRF assets and much like the Foundation, we are starting to think about the strategy moving forward and I'm looking forward to further discussion in this direction.

### **8. PRESIDENT'S REPORT NO. 106**

Chair Strauss confirmed the consent agenda as given at the beginning of the meeting. Namely published agenda items 8.a.1. – 8.a.13., 8.a.17, 8.a.18. and 8.a.21.; 8.b.1. – 8.b.11; 8.b.13 - 8.b.15.

Trustee Zanayed moved to approve all items above on consent agenda, Trustee Coleman seconded. The motion passed.

### **UNIVERSITY RECOMMENDATIONS FORWARDED BY THE BOARD COMMITTEES**

**Agenda Item 8.a.(1) – Recommendations for Faculty Promotions, Tenure, and Promotions with Tenure for 2016-2017 – *Consent Agenda***



**Agenda Item 8.a.(2) – Request for New Degree Program: B.F.A. Dance Performance – Consent Agenda**

**Agenda Item 8.a.(3) – Request for New Degree Program: M.S. Athletic Training – Consent Agenda**

**Agenda Item 8.a.(4) – Oral English Proficiency Annual Report 2014-2015 – Consent Agenda**

**Agenda Item 8.a.(5) – Fiscal Year 2017 University Outreach Education Centers Catering Services Contract Renewals – Consent Agenda**

**Agenda Item 8.a.(6) – Intercollegiate Athletics Fiscal Year 2017 Secondary Student Health Insurance Contract Renewal – Consent Agenda**

**Agenda Item 8.a.(7) – Intercollegiate Athletics Fiscal Year 2017 Air Charter Services for Football Team - Consent Agenda**

**Agenda Item 8.a.(8) – DoIT-Security Hardware and Software Amendment – Consent Agenda**

**Agenda Item 8.a.(9) – DoIT-Network & Communication Services – Voice Trunking Services and Local Domestic/Long Distance Service Amendment – Consent Agenda**

**Agenda Item 8.a.(10) – Fiscal Year 2017 DoIT Document Services and Materials Management Printing Paper Open Orders Contract Renewal – Consent Agenda**

**Agenda Item 8.a.(11) – Waste Management and Utilities – Fiscal Year 2017 Solid Waste Removal and Recycling at NIU DeKalb Contract Renewal – Consent Agenda**

**Agenda Item 8.a.(12) – Fiscal Year 2017 EMC Maintenance Renewal – Consent Agenda**

**Agenda Item 8.a.(13) – Grant South Steam Vault Replacement (Capital Project Approval) - Consent Agenda**

**Agenda Item 8.a.(14) – Holmes Student Center Phase I Redevelopment (Capital Project Approval)**

President Baker: Comments made regarding outgoing deans/new dean – Denise Schoenbachler, Dean, College of Business incoming Dean Balaji Rajagopalan; outgoing College of Engineering and Engineering Technology Promod Vohra incoming interim dean Omar Ghrayeb; Dean, College of Law Eric Dannenmaier; Dean, College of Education Laurie Elish-Piper; Dean, College of Visual and Performing Arts Paul Kassel

President Baker began, I want to take this time to talk about some transitions that are underway. Dean Promod Vohra and Dean Denise Schoenbachler are celebrating their careers and we thanking them for their work. They've done amazing jobs for the university. We're going to miss them deeply. They've left their marks over long periods of time and I'd like to ask everyone to give them a round of applause

Chair Strauss asked, before you move on, there may be trustees who wish to speak.

Trustee Struthers commented, I know both of these individuals very well and I just look at them as absolutely the models of what we desire to have at our university. I mean talented, caring, committed folks who have really moved the needle. You've done it the right way in my view; and I think and I'll

wander a little bit here with Catherine's report of Joe Matty's departure and that just catches my attention in a pretty big way. Another one of our solid contributors and a real pillar in our organization. When I think of the stress in the State of Illinois, the stress of the Illinois system, higher education system in Illinois and the stress of NIU and the importance of good faculty and staff, nothing else happens without the faculty and staff. That's the only thing that matters. The work that's done every day by folks like you and Joe and to see folks leaving for various reasons it's right at the heart and soul of what we need to do to advance. It is with real appreciation that I see as you go about the next chapter of your lives and sincerely thank you for your contributions and hopefully we can replace you and the folks that are sitting in that chair 15 years from now we can say the same about would be critical to the success of our institution. Thank you.

Trustee Marshall commented, rather than addressing you as deans, I would say leaders.

Trustee Boey remarked, I've known both of you for way too many years, over 20 if I remember correctly. Both of you share the same kind of tremendous personalities; honestly, always do the right things and we will miss you dearly. There's no question about it, both of you. Thank you for all those good years and best wishes.

Trustee Butler added, I wanted to just say thank you for your service. I've enjoyed getting to know both of you in particular I've scheduled a visit to both of your colleges and spent half a day with each of you playing around particularly at the College of Engineering we made things and I still have them at home and I recall the process. I learned a lot about some of the laboratories and the research that was going on, and in the College of Business I learned a great deal about the graduate programs and the experiential learning center. Both of you have lead vibrant colleges and you've witnessed the advancement of those colleges and been significantly involved in a number of efforts to increase the activity of graduates of the college in terms of finances and donations to the university and the development of programs. Promod in particular, as most of us in this room know, literally has been involved with the college from the ground up and leaves it in terrific shape. Thank you very much for your service and I hope that you'll stay close to us Promod and I know that you will as well Denise.

Trustee Coleman commented, first of all I want to say congratulations on a really successful career here at NIU. We know you will do well in your next endeavor. We appreciate the leadership that you've provided for both the College of Business as well as the College of Engineering. I envision both of the colleges as growth engines for this institution. It's remarkable how my interaction in the business community how people talk about both our College of Engineering as well as our College of Business. We're going to miss you, but you laid a great foundation and that we're going to attempt to build on.

Chair Strauss noted, I'll add my thanks as well. I know Promod is going to continue to live in the community so we look forward to your participation as you're able. Denise, my understanding is that after a brief absence, you're going to remain on campus. We look forward to your continuing contributions. Thanks again for your service.

President Baker continued, we have all four incoming deans with us today and I'd like to have each one of them come to the podium and introduce themselves and say a few words about their visions. We'll start with the College of Business, Dean Balaji Rajagopalan. Will you come up and say a few words.

Dean Rajagopalan began, good morning. It's been a pleasure and I'm really honored and humbled to be given this tremendous opportunity as you all heard about the tremendous work that Denise has done over the years. I hope I can continue to build the College of Business and hopefully in the many years to come that you will hear great things happening like you did for the many years that she had worked on. I want to thank everybody during the process. When I first came to the airport interview and met the committee, I felt this was the place where I could work with a group of people that are inspired and inspire me to do great work. Thank you very much for this tremendous opportunity and I hope to continue to work with all of you.

President Baker continued, next Eric Dannenmaier, the incoming dean for the College of Law. As we all know we have not had a state budget yet and it's not the easiest place to hire somebody to come to, but we did. We hired four amazing people to lead the colleges. My congratulations to Lisa Freeman as the Provost and Executive Vice President for guiding those efforts to the search teams and actually to the consulting firms that helped us, the search firms get great pools of candidates and you'll see each one of these people is very distinguished and is going to contribute a great deal to this institution.

Dean Eric Dannenmaier, College of Law, began, thank you President Baker, Chairman Strauss, trustees, and the Provost for the trust, the faith you've shown in me to invite me here to join the College of Law. These are not easy times in higher education generally. They're not easy times in legal education. There's a lot of change, but there's a lot of opportunity. There's an excellent foundation both at the university and at the law school and I'm looking forward to building on that. There are opportunities in student recruitment, working up stream, bringing in even better performing students. There are opportunities in academic initiatives both at the law school and also interdisciplinary initiatives across colleges and I've already been engaging in my first eight business days on campus, with my colleagues and other deans to talk about those initiatives and there are opportunities to strengthen the student experience. Obviously that feeds back into the recruitment potential and the academic experience. I too am please, humbled indeed to be here and to be joining this really impressive community, this family if I may, and I look forward to working with you all.

President Baker asked Dean Laurie Elish-Piper, College of Education, to speak next. She is outgoing interim dean of the College of Education and the incoming permanent dean of the College of Education.

Dean Elish-Piper responded, good morning. I guess I'm unique in the sense that I've been here since 1995. I started my academic career as a brand new Ph.D. Assistant Professor and I never thought I would have the opportunity to serve as acting dean of the College of Education this past year. It's been an amazing opportunity to work on the climate in the college, to work on leveraging some of our strengths to really come together and look at opportunities to work to build our programs, to enhance our recruitment and retention, to build engagement opportunities for students, to look at opportunities to build mentoring for both faculty, staff, as well as our students. Then to have the opportunity to not only be the acting dean, but to be the real dean is very exciting as well. So I'm really looking forward to working with the wonderful faculty, staff, students, our alumni, our community, and school partners to move the College of Education forward into the future. Thank you for the opportunity and it's great to say that as an internal person at NIU that I hope to not only have built my career here but to finish my career here as well.

Lastly, President Baker asked Dean Paul Kassel, College of Visual and Performing Arts, to speak.

Dean Kassel began, I began my career as a performing artist many, many years ago as a young man and it's surprising to be at this position. I'm really gratified and honored of course. I echo the sentiments of my fellow deans how grateful I am and how wonderful the process has been to arrive at this moment. Being a performing artist in New York City, it was the last thing in my mind that I'd end up being a dean, but looking back I see the trajectory actually has a through line and it's my commitment to the arts and my passion for arts and arts education that it is. As Susanne Langer, the philosopher, said the creation of forms symbolic of human feeling, and recently, a professor of Northeastern University, published an article in *New York Times* about how emotional intelligence can be found in increasing the vocabulary and that vocabulary can be best achieved through the study and making of art because art gives name to the unnamable, that feelings that cannot be otherwise articulated except in the forms of art. It's my privilege and honor to champion art and the study of art and to bring it all to students, faculty, administrators, staff, and to the greater DeKalb community.

President Baker added, that's an impressive cast of deans. I want to recognize three other people. We had two interim deans, Paul Bauer from the College of Visual and Performing Arts and Mark Cordes from the College of Law. I want to thank them for serving nobly this year and doing outstanding jobs in the transition. Then one final transition that's underway, Dr. David Stone who is working diligently under

enterprise risk management, has taken a new job. Dr. Stone will become the Chief Research Officer at Oakland University in Rochester, Michigan. This will allow him and his family to return to Ann Arbor where their family is. He will serve as a professor of public health and a professor of philosophy there as well as the Chief Research Officer. We want to thank you for your decades of long service to us and most recently your enterprise risk management.

Chair Strauss noted, we will move on to Action Item 8.a.14.

President Baker responded, the first item is Holmes Student Center Phase 1 Redevelopment on page 44. As you know, we've had almost two years now of looking at Holmes Student Center and the core of campus and what we want to be doing there. We're now at a point where we want to move forward with additional architectural work. During that process, we identified Holmes was probably the place with the greatest potential to provide catalytic changes to the look and feel of campus, particularly the core of campus, and we need to do that through updating our existing facilities. The student center was initially the focus of our investments, in particular on the ground floor renovations involving restructuring the food and retail operations and accomplishing some critical repairs to the area, as well as helping the flow of traffic. As you probably know, that's a kind of chopped up area that's hard to navigate and not very welcoming. As we go through this process we'll continue to give you progress reports and show the Board where we're going. We will come back to you with more details as we get to the construction phase, but this is the next phase of architectural design. We'll be using the 2010 Build America Bonds, the series 2010 Build America Bond funds that we need to expend shortly because of the time we've had them. We've also unencumbered some of those dollars that were headed for parking lots P and PS, about \$1.7 million, and pulled them back to put it in this project so we have adequate funds to do that. So we're shifting funds from parking and allocating them to this project. Our recommendation is that the Board authorize to contract with an architectural and engineering firm and proceed with the design phase of this project based on a total project cost of approximately 20 million dollars. This approval includes the authorization to unencumber those two parking lots P and PS and to make appropriate requests to the Illinois Board of Higher Education. Updates will be provided to the Board as appropriate and once the design phase has been completed, subsequent approval of the project will be requested from the Board prior to proceeding with constructions.

Chair Strauss asked for a motion to that affect. Trustee Struthers so moved and Trustee Coleman seconded followed by discussion.

Chair Butler commented, I just want to point out to the Board and the public here that this has been a project that has received a significant amount of attention from the Board. The Finance and Facilities Committee has received three full scale comprehensive reports on this project and engaged the presenters with a significant amount of questions both at the meeting and members individually subsequently going on now for quite some time. I greatly appreciate as Chair of the Finance and Facilities Committee the work of the university administration and the capital planning personnel on this project. They've worked really closely with us and answered a lot of our questions and gone back to the drawing board so to speak many times. I think what we have here is a big project and it's a big project in the context of the state's current situation and the universities current situation, but it's an important project. I'm grateful, and I think I speak for the Board when I say that we are grateful for the work that you have done on this.

Trustee Boey added, I'm truly excited. I see a chance to elevate the campus at NIU with the completion of this project. When we have people around here who have seen this campus for way over 20 years and this is the first major change we're going to make. The other day when I got a chance to drive on this straight road, all the way on Lucinda, all the way straight through to the Convocation Center. It's exciting. This is another chance to elevate our campus appearance. I think it's an opportunity to do this.

Trustee Struthers commented, I would ask that emphasis on the plan includes significant exterior enhancements that has a conspicuous change to the overall appearance and an inviting and welcoming and easily accessible access to that building and something that as folks look at the campus at a broad

high level that it is clearly a vibrant place and a center of campus. The other comment would simply be to again emphasize the obvious of the strict adherence to our procurement processes as we go about the hiring of the architects and engineers.

Trustee Zanayed added, I also want to extend my excitement for this project. When I was in undergrad here in the student government, this project was number one on our list that we thought would really improve student life on campus and I know that once some of my old colleagues find out about this project they're going to be very excited and know that at least they contributed to the change. I really appreciate the work done here.

Trustee Marshall commented, looking at the areas of retention and recruitment, when you think about first sight on a campus for potential incoming students, it would be great to have someplace that they really like. In this area it will be important that students who come into the center during their years at NIU will be there because of the activities and a comfortable place to be. I sense you'll also raise the retention rate.

Chair Strauss called for a roll call vote:

Trustee Robert Boey: Yes	Trustee Tim Struthers: Yes
Trustee Wheeler Coleman: Yes	Trustee James Zanayed: Yes
Trustee Robert Marshall: Yes	Vice Chair John Butler: Yes
Trustee Cherilyn Murer: Absent	Chair Marc Strauss: Abstain

Motion Passed.

#### **Agenda Item 8.a.(15) – Zeke Giorgi Law Clinic Lease Renewal**

President Baker continued, the next item is the Zeke Giorgi Law Clinic lease renewal. As many of you know, we have an outstanding program in downtown Rockford. That's where our third year law students serve those who would otherwise not have legal services. I've met with the bar and the bench in Rockford and they've been extraordinarily positive about this program. It's a real model for our students to go and work there. Some of the students I've interviewed have said I learned doctrine in DeKalb and learned how to be a lawyer in Rockford at the Zeke Giorgi Clinic. It's a transformative place. They do criminal defense, elder law, domestic and violence, and mediation kinds of work. They're right downtown where they need to be near the courthouse. We have a lease renewal. It expires currently June 30, 2016 and based on an RFI opened April 20, 2010, NIU wishes to exercise the second of two three-year renewal options and the lease agreement would begin July 1st, 2016 and end June 30, 2019. The lease terms are for this 13,000 square foot facility at a rate of about \$106,000 per year. The university requests the Board of Trustees approval of expenditure authority for the fiscal year 2017 through 2019 for the Urban Properties LLC in Rockford for that amount.

Chair Strauss asked for a motion to that affect. Trustee Coleman so moved and Trustee Marshall seconded followed by discussion.

Trustee Boey noted, I would just add one comment. It may not be public knowledge, but Zeke Giorgi's own daughter was one of the original trustees of NIU when we had our first Board of Trustees. It goes far back and Zeke Giorgi's location continues to be, as you said, a gathering area for our future lawyers. It's exciting.

Chair Strauss called for a roll call vote:

Trustee Robert Boey: Yes	Trustee Tim Struthers: Yes
Trustee Wheeler Coleman: Yes	Trustee James Zanayed: Yes
Trustee Robert Marshall: Yes	Vice Chair John Butler: Yes
Trustee Cherilyn Murer: Absent	Chair Marc Strauss: Abstain

Motion Passed.

**Agenda Item 8.a.(16) – Real Property – Lease for School of Art**

President Baker continued, the next Item is 8.a.16. for the lease for the School of Art in downtown DeKalb. The university currently leases art studio space for a 3D graduate art program at that location. We wish to exercise the one five year renewal option that we have. That will begin July 1, 2016 through June 30, 2021. I will note that our Administration and Finance area is looking at all of our leases around the city and other locations to make sure these are appropriate and if there are better ways to do that. At the current time this does look like the right step to take but we will continue to review these and see if there are ways to reduce our lease costs for these kinds of programs. The program has been there for a number of years and the current space serves it well. The university recommends to the Board of Trustees approval to enter into a five year lease renewal agreement under the above terms and conditions for the fiscal year 2017 through fiscal year 2021 and the total cost over that period would be \$479,940.

Chair Strauss asked for a motion to that affect. Trustee Coleman so moved and Trustee Butler seconded.

Chair Strauss called for a roll call vote:

- |                                |                                |
|--------------------------------|--------------------------------|
| Trustee Robert Boey: Yes       | Trustee Tim Struthers: Abstain |
| Trustee Wheeler Coleman: Yes   | Trustee James Zanayed: Yes     |
| Trustee Robert Marshall: Yes   | Vice Chair John Butler: Yes    |
| Trustee Cherilyn Murer: Absent | Chair Marc Strauss: Abstain    |

Motion Passed.

**Agenda Item 8.a.(17) – Fiscal Year 2017 Materials Management Commodities Open Orders - *Consent Agenda***

**Agenda Item 8.a.(18) – Fiscal Year 2016 Internal Budget Amendment –*Consent Agenda***

**Agenda Item 8.a.(19) – Fiscal Year 2017 NIU Foundation Professional Services Contract**

President Baker noted, the next item is the 2017 NIU Foundation Professional Services contract. As you know we contract with the Foundation, which is an independent 501C3, to support the mission of NIU through fundraising asset management related support activities. The contract amount is \$630,052 which covers partial salaries and benefits for these assigned employees as well as a portion of programmatic services in accordance with the contract obligations. The remaining portion of the salaries for those employees are paid from general revenue budget of the university. We ask at this time the Board of Trustees approve a renewal order of the fiscal year '16 contract for the Northern Illinois Foundation in the amount of \$630,052.

Chair Strauss asked for a motion to that affect. Trustee Struthers so moved and Trustee Boey seconded. Motion Passed.

**Agenda Item 8.a.(20) – Fiscal Year 2017 Internal Budget**

President Baker noted, the next Item is 8.a.20. Fiscal Year 2017 Internal Budget. I believe Vice President Phillips has spoken to most of you about this and given you an overview. Obviously an important piece for us given where we are with the state. We do need to move the institution forward. We have the resources to do so. With that, pursuant to the Board of Trustees bylaws, the university requests the Board of Trustees approval for the fiscal year 2017 internal budget as outlined in table 2.

Chair Strauss asked for a motion to that affect. Trustee Butler so moved and Trustee Zanayed seconded followed by discussion.

Trustee Struthers asked on page 1 is the 2016 expenses, I'm reading that to be the projected fiscal or actual fiscal 2016 expenses.

Vice President Phillips responded, that's correct.

Trustee Struthers continued, then we turn to Table 2 which is what we're essentially looking to approve, is the projected revenue for 2017 and in that we have gifts, grants, and contracts that 58 university income funds and general funds.

Vice President Phillips responded, the key issue there is the level of our assumption for the level of state funding.

Trustee Struthers added, that's my question and where is that in those line items and what number is it?

Vice President Phillips responded, that is the very first number, the general GRF funding. That assumption is based on the Governor's recommendation to the General Assembly that he made. This number is different than the number for fiscal year '16 which to date is only \$26.4 million. While we do not know exactly what that number is going to be as the folks in Springfield are still trying to sort that out. The request is for the authority to spend up to the \$417 million level which is actually less than we actually spent for fiscal year '16 with the understanding that once we do have a final appropriation and know what that number is going to be, we will come back to the Board with a final budget for fiscal year '17. This is a provisional budget. This gives us the authority to spend funds as of 1 July and it's based on an assumption that we would get \$72 million from the state. That's a 20% reduction in funding from 2015 which was the last year we received a full appropriation. That's \$10 million more than we budgeted for in '16 of which we got \$26.4 million.

Trustee Struthers responded, I fully understand all of that, I just needed to know where exactly that number was and it does strike me that that is an aggressive position to budget the \$72 million. No one can predict exactly what we will get of course.

Vice President Phillips responded, that's correct. Normally we try to pick a number that has been put on the table. We are however running a number of different scenarios based on different levels of funding we might receive from the state that would be other than that.

Trustee Struthers noted, I get the fact too if we put a very low number in there does that to some degree telegraph or send a mixed message that that is what we could survive on. I get the optics of that.

Vice President Phillips responded, we would prefer to use the governor's number.

Trustee Struthers agreed. Let me ask from a practical perspective, if we learn throughout the year at some point that the number will be less, just as you mentioned; so the appropriation comes back at a higher number we would readjust. Would we also readjust our expense plan should the number be lower as soon as we know that number?

Vice President Phillips responded, correct and actually this is the revenue side; we are still working to address the expense side. We are asking for authority to spend up to that level. We should know long before we ever get to that point what our funding from the state would be and at this point in time nobody knows.

Chair Strauss noted, in addition to having the administration come back to us in the event that events change, we also retain the ability given our read of what's happening to ask for a revision. I just want to make sure that this is clear that it works both ways and it's an unusual situation and if we don't have any guidance from Springfield, but it's a normal occurrence for us because we, for quite some time, have never had firm guidance from Springfield before we enter into a fiscal year. We have to take some leap of faith to authorize the expenditure of funds between our meetings. So that's really the action that we're taking today.

Trustee Coleman asked, if this is a provisional budget, should we call it such? I know we haven't in the past. Is that something that we want to continue to do in light of what's going on in Springfield?

Chair Strauss responded, if you feel strongly about it we can amend the motion to retitle the budget, but I believe in the comments so far it's clear that that's the way that it's being viewed.

President Baker noted, I would just say all budgets are provisional. You make adjustments as you see the revenues and expenses and you hit things you didn't know were coming at you and you have to make adjustments throughout the year. We will certainly come back to you given this rather unusual environment that we're in as we know more from the legislature.

Vice President Phillips added, in the financial reports that we bring to the Board you will see the actual numbers so you'll be able to tell exactly our revenue and expenses to date based on the reports we provide the Board. So that will also provide additional information.

Chair Strauss called for a vote and the motion carried.

**Agenda Item 8.a.(21) – Audit Department Charter Approval – *Consent Agenda***

**UNIVERSITY REPORTS FORWARDED BY THE BOARD COMMITTEES**

**Agenda Item 8.b.(1) – Presentation: NIU and the Association of Black Cultural Centers – *Consent Agenda***

**Agenda Item 8.b.(2) – Presentation: Chief Diversity Officer: Year in Review – *Consent Agenda***

**Agenda Item 8.b.(3) – Semi-Annual Progress Report of Active Capital Projects- *Consent Agenda***

**Agenda Item 8.b.(4) – Quarterly Summary Report of Transactions in Excess of \$100,000 – *Consent Agenda***

**Agenda Item 8.b.(5) – Periodic Report on Investments – *Consent Agenda***

**Agenda Item 8.b.(6) – Quarterly Financial Summary – *Consent Agenda***

**Agenda Item 8.b.(7) – Overview of Five-Year Repair and Improvement Planning (Capital Project Planning) – *Consent Agenda***

**Agenda Item 8.b.(8) – Regular Committee Update on Enterprise Risk Management Initiative- *Consent Agenda***

**Agenda Item 8.b.(9) – Fiscal Year 2015 External Audit Summary – *Consent Agenda***

**Agenda Item 8.b.(10) – New Executive Order 16-04 – *Consent Agenda***

**Agenda Item 8.b.(11) – Internal Audit Department Quality Assurance Review *Consent***

**Agenda Item 8.b.(12) – State Budget Update**

M. Mann reported on May 19<sup>th</sup> I gave the LARI Committee an update on the progress in the optimistic hope for some sort of budget resolution that might be achieved by May 31<sup>st</sup> and I had hoped that by today's meeting I'd be able to come here and share with you some results. Unfortunately, that's not really the case. As you know, the General Assembly adjourned on May 31<sup>st</sup> without reaching a solution or compromise on either an FY16 budget or an FY17 budget for the state. There are bipartisan working



groups that continue to work behind the scenes to find some sort of solution that will keep the state operating. Details coming out of those groups are pretty limited. They're so limited in fact and I'm not even sure that some of those members themselves know if they're working on an FY16 conclusion budget or an FY17 bridge budget or a grand compromise that includes '16 and '17 and revenue options. It's very, very inexact on the type of information coming out of Springfield right now. I will tell you that there is some hope, cautious optimism that the June 30<sup>th</sup> deadline is prompting rank and file legislators to want to reach an agreement on something despite the rhetoric that is still coming out from the governor's office as well as the Speaker of the House. You may recall near the end of the legislative session that the Speaker pledged that the House would be in session, they would work on Wednesdays through the end of June. So far this month both of the Wednesday sessions have been canceled. However, behind the scenes the working groups continue to meet anyway. I don't know how much progress they are making. I would like to turn your attention to the table that's up on the screen and the page that has been passed out. On May 30<sup>th</sup> the day before the adjournment date, the Governor's office proposed an FY17 bridge budget that would provide higher education with \$600 million as well fund to K12 and some other aspects of state operations. In the table you will notice that one of the components of this bridge budget is funding for each of the public universities and you'll see that we are treated like the U of I system and the SIU system and several other institutions where in this bridge proposal we would only receive about 31% of our FY15 final state budget. That corresponds to the percentage increase you see in the table of a negative 68.9%. You will also notice that there are three institutions who, in the waning days of the legislative session, made a pitch to the Governor's office and the legislative leaders that without some sort of bridge funding that they might have difficulty making their payroll come August. Those three institutions in this proposal receive approximately 85 to 87% of their FY15 budget. The three institutions being Chicago State, Eastern and Western. This bridge proposal which came out May 30<sup>th</sup> was put into Senate Bill 3435 and House Bill 6585, however the General Assembly did not take action on this legislation on May 31<sup>st</sup>. We are hearing that this bridge proposal remains to be the basis of some sort of model that the legislative working group is working toward. President Baker and I are working to advocate our position. We are working with the other institutions that only receive 31% in this proposal and we are advocating heavily for equal treatment for all of the institutions. The six month budget should include, if that's the road they go down, a six month budget should include 50% for all schools and not differentiate in this manner. That's the work that we've been pursuing in recent days. The only other thing I would mention is that on June 28<sup>th</sup> the Illinois Coalition to invest in higher education is holding a budget rally and press conference in Springfield urging legislators to once again take action before the state's system of higher education is dismantled and I think I'll stop there and see if anybody has any questions.

Trustee Butler asked, what you refer to as the June 30<sup>th</sup> deadline is tethered to the Speaker's promise.

M. Mann responded, I'm sorry, the Speaker's promise to continue meeting through the end of the state fiscal year?

Trustee Butler noted, is that what is represented by the notion of a June 30<sup>th</sup> deadline?

M. Mann responded, well that and just being the end of the state fiscal year upon which the state comptroller has predicted that once we kick into FY17 there are a lot of various components of state budget, state operations that will cease come July 1<sup>st</sup>. Also there's a major concern that without something happening very soon that K12 schools will have difficulty opening in time come August.

Trustee Butler continued, my second question is the position of the monetary award program in all of this mix, is there any dialog on that?

M. Mann responded, you'll notice and this is very distressing and this is one of our other key arguments that I've been making to legislative staff, you'll notice in the bridge budget which is the final column before the change columns, the monetary award program is not funded in the bridge proposal. I don't know the reason for that. President Baker and I both have argued, have questioned that, have argued for that and will continue to do so. We have heard that the working groups are also concerned about the

lack of MAP in any type of six month budget or bridge budget. We're still advocating for FY16 spring MAP funding as well as prospective FY17 MAP funds, but you are correct, it's not in the mix in this current bridge.

**Agenda Item 8.b.(13) – Federal Legislative Report– *Consent Agenda***

**Agenda Item 8.b.(14) – Sponsored Programs Administration Report– *Consent Agenda***

**Agenda Item 8.b.(15) – Engineering Research Overview– *Consent Agenda***

**ITEMS DIRECTLY FROM THE PRESIDENT**

**Agenda Item 8.c.(1) – Search Firm Services for Dean of College of Engineering and Engineering Technology**

President Baker began, this is the authorization to retain executive searches to support components of the next permanent Dean of the College of Engineering and Engineering Technology. As I introduce that item I do want to note that Provost Freeman has appointed Omar Grayed, who is the Associate Dean currently, as the Acting Dean of the College of Engineering and Engineering Technology. He has a strong career and has been at the university a long time and really helped build both his department before moving into the Associate Dean role and subsequently in the Acting Dean role. We welcome him aboard. I don't think he's here today but will be introduced at a later time and we will bring him forward at the next Board meeting. His appointment pending your approval at that time. I think here we show that we hired outstanding deans and we couldn't have done it without the search firms I believe. It's our recommendation that the President be authorized to select an executive search firms services to support the search of the Dean for the College of Engineering and Engineering Technology. Further it suggested that a fee for service model be pursued in order to allow the university to purchase selected components of the search process thereby utilizing search firm services in a cost effective manner. It's recommended that the President report back to the Board regarding the selection and the status of the search.

Chair Strauss asked for a motion to that affect. Trustee Coleman so moved and Trustee Boey seconded, followed by discussion.

Trustee Struthers asked, I'd like to be informed as the process goes along regarding the fee for service. I appreciate that and the focus on trying to be as cost conscience as we can, but it would be nice to be informed as we go along how that model and expectation is being achieved based on expectations.

President Baker responded, this is the first time we've used it here and so we'll be studying it, assessing it, and we'll report back to you.

Chair Strauss called for a vote and the motion passed.

**9. CHAIR'S REPORT NO. 74**

**Agenda Item 9.a. – Closed Session Minutes Review and Release**

Chair Strauss indicated there are three items on his report today. Item 9.a relates to closed session minutes review and release. The Illinois Open Meetings Act requires public bodies to review the minutes of their closed session minutes on a semi-annual basis and to determine what parts of the minutes they should make available to the public because they no longer require confidential treatment. Upon review and advice of the Board's parliamentarian, it's recommended that the Board approve no additional release from confidentiality of any of the previously unreleased sessions of the executive session minutes at this time. Those sections which are still subject to confidentiality together with sections from subsequent meetings will be considered again in six months.

Chair Strauss asked for a motion to approve. Trustee Coleman so moved and Trustee Butler seconded.

Chair Strauss called for a roll call vote:

Trustee Robert Boey: Yes

Trustee Wheeler Coleman: Yes

Trustee Robert Marshall: Yes

Trustee Cherilyn Murer: Yes

Trustee Tim Struthers: Yes

Trustee James Zanayed: Yes

Vice Chair John Butler: Yes

Chair Marc Strauss: Yes

Motion Passed.

### **Agenda Item 9.b.1. - Ad Hoc Committee on Governance Proposals - Naming Rights**

Chair Strauss continued, 9.b.1 is a proposal regarding naming rights. The members of the Ad Hoc Committee on Governance will recall that there has been discussion on several occasions regarding this proposal. We have had a very short statement regarding naming rights that respected that the Board of Trustees retained final authority with regard to naming rights matters that were a portion of one of our governing instruments. This has provided insufficient guidance in many circumstances. Some of them have come to the Board on a hap-hazard basis as need arose and they included proposals to name various building components. Thinking that it was time that there be an integrated approach to the consideration of all of the issues related to naming rights and reconcile various documents that we had including university policies for bylaws, university regulations; the Foundation and the university administration have worked cooperatively to be able to develop a new set of documents that will stand on their own and will allow us to take a fresh look at the way in which all of these items are being handled. In very broad brush stroke, items that relate to the naming of an entire facility, a building, will still wind up after a full work-up by the Foundation and the university administration accompanied by a recommendation, come to the Board for final approval. Those items that relate to the naming of a facility component, such as a room, a hallway, a bulletin board, anything else to which naming rights might be available would be processed consistently pursuant to a new university policy which is in the material that you have been provided. Again, I'm speaking in very broad strokes as to what was intended by the material that's in front of us today. In the event that we have changes to the university policy that would impact the naming of something other than a facility, the proposed amendment to those regulations or the policy would come back to the Board for approval before it would be implemented. The overall concept is that with regard to anything less than a building there is delegated authority, but the process changes would come back to the Board so that we would have the opportunity to monitor it again.

Vice President Phillips added, in terms of a clarification of the documentation, there's actually two documents. The last page of this item actually relates to the Board regulations. The rest of the document is the university policy for naming. So there are actually two documents. I just want to make sure that you were aware that one is a Board document; the other is a university document.

Chair Strauss continued, the action that's required of us is the approval of the proposed changes to the regulations. Can I have a motion to approve the proposed changes to the regulations relating to section 6?

Trustee Butler so moved, and Trustee Struthers seconded the motion. Motion passed.

### **Agenda Item 9.b.2. – Ad Hoc Committee on Governance Proposal - NIU Constitution Article 2 Revision**

Chair Strauss continued, Agenda item 9.b.2 relates to a proposed modification the NIU Constitution Article 2. Again, let me make an effort to summarize and to the extent that I haven't accurately summarized it, we'll defer to Dr. Long. This comes as a result of the work of the University Council. Their interest was to see that the time tables were aligned between the compilation of data which was used to be able to determine the representation of people who were going to stand for election for seats within the University Council, line up with the calendar for that election. All that's happening is that the amendment changes the reference date for the data to be used so that it's the most current data that would be available prior to the election. The recommendation is that the university requests that the Board of Trustees adopt the amendment to change Article 2.2.3. of the NIU Constitution and Bylaws to

use data collected and reported by the Office of the Executive Vice President and Provost in September of each year when determining the reapportionment calculation for faculty seats available to serve on the University Council. Can I have a motion to that affect please?

Trustee Butler so moved and Trustee Zanayed seconded. Trustee Butler noted, this was one of those items that was enthusiastically received by the Governance Ad Hoc Committee also. Motion Carried.

**Agenda Item 9.c. - Resolution Honoring Student Trustee James Zanayed**

Chair Strauss continued, Agenda item 9.c. is a resolution honoring Student Trustee James Zanayed for his service. Before I ask Trustee Zanayed to join me at the podium we'll read the resolution, can I have a motion to adopt it please? Trustee Butler so moved and Trustee Boey seconded. Motion passed.

**R E S O L U T I O N**  
**H O N O R I N G**  
**S T U D E N T T R U S T E E J A M E S Z A N A Y E D**

**WHEREAS**, James Zanayed has faithfully served as a student member of the Northern Illinois University Board of Trustees from March 17, 2016, through June 30, 2016; and

**WHEREAS**, prior to his appointment as Student Trustee, James has been very active on a variety of committees serving in a variety of roles representing students and working to improve student life on-campus and off-campus. He has served as the Speaker for the Student Association and Chairman of the Campus Life and Greek Affairs Committee of the Student Association. James also served as a member of the Mass Transit Board of the NIU Student Association. During his sophomore year, he served on the DeKalb Mayor's Housing Task Force, which examined many issues, most notable, safety for students living off-campus.

**WHEREAS**, as a member of the Board of Trustees, James contributed valuable insight and information regarding the student perspective. James served as an active and engaged member of the Ad Hoc Committee on Enrollment; the Academic Affairs, Student Affairs and Personnel Committee; Legislative Affairs, Research and Innovation Committee; the Finance, Facilities and Operations Committee; and, the Compliance, Audit, Risk Management, and Legal Affairs Committee; and

**WHEREAS**, we, as his colleagues on the Board of Trustees, want to express our appreciation for James' service to the NIU students and community, congratulate him on his achievement of his undergraduate degree in Political Science at NIU and wish him continued success at the NIU College of Law and future completion of a Juris Doctorate of Law; and

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Trustees of Northern Illinois University in formal meeting herein assembled, extends its grateful appreciation to James Zanayed for his leadership and service to Northern Illinois University students and the Board of Trustees.

**BE IT FURTHER RESOLVED** that this **RESOLUTION** be presented to James Zanayed and a copy of this document be placed in the official files of the Board of Trustees as part of the permanent record of the university and the great State of Illinois and as a lasting tribute to the accomplishments of James Zanayed.

Adopted in a regular meeting assembled this *16<sup>th</sup>* day of *June 2016*.

**BOARD OF TRUSTEES OF  
NORTHERN ILLINOIS UNIVERSITY**

*Marc J. Strauss*  
*Chair*

*Robert T. Marshall*  
*Secretary*



Trustee Zanayed commented, thank you everybody. Those are such kind words. Thank you both Chair Strauss and thank you to the rest of the trustees. It's been an honor to work with all of you even though it was a short time it really was an honor to work with everybody here and such esteemed individuals. I said it in my opening remarks when I was sworn in, but I owe a lot to this university and I know that throughout my career as a student I've been open to representing the students, but as an alumni after I leave the College of Law, I pledge that I will also always be willing to answer the call to the University because I owe my life to this University, I owe everything to it, so I really do appreciate everything that it has given me. Moreover, I also wish to express my confidence in the incoming trustee Matthew Holmes. He's here today. I know he's going to do a great job in carrying the torch for the students. Thank you very much everybody. It's an honor.

#### **Agenda Item 9.d. - Fiscal Year 2017 Election of Board Officers and Civil Service Representative**

Chair Strauss continued, let's now turn our attention to the 2017 election of Board officers and civil service representative. I'm going to let Mr. Blakemore deal with the mechanics of this process.

General Counsel Blakemore responded, Mr. Chair, Members of the Board, I'm going to just briefly outline what the legal requirements are with respect to election of Board members. It's within the purview of the Chair to outline the method in which the elections will be done. That's a fancy way of saying you can tell me what order you want the positions to come. Four major points, one the NIU law requires annual election of officers, specifically the chair and the secretary. The NIU regulations or bylaws have expanded that to include all elected positions and all officers. Your bylaws allow for any member to serve for any position with the exception of a student trustee who is an undergrad. That person cannot serve as either chair or vice-chair. Your bylaws also require or prohibit serving more than two consecutive terms in any of the officer positions. The current officers, and in fact all members of the Board of Trustees with the exception of the incoming student trustee, are eligible to serve in any of the offices. Given the fact that the current set of officers have not served two consecutive terms, everyone is eligible. There is an Attorney General's decision related to the method of voting and the Board has two options. One option is to actually do the voting in open session one by one, or to use a secret ballot which is a requirement of your bylaws. We have provided you prior to this meeting a listing for each position with each of the members who are eligible for each of those positions names on that ballot. We, however, will distribute a ballot now. We will start this way unless there's objection. We will start with the chair, after which we will vote vice-chair, after which we will vote secretary, the fourth member of the executive committee, and then the representative as elected by this Board to serve as the representative to the University Civil Service Merit Board. We will distribute the ballot for the chair. I will collect those ballots. The board recording secretary and I will count those votes and I will announce the winner. I will also point out to the Board that your bylaws require five votes or more for each position. So it is not a majority of a quorum, it is a super quorum that you need for the election of officers.

General Council Blakemore continued, Mr. Chair the requisite number of votes have been cast in favor of the current chair to continue to serve as chair. Congratulations.

General Council Blakemore continued, Mr. Chair and Members of the Board, for the position of Vice Chair Dr. Butler has obtained sufficient number of votes to be elected to the position of Vice-Chair. Congratulations.

General Council Blakemore continued, Mr. Chair, Members of the Board, Trustee Timothy Struthers has met the requisite number of votes necessary to be elected to the position of secretary of the Board. Congratulations.

General Council Blakemore continued, in addition to the three offices that have just been elected, there is a fourth member of the executive committee of the Board that is also elected. Mr. Chair, Members of the

Board, Trustee Cheryl Murer has received the requisite number of votes to be elected to the fourth member of the executive committee and I'll say congratulations even though she's not here.

General Council Blakemore continued, we will now pass the ballot for the university Civil Service Merit Board representative. Mr. Chair, Members of the Board, we have a contested convention. We do not have sufficient number of votes for the last position of representative to the university Civil Service Merit Board under the regulations. There is a revote that will take place. The process requires us to do that for it's either three or four times before you basically are required to come back at another date. I won't disclose the names of the individual and the number of votes. I will indicate to you that five is the required number of votes. So we will do a revote.

General Counsel Blakemore continued, Mr. Chair, Members of the Board, as you are voting I want to provide further clarification. Under your current rules you will do a vote for, you have two opportunities in addition to obviously the initial opportunity after that you can be provided a ballot that only has the top two persons and that would be the third vote that you would do, but it would be limited to the top two. Mr. Chair, Members of the Board, the requisite number is five, we do not have five votes for one individual. We will, pursuant to the rules, provide the Board a final opportunity to vote with all members of the Board being eligible for the office. In the event we do not reach the five number, then my office will prepare ballots with the top two vote persons and you will be asked to vote amongst them. We'll go with the ballot and see what happens here.

General Council Blakemore continued, Mr. Chair, Members of the Board, this is the third time and the last time that the votes will be cast wherein all members of the Board would be eligible to serve. We do not have the requisite number to elect a person to serve as the University Civil Service Merit Board liaison. Your bylaws require that we provide you ballots of the top two vote getters. I will need some time to prepare that ballot and I would request some consideration of the Chair to allow me to do so.

Chair Strauss replied, I'd like to suggest that we take a ten minute break at this point so it will allow people to tend to necessary business or reflect on the election and Mr. Blakemore can also complete the ballots. Can I have a motion to adjourn for ten minutes please? Trustee Butler so moved and Trustee Boey seconded. Motion passed.

Chair Strauss continued, thank you all for cooperating and getting us back pretty close to the scheduled time. Kathy, you may need to do another roll call just so the record is accurate. Present: Trustees Robert Boey, John Butler, Wheeler Coleman, Robert Marshall, Tim Struthers, James Zanayed and Board Chair Mark Strauss. Members Absent: Trustee Cheryl Murer.

Chair Strauss added, Mr. Blakemore I believe you have actually gone back to the bylaw provisions so maybe you can refresh our recollection as to what we do from here.

General Counsel Blakemore began, your current bylaws under elections specifically section five, number three of section five, and I'll just read it verbatim: *If a majority of votes cast is not achieved by one member of the office in the second balloting, a third balloting shall occur consisting of all eligible members for that office. If no member achieves a majority of the full board, which is five, during the third balloting all but the two names of members who receive the most votes shall be dropped from the succeeding final ballot. If at the conclusion of the final round of voting no member achieves a majority vote of the full board, the board chair shall declare the election an impasse. In the event of an impasse, expressions of interest, vision and willingness to serve are reopened and the next election will be conducted at the next regularly scheduled meeting of the board or special meeting of the board.* This is the final ballot for today. In the event that we do not achieve the five votes necessary to meet the majority Board requirement, then at your next either regularly or special scheduled meeting of the Board, the election for this particular office would need to take place.

General Counsel Blakemore continued, Mr. Chair, Members of the Board, I am pleased to announce that the requisite number minimum has been met and that Trustee Robert Marshall has been elected to serve as the Board of Trustees liaison to the university Civil Service Merit Board. Congratulations.

Chair Strauss announced the results of the election for the 2016/2017 term as follows:

Chair Marc Strauss

Vice Chair John Butler

Secretary Tim Struthers

4<sup>th</sup> Member of the Executive Committee Cherilyn Murer

Representative to the University Civil Service Merit Board Robert Marshall

## 10. OTHER MATTERS

No other matters were discussed.

## 11. NEXT MEETING DATE

Next regular meeting of the Board of Trustees is scheduled for September 15, 2016 at 9 a.m.

Board of Trustees Committee meetings will be held August 25, 2016, beginning at 9 a.m.

## 12. CLOSED SESSION

Chair Strauss asked for a motion to close the public meeting to conduct an executive session to discuss the following subjects authorized by the Illinois Open Meetings Act, as amended: personnel matters as generally described under sections 2.C.1,2,3, and 21 of the Open Meetings Act; collective bargaining matters as generally described under sections 2.C.2 of the Open Meetings Act; litigation and risk management matters as generally described under sections 2.C.11 and 12 of the Open Meetings Act; discussion involving internal control effectiveness as generally described under sections 2.C.29 of the Open Meetings Act. Trustee Zanayed so moved, seconded by Trustee Butler. A roll call vote of the Trustees to recess to Closed Session was as follows:

Trustee Robert Boey: Yes

Trustee Wheeler Coleman: Yes

Trustee Cherilyn Murer: Absent

Trustee James Zanayed: Yes

Vice Chair John Butler: Yes

Trustee Robert Marshall: Yes

Trustee Tim Struthers: Yes

Board Chair Marc Strauss: Yes

Chair Strauss announced the motion is approved. The meeting is now closed and will be reopened at the conclusion of the Board's closed session for the purpose of adjournment. No public business will be transacted upon the Board's return to Altgeld 315 to formally adjourn the regular Board meeting. I would expect that we would be out for at least three hours. Obviously anybody who wishes to attend our adjournment is welcome to do so and I believe that we have a communication mechanism in place to give people notice when we're about to leave the closed session. We will now recess to the closed session in room 225.

The meeting is now closed and will re-open at the conclusion of the closed session in approximately three hours. The Board adjourned for closed session at 11:47 a.m.

The Board of Trustees dismissed from closed session for lunch at 11:55 a.m. and returned to closed session at 12:30 p.m. A roll call vote of the Trustees attending Closed Session was as follows:

Trustee Robert Boey: Yes

Trustee Wheeler Coleman: Yes

Trustee Cherilyn Murer: Absent

Trustee James Zanayed: Yes

Vice Chair John Butler: Yes

Trustee Robert Marshall: Yes

Trustee Tim Struthers: Yes

Board Chair Marc Strauss: Yes

The Board of Trustees of Northern Illinois University reconvened on June 16, 2016, at 4:50 p.m. Chair Strauss announced they were reconvening after the closed session and asked for a roll call.

Members present were Trustees Robert Boey, Wheeler Coleman, Robert Marshall, Tim Struthers, James Zanyed, John Butler and Board Chair Marc Strauss. Absent: Trustee Cherilyn Murer.

### **13. ADJOURNMENT**

Chair Strauss asked for a motion to adjourn. Trustee Butler so moved and Trustee Coleman seconded. The motion was approved. Meeting adjourned at 4:51 p.m.

Respectfully submitted,

Kathy Carey  
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.*