

Meeting of the
BOARD OF TRUSTEES
OF NORTHERN ILLINOIS UNIVERSITY
December 7, 2017

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 9:01 a.m. by Board Chair Wheeler Coleman in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Kathy Carey conducted a roll call. Members present were Trustees Dennis Barsema, Robert Boey, John Butler, Giuseppe LaGioia, Veronica Herrero, Tim Struthers, Eric Wasowicz and Board Chair Wheeler Coleman.

Also present: Acting President Lisa Freeman, Board Liaison Matt Streb; Acting General Counsel Greg Brady; Acting Executive Vice President and Provost Chris McCord; Vice Presidents Jerry Blazey, Anne Kaplan, and Associate Vice Presidents John Heckmann, Larry Pinkelton; and University Advisory Council (UAC) Representatives Barb Andree, Catherine Doederlein, Alex Gelman and Linda Saborio.

2. VERIFICATION OF QUORUM AND APPROPRIATE NOTIFICATION OF PUBLIC MEETING

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

3. MEETING AGENDA APPROVAL

Chair Coleman asked for a motion to approve the meeting agenda. Trustee Butler so moved and Trustee Wasowicz seconded. The motion passed. Chair Coleman indicated there would be a motion later for a consent agenda of agenda items 9.b.1 through 9.b.16, and 9.c.6 and asked for a motion to approve the consent agenda. Trustee Butler so moved and Trustee Boey seconded. The motion passed.

4. REVIEW AND APPROVAL OF MINUTES OF SEPTEMBER 14, 2017

Chair Coleman asked for a motion to approve the minute of September 14, 2017. Trustee Wasowicz so moved and Trustee Butler seconded. The motion was approved.

5. CHAIR'S COMMENTS/ANNOUNCEMENTS

Chair Coleman offered the opportunity to speak to representatives from the University Advisory Council.

Barbara Andree: I am the President of the Operating Staff Council and the council is meeting right now in the Sky Room and connecting with Anna Quider who is providing valuable information on the potential ramifications of the tax reforms in Washington. There are many provisions that will negatively impact our students, faculty and staff over time if they are enacted and we want to stay up to date. I would like address two issues that impact Operating Staff significantly. First I'm gratified to see that there are four bargaining agreements to be reviewed for ratification by the board. Because there is a significant portion of the operating staff and faculty now involved in negotiations, some for an initial agreement and some for renewals, we are hopeful that productive movement forward will continue toward respectful and fair conclusions. It is very difficult to feel confident about the future when we feel marginalized and so much is still up in the air for our constituents. Second is the presidential transitional agreement. The operating staff continues to work hard in support of NIU's success in the face of great challenges and change. We ask that the Board of Trustees also show their support by encouraging fair treatment and shared governance wherever and whenever possible. But as the students who spoke at the last board meeting said, we all need to back up our words with actions. Civil Service employees are constantly being evaluated on what we do at our desk or work station or in the buildings that we service. What we do is observed and judged. We can all speak lovely powerful words and still act in ways that damage the university's reputation and

destroy trust. I have heard from many operating staff when Doug Baker was let go that the money given to him when he was reported to be mismanaging funds and resources seemed to be throwing good money after bad. Where was the ethics clause in this contract? He was given so much after we have been told for years there's no money for you all. Like my predecessor, Holly Nicholson, who spoke eloquently at the June board meeting, I too have been an employee at NIU for over ten years and I graduated from NIU with my BA in 1973. She encouraged everyone to speak positively about NIU and stop the negativity. Now we have to revisit this situation that continues to feel unfair at best to many of us. The future actions of the administration and you the Board that clearly demonstrate your commitment to honesty, transparency, and ethical leadership will need to be bold. Implement real change and make sure with a better presidential contract for instance, that this kind of damage will not happen to NIU in the future. Thank you for your time and consideration.

Alex Gelman: The recently passed, or currently passing, tax bill is causing a great deal of confusion and concern among out graduate students. The concomitant noise in the press has never made the distinction between truth and accuracy more clear than it is now. I've been fielding questions from graduate students the last few days wondering about what their financial situation would be vis-à-vis possibly taxing their tuition waivers and all and parts of their assistantship. I do not presume to know what the answer to that is, but I hope that as soon as we as an institution are able to achieve clarity on that front, that we'll be able to communicate to them. Confusion and uncertainty is causing a problem at least as substantial as the potential hardship that the circumstances might ultimately inflict. So if we could do our best to communicate to them as soon as we know, not just what will be, but what the options are depending on what there will be so they know what they're doing. I fear some will be making decisions to discontinue their education based on fear and inaccuracy rather than justified genuine difficulties that they'll be facing. Thank you.

Linda Saborio: I have a very brief comment regarding the discussion today on former President Baker's resignation. It is unfortunate in my opinion that the Board is being asked to address again the conditions of former president Baker's resignation. Some of us would prefer to see certain issues from the past remain in the past because we are genuinely interested in moving this institution forward. Thank you very much. Have a nice day.

6. C PUBLIC COMMENT*

Acting General Counsel Brady indicated that there were four requests for public comment. Chair Coleman instructed the speakers that they would be allowed five minutes for their comments and called the first speaker to the podium.

Charles Philbrick: Good morning. My name is Charles Philbrick. I was counsel for Misty Haji-Sheikh in the matter commonly known as Haji-Sheikh vs. the Board of Trustees of Northern Illinois University. Ms. Haji-Sheikh and her husband are abroad right now so she was not here to be able to speak, but she did provide me some comments that she would like to make and she's asked me to make them on her behalf. Misty Haji-Sheikh would like to say: Members of the Board of Trustees, today you have a chance to do what is right to follow the law and to show that you want to regain the trust from the students, parents, faculty and staff and the citizens of DeKalb. Today you are to vote on the severance package for the outgoing President Baker. You may call it a presidential transition agreement, but he has been gone now for six months. You are appointed the Board of Trustees. Let that sink in. Trustees. The word trustee has the word trust in it. We want to believe in you, trust in you, your leadership, but you must be shining citizens. You must be the first to follow the law. You are the ones who must do your homework, ask the questions from staff including your legal advisors and make sure that you are the ones that the students, staff, faculty and citizens admire and look to for your leadership. I also hold a position that includes doing homework and being an example. That is why many, many people, have reached out to me. These are members of the NIU family, faculty, staff, students, administration. Some of these people who love NIU but won't speak for fear of retaliation. Member of the public, tax payers, concerned citizens working and retired, elected officials from throughout the county, those running for office, and even those that do not live in DeKalb county, they speak with one voice. They all say that you, the Board of Trustees, need to listen to them and

take the appropriate action. They have all said that they feel that President Baker should be made to give back the money that anyone, and in this case Mr. Baker, who is found to have mismanaged a million dollars by the Office of Inspector General, should have been fired for cause. Didn't Mr. Baker's original contract include a clause that spoke to being able to fire him for cause if he harmed the university? These hard working people care about NIU. They want you to make things right. As for myself, if you remember, I have spoken to you several times most recently back in May, and asked you to do the right thing. I spoke to you in June and asked again. I felt that my words fell on deaf ears. I do not know what you were told by your legal advisors, but my lawyer spoke to the press and let you know that you could retake the vote and avoid going to court. I feel that too much time and too much waste has brought us to this point. Six months later you are now about to retake that vote. You took the actions that brought us here today. What do I want? I want you to follow the law. I want you to listen to all the people who reached out to me when they didn't feel that they could come to you. I want NIU to be the best it can be. That is why I came to you in the first place. Today do what is right. Today when you vote, vote to show that you understand your responsibility as trustees. Vote to show the students that they come first. Vote to improve NIU. Thank you.

John Kraft: I agree with everything Misty said through her attorney. I'm glad she took it to court. It's unfortunate that the university did not follow the law when it could have. The judge even said you didn't follow the law. We were in a similar situation down in Clark County with the park board that didn't follow the law. It took two years to get that through the court. I'm surprised this went so fast. But we won, just like Misty won. I find it hard to believe first of all that after the scathing report from the OEIG that Dr. Baker was even given the opportunity to resign. He should have just immediately been fired. I really think that report should have been given to the State's Attorney for him to look at. I read through his annual performance report. I didn't read through the previous ones, but I'm assuming that they were probably similar. It did not include any of the flaws that were found in the report from the executive inspector general and it's a shame that he left here with a good report and over half a million dollars in his pocket for mismanaging the university. The trustees are appointed by the Governor to manage the university in a positive way and to protect the tax payer funds that are sent to the university and to give somebody \$600,000 because they mismanaged the university. Well I'm sure you didn't give it to him because he mismanaged the university, but to get him out of here. To give him \$600,000 when he mismanaged the university, that's not protecting public funds in my opinion. Thank you.

Keith Nyquist: I am the president of the NIU Instructors Union also a member of the Department of Management faculty. I would like to address the board and to comment on one of the agenda items, action on the contract with the NIU Instructors Union. I want to report that our membership has voted unanimously to ratify this contract and that the university professionals of Illinois has indicated its support for the agreement as well. We believe we have a contract that will be easier to administer, will benefit the instructors and NIU as a whole and we believe that it is a fair agreement. Among the changes in the contract, perhaps the most significant is the elimination of the five-year rule. A policy that while it is no longer enforced, put in writing that non-tenured faculty were considered temporary employees here at NIU. We are glad we now potentially have a contract that fully recognized our significant contributions to this university and most importantly to our students. So I respectfully ask for the board to approve this agreement and I thank you for your time.

Virginia Naples: I had a prepared set of comments I was going to make which were fairly brief, but I also, just immediately before the meeting, started receiving a series of comments from several of my undergraduate students. They had been asking what was going on with the university and want to be well informed and have been very well informed by many different sources. So with your indulgence I would just like to read what I just received, verbatim. This is from several students in a course in biological sciences. They are mostly juniors and seniors and they have a lot invested in their career success here at NIU. The student writes, I recently called the Health Services for psychiatry and told they aren't accepting any new patients. I asked when they would be accepting new patients and if they had an enrollment period or a waiting period and the person said they had absolutely no idea when they could accept new patients because they only have one psychiatrist and that is serving the entire 17,000 plus student population. That individual is retiring after this year is over and they do not have any plans to replace that person. She suggests that this would be a very important thing that could be used from receiving back some of the

severance money from President Baker which is the main message I was going to ask was that the Board of Trustees rescind the \$617,500 from ex-president Baker which I understand he's already received \$587,500. She says, and the other students with her say, they don't believe he should be able to keep a portion of the severance fund because it was given to him as if it was a reward and he has never been penalized for his wrong doing against the university, the students, or the community. It should be given back for building maintenance, psychiatry, health services, faculty, and she was going on saying a co-worker, her husband has worked as a professor for several years and has not had a single raise. This is true for more of us and probably longer 8 to 9 or 10 years in fact and that means that the faculty are earning less and less every year with the inflation costs. Because so many of us struggle to make ends meet, working multiple jobs, having to support our families, our parents, our children and are pursuing our degrees, monetarily supporting the university just for people who are supposed to help us reach our dreams and make the path just a little bit easier. Instead they steal from us and get paid more than they deserve and this is what she and the other people are saying about the ex-president. He does not need the money when students who shell out tens of thousands of dollars just for tuition, pay for things that should already be included in the price of tuition including text books and other materials. There are many other things that are needed. Some of the things that she goes on to talk about is that there is an average six month wait for mental health services for students and if they are turned away they don't have any other resource. Also they have problems with having laboratories not having sufficient equipment because equipment is broken. She sites that some of the chairs in chemistry laboratories are insufficient for the number of students and they end up sitting on I beams. So she requests that additional support facilities be provided and there are not enough staff to do all of the things that they need to do and is the campus being made effectively safe enough for all of our students. I summarize, but I will be happy to forward this set of statements to our Board of Trustees because there is a lot more to it. It was very well crafted and written and I was extremely impressed by the dedication and interest and understanding of the issues these students displayed. The one additional thing I would like to say in addition to. I would plead that the Board of Trustees would get back the \$617,500 is that I would very much like to see although there are literally dozens of worthy projects that the money be provided to increase the salary increments for staff and faculty and especially our graduate assistants who barely make a living wage to begin with, and who are additionally threatened by potential federal income tax changes. So I cannot ask for additional money by agreement from the UFA, the United Faculty Alliance, with our administration. We would not turn down any gifts that were offered to us, but we would very much like to support the idea that all of our other cohorts of employees in all the different categories at the university receive this money which is essentially not in the budget because it has already been considered spent. If we can indeed get it back, it would be a windfall and that would make our Board of Trustees have a wonderful means of having improved the reputation of NIU taking us in a better direction than we had been in the past.

Chair Coleman commented, as Board Chair, I'm going to be the Trustee that speaks to the matter of the Presidential Transition Agreement.

- Although it is the Board's general practice not to specifically comment on pending litigation, and the Board is currently weighing its options following the judge's most recent ruling, I will comment on the Board's keystone objective, and that is to do what is in the best interest of the university. The Board has a fiduciary duty to make decisions that are informed and reasonable, while being mindful of complying with applicable State statutes and regulations and University policies and procedures.

- The intent of the Presidential Transition Agreement was to effectuate a clean and swift separation between the University and Dr. Baker in a manner that resolved any and all actual or potential issues between the parties; including, but not limited to, Dr. Baker's presidency, his tenured faculty position with a \$225,000 annual salary, any claims for deferred compensation, and a release of any actual or potential claims against the University by Dr. Baker.

- There are several points to this agreement that I want to breakdown and make clear. First, this agreement outlined that Dr. Baker willingly gave up his contractual right to being a tenured faculty member in the College of Business where he would have been paid \$225,000 annually for any number of years. In theory, if he taught for five years, it would total \$1.125 million and more than \$2.5 million

if he taught for ten years. Instead, he relinquished his tenured appointment for a significantly less amount.

- Second, and this is critical, the Presidential Transition Agreement eliminated the risk of potential protracted and expensive litigation brought by Dr. Baker that would divert critical time, money and attention of the University. To be clear, under this agreement, Dr. Baker would not be able to file any future claims, for any reason, against NIU. There is not an easy way to put a financial value on that waiver, but we have seen multiple scenarios, several here within in the State of Illinois and others in the national spotlight, where organizations are having to invest significant time and pay millions and millions in litigation – let-alone on actual settlements, with former employees.

- In approving the Presidential Transition Agreement, we made a business decision and acted in the best interest of the university, both in the short and long term. We acknowledge that not everyone will agree and for some this is an emotional topic, but the challenging decisions we have to make as Trustees will not always be well received by everyone.

After the June Board meeting, Misty Haji-Sheikh filed a lawsuit. The Court entered a temporary restraining order restricting the Board from taking “any further action concerning the Transition Agreement” until the judge ruled in the case. Because of that broad wording, the Board was concerned that taking an earlier re-vote might have violated that order. Now that the judge has ruled in the case, the Board is free to take a re-vote.

- Moreover, at all times, the Board reasonably and in good faith believed, and continues to believe, that the University complied with all of the requirements of the Illinois Open Meetings Act and the new amendments to the NIU law in its approval of the Presidential Transition Agreement with Dr. Baker.

- The claims made against the Board during the litigation involved a variety of counts. In all but one of the court’s findings, the judge ruled in favor of the Board. The core complaint was that the Board violated new amendments to the Northern Illinois University Law concerning presidential employment agreements. The judge agreed with the Board that such amendments do not apply to the Presidential Transition Agreement, and rejected the Plaintiff’s arguments in total as they relate to the Northern Illinois University Law.

- Other claims made against the Board concerned whether the Board properly conducted a review of the former president’s performance, and considered that review when contemplating the Presidential Transition Agreement. The judge agreed with the Board that these requirements do not apply to the Presidential Transition Agreement.

- Other than the judge’s limited finding that the Board’s wording in the agenda item was not sufficient for the Board to act on the Presidential Transition Agreement at its meeting on June 15th, the judge found that the Board complied with the Illinois Open Meetings Act. The judge found that the Board complied with the requirement to post notice of the Board meeting and the requirement to post the proposed agenda for the meeting 48 hours in advance. The judge further held that that the Board complied with the requirement in the Open Meetings Act to do a public recitation of the item before taking action on it.

- All of the judge’s findings in our favor confirmed the Board’s analysis of the law at the time we approved the Presidential Transition Agreement as to those issues. Nothing in the judge’s ruling indicated that the Board did not then, or does not now, have the authority to develop and approve the Presidential Transition Agreement, or to include within it all of its terms and conditions.

- As for the wording of the agenda item, there is little guidance on what is required to fulfill the Open Meeting Act’s requirements that the “general subject matter” of the item be posted in advance. Even the judge in this case noted that there are no court rulings that he could find that define “general subject matter.” While the judge declined to define what specificity is required to show the “general subject matter” that is necessary under the law, the University has now gone well beyond what the

Open Meeting Act requires, publishing not just a statement of the subject matter of the action, but a summary of the agreement's main terms, as well as a copy of the agreement itself and the presidential evaluation. All of these items were shared previously with the public in June.

- It is imperative that the Board continue to move forward and focus its attention on the long-term health and well-being of the University. Therefore, today the Board will again consider the Presidential Transition Agreement with Dr. Douglas D. Baker.

Chair Coleman continued, we will now move forward with the agenda.

7. REPORTS OF BOARD COMMITTEES AND BOARD LIASIONS

Chair Coleman reported that the committee reports are not going to be verbal at this meeting due to time constraints, however, they could be found in the Board Report as an information item under Agenda Item 7.

9. CHAIR'S REPORT NO. 82

Chair Coleman moved to the Chair's Report No. 82.

Agenda Item 8.a. – Presidential Transition Agreement

Chair Coleman began, we will now move to the Chair's Report No. 82 Agenda Item 8.a. Presidential Transition Agreement and I will read the summary of the agreement and then we will take a vote. The Board of Trustees and Dr. Baker mutually desire to enter into a Presidential Transition Agreement ("Agreement") to reflect Dr. Baker's separation from the University and the amicable resolution of any and all matters concerning Dr. Baker's relationship with the University. The Board of Trustees has received, reviewed, and considered the annual performance review of Dr. Baker when contemplating the Presidential Transition Agreement. The following is the nature of the Agreement being considered by the Board of Trustees and other information about the Agreement that is intended to inform the public of the business being conducted by the Board:

- A. In exchange for appropriate consideration provided by the Board, and as described below, Dr. Baker agrees to separate from the University and relinquish his position as President of Northern Illinois University, effective June 30, 2017.
- B. Upon Dr. Baker's resignation, the Board of Trustees agrees to pay Dr. Baker one (1) year of Dr. Baker's base salary in the amount of \$450,000.00 and applicable benefits, less applicable deductions or withholdings as required by law and regulation.
- C. In addition, Dr. Baker agrees to surrender any right or ability to assume active faculty duties in the College of Business. Under Dr. Baker's Employment Agreement, effective July 1, 2013, Dr. Baker could elect to assume active faculty duties at a rate of \$225,000.00 per year, upon the conclusion of his service as President. In consideration of Dr. Baker's agreement to surrender any active faculty duty rights, the Board of Trustees agrees to pay Dr. Baker a one-time lump sum payment of \$137,500.00, less applicable deductions or withholdings as required by law and regulation.
- D. Pursuant to Article IX of the Board of Trustees Bylaws, the Board of Trustees agrees to pay Dr. Baker an amount up to but not exceeding \$30,000.00 for Dr. Baker's reasonable, unpaid expenses for legal counsel in relation to his service to the University.
- E. Dr. Baker has agreed to leave the University President's official residence on or before July 31, 2017.
- F. Dr. Baker agrees that other than the payments set forth above, no additional amount is payable to Dr. Baker under the provisions of the Agreement. Dr. Baker further releases any claim related to his

employment with the University existing on or before execution of the Agreement, and agrees to waive any right to use a University internal grievance or appeal process, or any other administrative or judicial process for such claims.

For Approval: The Board hereby agrees to the terms and conditions outlined above and authorizes those terms and conditions to be reduced to a mutually-agreed, written Presidential Transition Agreement between the Board and Dr. Baker.

Chair Coleman continued, may I have a motion to approve the terms and conditions of the Presidential Transition Agreement between the Board and Dr. Baker?

Trustee Butler so moved and Trustee Boey seconded the motion. Acting General Counsel Brady asked the trustees to take one final review of the documents. Chair Coleman called for a vote and the motion was approved.

Acting General Counsel Brady added, members of the Board before you there is a copy of the presidential evaluation from 2017 for Dr. Baker. This is information that you have previously reviewed and considered. It is information that has been posted on the Northern Illinois University website for the Board of Trustees since June. I ask that you take a moment to review and consider that document before this vote is taken.

Chair Coleman added, I'd like to pause for a second and I know all of our Trustees have read the presidential performance agreement and I know all of you have read the transition agreement, but I'd like to just take a moment to give anybody an opportunity to refresh their memory before taking a vote on what's in front of you.

Chair Coleman called for a vote on the motion and the motion carried.

Agenda Item 8.b. – Presidential Search Planning Committee

Chair Coleman continued, Agenda Item 8.b.is seeking approval of the membership of the Presidential Search Planning Committee. The committee will meet periodically from January 2018 through May 2018 and report back at the June 2018 Board meeting. Before you, is a list of the 13-member committee that will do the pre-planning of the search committee. Can I get a motion to approve the members of the 13-member Presidential Search Planning Committee?

Trustee Butler so moved and Trustee Boey seconded the motion.

Chair Coleman added, Trustee Barsema I want to thank you for agreeing to chair this committee. You know the importance of this committee and making sure that we embrace shared governance as we receive members from the university to help us plan for the critical step of searching and selecting our next president so I want to thank you publically and personally for agreeing to accept this assignment. To the other members of the search planning committee, I want to thank you for your time and your commitment. You know the challenge that's in front of us. We trust that collectively we will be able to move forward and prepare a rich and productive presidential search. At this point if I don't see any other discussion items or any other comments then I'd like to take a vote on this.

Motion carried.

Agenda Item 8.c. – Board of Trustees 2018 Meeting Dates Approval

Chair Coleman continued, the next agenda item 8.c. are the proposed dates for the 2018 Board meetings for both the committee meetings and the board meeting dates available. Can I get a motion?

Trustee Butler so moved and Trustee Struthers seconded. Motion carried.

Agenda Item 8.d. – Closed Session Minutes Review and Release

Chair Coleman continued, the next agenda item is 8.d. it's addressing the release of the closed session meetings. Twice a year the Board considers this item and at this time has elected not to release any of the closed session minutes from the past six months. May I have a motion to approve this action?

Trustee Struthers so moved and Trustee Herrero seconded. The motion was approved

8. PRESIDENT'S REPORT NO. 120

Chair Coleman called for a motion to pass the consent agenda on the following agenda item: Item 9.b.1 fiscal year 2017 report on capital activities; 9.b.2. fiscal year 2017 annual report on transaction involving real property; Item 9.b.3. periodic reports on investments; 9.b.4. quarterly summary reports of transactions in excess of \$100,000; 9.b.5. quarterly financial summary fiscal year 2017 year end; 9.b.6. quarterly financial summary fiscal year 18 first quarter; 9.b.7. fiscal year internal audit update; 9.b.8. professional excellence award for faculty and staff; 9.b.9. recruitment and retention presentation; 9.b.10. oversight of academic programs; 9.b.11. state legislative update; 9.b.12. federal regulation update; 9.b.13. sponsored programs administration; 9.b.14. faculty scholarship; 9.b.15 strategies to support scholarship; 9.b.16. university press requests for proposal posting; 9.c.6. grants and contracts.

Trustee Butler so moved and Trustee Wasowicz seconded the motion. Motion carried.

University Recommendations Forwarded by the Board Committees

Agenda Item 9.a.(1) – Fiscal Year 2019 Out-of-State College of Law Tuition Recommendation

Acting President Freeman presented the first agenda item in this category. Agenda item 9.a.1 fiscal year 2019 out-of-state College of Law tuition recommendations. The recommendation is to eliminate the out-of-state tuition rate of College of Law students. The university requests that the Board approve this recommendation today at it's meeting and the committee forwarded this recommendation from this morning's committee meeting.

Chair Coleman called for a motion to approve. Trustee Wasowicz so moved and Trustee Struthers seconded. The motion was approved.

Agenda Item 9.a.(2) - Fiscal Year 2019 Pricing Recommendation

Acting President Freeman continued, Agenda Item 9.a.2. is the fiscal year 2019 pricing recommendation. Again this recommendation was forwarded from this mornings meeting of the Finance, Audit, Compliance, Facilities and Operations Committee. The university requests that the Board endorse the request for FY19 tuition, fees, room and board as detailed in this item on tables 1 to 3, summarized in table 4 and ask them to vote to approve this recommendation at this time.

Chair Coleman asked for a motion to approve agenda item 9.a.2. fiscal year 2019 pricing recommendation. Trustee Butler so moved and Trustee Herrero seconded. The motion passes.

Agenda Item 9.a.(3) - Intercollegiate Athletics and Division of Administration & Finance IHSA State Football Championship Ticket Agreement

Acting President Freeman presented, Agenda item 9.a.3. is related to the Intercollegiate Athletics and Division of Administration and Finance IHSA State Football Championship ticket arrangement. The university requests Board of Trustees approval of expenditure authority for fiscal '18 as indicated in the item not to exceed \$400,000 in essentially pass through. The university is recommending Board approval of this recommendation.

Chair Coleman asked for a motion to approve agenda item 9.a.3. Intercollegiate Athletics and Division of

Administration and Finance of IHSA State Football Championship ticket agreement. Trustee Boey so moved and Trustee Butler seconded the motion.

Trustee Barsema asked, what is the final outcome of the costs, the final number? This was one from the last meeting last month that we hadn't played the championship yet, so now we've played it, do we have a summary of what the final outcome was relative to the cost and such? Because I know the effort was to run this at a break even for NIU or come close to break even. Do we have a final number yet or not?

Board Liaison Streb responded, we do not have a final number. I can say that John Chaney said that initial pass through revenues and tickets prior to the final audit appears to be about \$262,980. We will certainly have him follow-up once all the financial accounting is done to give you what the overall cost was versus revenue and that type of thing. I know there was an article written around the time of the IHSA that said that they believe that there was a million dollars' worth of money that came into the community as a result of the championship games.

Acting President Freeman added, I believe our final break even calculation will also include parking revenue as well as some contributions from the DeKalb Community Foundation. So we will get that final accounting to you, but the projection was for break even when I last heard it.

Trustee Barsema commented, so that we're all clear, that if we don't get to the \$400,000 then we have to make that up right? So what we're doing here is we're guaranteeing the IHSA \$400,000?

Acting President Freeman responded, we're authorizing up to \$400,000 in expenditure authority not to exceed that figure.

Trustee Wasowicz commented, I thought that was great TV exposure for the university and we were very well represented.

Chair Coleman called for a roll call votes.

Trustee Robert Boey: Yes	Trustee John Butler: Yes
Trustee Veronica Herrero: Yes	Trustee Giuseppe LaGioia: Yes
Trustee Tim Struthers: Abstain	Trustee Eric Wasowicz: Yes
Vice Chair Dennis Barsema: Yes	Board Chair Wheeler Coleman: Yes

Motion approved.

Agenda Item 9.a.(4) - Fiscal Year 19-23 Intercollegiate Athletics Athletic Apparel Sponsorship Package

Acting President Freeman continued, Agenda item 9.a.4. intercollegiate athletics athletic apparel sponsorship package fiscal year '19 to fiscal year '23 with options. The request is for approval of expenditure authority associated with a sponsorship package with the initial agreement for a five-year period of coverage from fiscal year '19 through fiscal year '23 with up to an additional five-year renewal option through fiscal year 28. The vendor is yet to be determined. The recommendation from the university is that the Board of Trustees approve expenditure authority as described for an amount of up to \$3 million. This is an amendment to an original fiscal '14 to '18 approval of \$2 million.

Chair Coleman call for a motion to approve agenda item 9.a.4. fiscal year '19 to '23 intercollegiate athletic apparel sponsorship package. Trustee Butler so moved and Trustee Butler seconded the motion.

Trustee Wasowicz asked if he was correct in that we are opening the bid up to other sports apparel manufacturers.

Acting President Freeman responded, we would be seeking a competitive bid on the contract to get the

most advantageous deal possible. These types of agreements usually have multiple components. The university guarantees to spend a certain amount, but in return for that there is guaranteed free product and also cash put on hand. The reason for trying to do a long term agreement with possible renewals is that it's actually an expensive proposition to switch vendors so you don't want to do it that often because you know your uniforms when they're sponsored by one person have that logo on all what one entity have that logo on all pieces of the uniform. Uniforms wear out at different rates. Pieces wear out at different rates. You can't be wearing one vendor's shirt with another vendor's bottoms and so to be cost effective you try to do this for as long as possible with the most advantageous deal to the university. Given the prominence of our brand in the MAC and nationally we feel that we can improve upon the previous contract.

Chair Coleman call for a vote on the motion and the motion passed.

Agenda Item 9.a.(5) - Fiscal Year 2018 Intercollegiate Athletics Athletic Apparel Amendment

Acting General Counsel asked for a clarification on Agenda Item 9.a.(5) and asked that this item be repeated and a vote taken since the item was mentioned during Agenda Item 9.a.(4) but no clear vote had been taken.

Acting President Freeman so for clarification as requested, agenda item 9.a.5 FY18 Intercollegiate Athletics, Athletic Apparel amendment, the university requests Board of Trustees approval of expenditure authority for fiscal '18 for an amended amount of \$3 million dollars which is \$1 million beyond the original approval amount for uniform wear and tear, including bowl games, sharing in the Adidas agreements by outside of athletics to buy branded merchandise at the 45% discount level. It was a combination of factors and we wanted to make sure there was room in the expenditure authority by the board. As stated previously, those expenditures come with additional free product in terms of a typical athletics apparel agreement.

Chair Coleman called for a motion to approve. Trustee Butler so moved and Trustee Boey seconded the motion.

Trustee Barsema asked, in the committee meeting last month, we asked if the amount of money that we're spending with Adidas, in this case, is that in line with what other peer schools are spending?

Acting President Freeman responded, with our existing contract under Adidas, NIU Athletics receives about \$200,000 in free product annually and has a \$325,000 spending obligation and receives a 45-50% discount on items. If you compare this to the rest of the MAC, the terms of the agreement vary between five and seven years. Akron and Central Michigan like NIU are at five years; Eastern Michigan, Miami of Ohio and Western Michigan are at seven years. The annual product amount that's guaranteed varies from a low of \$140,000 at Akron, to a high of \$275,000 at Miami. We are at \$200,000, Western Michigan is higher than us at \$235,000, the rest are lower. The annual spend that's guaranteed varies from a low of \$250,000 at Akron to a high of \$275,000 at Miami of Ohio. Our guaranteed spend is identical to Western Michigan's and less than Central Michigan and Eastern Michigan.

Chair Coleman called for a vote on the motion and the motion was approved.

Agenda Item 9.a.(6) - Division of Research and Innovation Partnerships Multi-Disciplinary Scientific Instrumentation for "Shimadzu Program for Academic Research and Quality of Life" (SPARQ)

Acting President Freeman continued, Agenda item 9.a.6. Division of Research and Innovation Partnerships Multi-Disciplinary Scientific Instrumentation for the Shimadzu Program for Academic Research and Quality of Life, acronym is SPARQ. This is a request to purchase over a five-year period scientific instruments that will enable our faculty and students to engage in cutting edge scientific analysis that currently can't be conducted. The recommendation from the university is a request that the Board of Trustees approve expenditure authority for fiscal '18 to '22 for Shimadzu scientific instrument based in Addison, Illinois for \$2.5 million.

Chair Coleman called for a motion to approve. Trustee Butler so moved and Trustee Boey seconded the motion. Motion approved.

Agenda Item 9.a.(7) - DoIT Voice Trunking Services and Local Domestic/Long Distance Service Contract Renewal

Acting President Freeman continued, Agenda item 9.a.7. is from the Division of Information Technology, it's a request for the purchase of voice trunking services and local domestic/long distance service contract renewal. The University requests the Board of Trustees approval for expenditure authority for fiscal years 18/19 for \$305,000 from Frontier North.

Chair Coleman called for a motion to approve. Trustee Boey so moved and Trustee Butler seconded the motion. Motion approved.

Agenda Item 9.a.(8) - NIU Outreach – Professional Services Subcontract Amendment

Acting President Freeman continued, Agenda Item 9.a.8. from the NIU Division of Outreach Engagement and Regional Development is a Professional Services subcontract amendment. The amendment reflects a delay due to additional time needed for review by the State House leadership. The university requests the Board of Trustees approve expenditure authority for fiscal year '16 to '18 for the Illinois Critical Access Hospital Network in Princeton, IL. The original approval amount was \$240,000, the amendment amount of \$20,000, making the new approval amount \$260,000.

Chair Coleman called for a motion to approve. Trustee Boey so moved and Trustee LaGioia seconded the motion.

Trustee Barsema asked for some background on this time.

Vice President Kaplan responded, the Illinois Critical Access Network is a network of hospitals around the state. I think there are maybe 55 members. They operate as a kind of consulting mechanism for hospitals, critical access hospitals, particularly on new IT use related to meaning use. If you've been to a doctor lately you've seen them doing everything, computers and no paper. Really the problem here was simply a delay in the grant, which had it come at the right time when we expected it, it would have been a \$240,000 affair and it became more expensive because of the delay.

Chair Coleman called for a vote and the motion was approved.

Agenda Item 9.a.(9) - Holmes Student Center – Phase I Renovation

Acting President Freeman began, moving on to Agenda Item 9.a.9. Holmes Student Center Phase I renovation capital project. The university requests Board of Trustees authorization to proceed with construction, advertising, contract awards, and subsequent construction activities for the project. Updates will be provided with subsequent progress reports.

Chair Coleman called for a motion to approve. Trustee Boey so moved and Trustee Butler seconded the motion. Motion approved.

Agenda Item 9.a.(10)- Holmes Student Center – Renovation Retail Franchise Venues

Acting President Freeman continued, Agenda item 9.a.10 is Holmes Student Center renovation national retail food venues franchise approval. The recommendation from the university is for Board of Trustees approval for authority to enter into franchise agreements with selected firms for a term not to exceed ten years. Although while actual franchise royalty payments will depend on sales, the overall magnitude of this initiative over the agreement term is estimated to be \$550,000 for the coffee shop and \$315,000 for the

food venue.

Chair Coleman called for a motion to approve. Trustee LaGioia so moved and Trustee Herrero seconded the motion.

Trustee Barsema asked, on the franchises then we are going to be running the franchise and paying the franchise fee to whomever the franchise is that we select right?

Acting President Freeman responded, that is correct.

Trustee Barsema continued, I'm just going to pick one for example, Starbucks. If it was Starbucks' it's not going to be a Starbucks owned store it would be a franchise that we have?

Associate Vice President Heckmann, responded, that's correct sir. We would own the licensure and it would be a university run operation under that brand.

Trustee Barsema asked, is that typical for other universities to do where they're running it as a franchisee?

Associate Vice President Heckmann responded, is a very common method of operating. There are a variety of methods to do it and that is one a lot of universities are taking on because they are able to get a better financial benefit out of an arrangement like that. It is a financial advantage to the university when we analyzed our options sir.

Chair Coleman called for a vote on the motion. Motion approved.

Agenda Item 9.a.(11) - Request for Deletion of Center for Biochemical and Biophysical Studies

Acting President Freeman added, Agenda item 9.a.11. is the request for deletion of the Center for Biochemical and Biophysical Studies which is an IBHE approved center within the College of Liberal Arts and Sciences. This recommendation was forwarded from Academic Affairs, Student Affairs and Personnel and the university's recommendation is for approval by the Board of Trustees.

Chair Coleman called for a motion to approve. Trustee Herrero so moved and Trustee Boey seconded the motion. Motion approved.

Agenda Item 9.a.(12) - Request for Deletion of Center for Institute for Nano Science, Engineering and Technology

Acting President Freeman continued, Agenda item 9.a.12 is also request for deletion of a center. In this case for deletion of the Institute for Nano Science, Engineering and Technology, an IBHE approved center within the College of Liberal Arts and Sciences. This request was also forwarded from Academic Affairs, Student Affairs and Personnel and the university recommendation is for approval by the Board of Trustees.

Chair Coleman called for a motion to approve. Trustee Boey so moved and Trustee Herrero seconded the motion. Motion approved.

UNIVERSITY REPORTS FORWARDED BY THE BOARD COMMITTEES

Agenda Item 9.b.(1) - Fiscal Year 2017 Report on Capital Activities - Consent

Agenda Item 9.b.(2) - Fiscal Year 2017 Annual Report of Transactions Involving Real Property - Consent

Agenda Item 9.b.(3) - Periodic Report on Investments - Consent

Agenda Item 9.b.(4) - Quarterly Summary Report of Transactions in excess of \$100,000 - Consent

Agenda Item 9.b.(5) - Quarterly Financial Summary – FY17 Year End - Consent

Agenda Item 9.b.(6) - Quarterly Financial Summary – FY18 First Quarter - Consent

Agenda Item 9.b.(7) - FY17 Internal Audit Update - Consent

Agenda Item 9.b.(8) - Professional Excellence Awards for Faculty and Staff - Consent

Agenda Item 9.b.(9) - Recruitment and Retention Presentation - Consent

Agenda Item 9.b.(10) - Oversight of Academic Programs - Consent

Agenda Item 9.b.(11) - State Legislative Update - Consent

Agenda Item 9.b.(12) - Federal Relations Update - Consent

Agenda Item 9.b.(13) - Sponsored Programs Administration - Consent

Agenda Item 9.b.(14) - Faculty Scholarship - Consent

Agenda Item 9.b.(15) - Strategies to Support Scholarship - Consent

Agenda Item 9.b.(16) - University Press Request for Proposal Posting

Items Directly from the President

Agenda Item 9.c.(1) – Collective Bargaining Agreement, NIU Instructors’ Unit, Local 4100 of UPI

Acting President Freeman began, we have a number of actions items being presented directly by the President largely related to collective bargaining agreements that have closed. The first of such items is item 9.c.1 Collective Bargaining Agreement, NIU Instructors’ Union Local 4100 of UPI. This is the contract that Keith Nyquist spoke to earlier today. The recommendation in terms of the agreement are spelled out in the board item. They’re consistent with university policy and guidelines. The university recommends approval of this collective bargaining agreement.

Chair Coleman asked for a motion to approve item 9.c.1 collective bargaining agreement NIU instructors. Trustee Barsema so moved and Trustee Wasowicz seconded. The motion passed.

Agenda Item 9.c.(2) – Collective Bargaining Agreement, International Union of Operating Engineers, Local 150 – Campus Grounds Department

Acting President Freeman continued, Agenda item 9.c.2 collective bargaining agreement international union of Operating Engineers Local 150 Campus Grounds Department. The terms and conditions of this agreement are spelled out in the board item. They are consistent with university policies and guidelines and the university recommends approval of this collective bargaining agreement.

Chair Coleman asked a motion for item 9.c.2 collective bargaining agreement Campus Grounds Department? Trustee Wasowicz so moved and Trustee Butler seconded the motion.

Trustee Barsema asked for clarification, are we voting on a one-year extension agreement? Because the

third item under number one where it says agreement for board action, a one-year extension agreement retroactive.

Acting President Freeman responded, yes, it's an extension agreement.

Acting Provost F added, yes, that's accurate. The union and university were able to readily reach agreement on extending the current terms for another year, but it was agreed by both sides that they were not yet prepared to bargaining a multi-year agreement out into the future. And so there was a, in particular in keeping with our efforts with many other unions, this was an opportunity to extend the three percent salary increment for this year. As part of this agreement the rest of the terms are simply carrying forward the terms from the previous contract and then future terms will be negotiated in the future.

Trustee Wasowicz asked, is that fairly common then for us to do that with this particular group?

Acting President Freeman responded, for employees who are represented by a collective bargaining unit, the increment is subject to bargaining and a desire to address our employees who have gone a fairly long time, as we all know, without a wage increase. These series of agreements represent our bargaining with them to accept the increment package.

Chair Coleman called for a vote on the motion. Motion approved.

Agenda Item 9.c.(3) – Collective Bargaining Agreement, International Union of Operating Engineers, Local 150 – Materials Management Department

Acting President Freeman continued, Agenda item 9.c.3 Collective Bargaining Agreement International Union of Operating Engineers Local 150 Material Management Department. Again, this is a one-year extension agreement and the terms and conditions are consistent with university policies and guidelines and the university recommends approval of this collective bargaining agreement.

Chair Coleman asked for a motion for item 9.c.3 collective bargaining agreement Materials Management Department. Trustee Wasowicz so moved and Trustee Butler seconded.

Trustee Barsema added, I'm seeing a theme here, one-year extension and I'm assuming that that's to get everybody on to the three percent salary raise or at least a piece of it.

Acting Provost McCord responded, yes exactly. That's a piece of it. Other considerations are the state climate and whether it is better to negotiate a multi-year agreement or a short term agreement. We enter into these discussions with each of the unions. Each of the contracts is in a different stage. You know these are multi-year agreements and our increment program may have fallen at a different point in each agreement and that would color our strategy in terms of extension.

Trustee Barsema asked, where we're doing these shorter term extensions, that's normal and acceptable practice and based upon the guidance of who's doing the negotiating for us?

Acting Provost McCord responded, negotiations are managed through Human Resource Services, but none the less, these are common practices. Just in answer to a previous question, there's a variety of options available to us. These are mutual agreements. These are agreed upon as they must be mutually between the university and the collective bargaining agent for the union and so we can find mutual agreement then sometimes this is the best path forward. In other circumstances, such as the UPI agreement, it would seem mutually agreeable to sign a multiyear agreement. So this is just among the pathways available to us as we enter into these negotiations.

Trustee Barsema asked if all of the negotiations with the unions from our side done by our own personnel or do we ever bring outside counsel in?

Acting President Freeman responded, we do occasionally bring in outside counsel. The police unions are a good example of where our HR representatives partner with outside counsel that have specialized expertise.

Trustee Barsema asked, it's because there's just a special process involved there that we were not expert in?

Acting President Freeman responded, I think when the university chooses to supplement our internal capability with outside counsel it's because we feel that the expertise offered by an outside counsel is to the benefit of the university because they bring either experience or knowledge or specialized information that's beyond the scope of the generalist that we have.

Chair Coleman asked for a vote on the motion. Motion approved.

Agenda Item 9.c.(4) – Collective Bargaining Agreement, Metropolitan Alliance of Police, Chapter 675 – Telecommunicators

Acting President Freeman continued, Item 9.c.4 is a collective bargaining agreement for the Metropolitan Alliance of Police Chapter 675 Telecommunications. This is a two-year extension agreement and the terms and conditions are consistent with university policy and guidelines. The university recommends approval of this collective bargaining agreement.

Chair Coleman added, we're seeking a motion for item 9.c.4 collective bargaining agreement telecommunicators, may I have a motion please? Trustee Herrero made a motion and Trustee LaGioia seconded. The motion was approved.

Agenda Item 9.c.(5) – Student Internship Partnership/Lease or License Proposal

Acting President Freeman continued, the final action item from the president's agenda item 9.c.5 student internship partnership/lease or license proposal. This is a revenue generating agreement anticipated to be over \$250,000 in value to the university. The university is requesting here approval of the Board of Trustees to continue advancing this program and approval for reauthorization for execution of this agreement up to May of 2018. So what's reflected here is a shifting timeline in an item that the Board has seen previously.

Chair Coleman asked for a motion for agenda item 9.c.5 student internship partnership lease or license proposal. Trustee Wasowicz so moved and Trustee Butler seconded.

Trustee Wasowicz asked, is this in regard to Discover?

Vice President Blazey responded, yes it is. We're currently in negotiations on contractual issues between the two legal departments and we anticipate still an August start for this initiative and this is funding in anticipation of that.

Acting President Freeman added, the original approval did not extend far enough and so we are asking for a reauthorization.

Trustee Barsema added, I would make a comment that this is an outstanding deal and I applaud Jerry and his group because I know it was a big team effort in doing this relationship with Discover and it's one that I would love to see us replicate with other partners because it's not only going to provide internship but provide an opportunity for revenue for NIU. So it's a really great deal.

Vice President Blazey added, along those lines we are hoping that the companion space will serve that purpose and we just need to get it going so that we have something that we can share with prospective collaborators.

Trustee Wasowicz asked, how much capacity do you think we have then potentially past Discover?

Vice President Blazey responded, I think in principle we could probably double the number of internships and the relationship with – we could double the number of internships and it could be with multiple partners

or one large partner or several smaller partners.

Trustee Herrero added, it would be great to have one of the interns come and share their experience with us once this is launched.

Vice President Blazey agreed and said with an August start date it would probably in late next year we could do that.

Acting President Freeman added, we certainly do have internships and interns that would be delighted to come and talk to the Trustees about their relationships and some of those relationships provided a strong foundation for how we designed this one, so why wait until this is up and running, let's have an intern come now and an intern come later.

Trustee Barsema asked, what's the number of internships that we're expecting or that we estimate?

Vice President Blazey responded, the initial cohort is 30, but it could grow because that's with one division of Discover that is interested in partnering. A second has started partnering and already unless I'm mistaken, some internships are under consideration with that partnership. So it could double.

Trustee Butler clarified, the recommendation is worded slightly differently than the body of the background piece and I understand we didn't have a date for our '18 meetings, but can we – is that sufficient to say up to a month and a year? Is that a sufficient wording or should be put a date or should we use the language of the background?

Acting General Counsel Brady responded, I can clarify it would be up to May 2018 so as soon as the calendar turns May 1, 2018 this authorization would expire.

Trustee Butler noted, because the body says it would be prior to the meeting scheduled for May 2018 so that would give certain amount of time in May. Given that some of these agreements do in fact get settled for whatever reason right before board meetings.

Acting General Counsel Brady responded, if the Board would prefer to put in a more finite date, we would ask for a motion for that type of amendment. As written now, my interpretation is May 1, 2018 it expires.

Trustee Butler added, I think then we should say. I would offer then an amendment to the motion that it ready up to the meeting of the Board scheduled for May, 2018.

Chair Coleman responded, we have an amendment to the motion on the table. I need to seek a second to that amendment. Trustee Barsema seconded the motion. The amendment to the motion was approved.

Chair Coleman asked for roll call vote to approve the amended motion.

Trustee Robert Boey: Yes	Trustee John Butler: Yes
Trustee Veronica Herrero: Yes	Trustee Giuseppe LaGioia: Yes
Trustee Tim Struthers: Abstain	Trustee Eric Wasowicz: Yes
Vice Chair Dennis Barsema: Yes	Board Chair Wheeler Coleman: Yes

Motion approved.

Agenda Item 9.c.(6) – Grants and Contract Awards - Consent

10. OTHER MATTERS

No other matters were discussed.

11. NEXT MEETING DATE

The next Board of Trustees meeting will be held on March 8, 2018.

12. CLOSED SESSION

Chair Coleman 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 describe under Sections 2(c)(1)(2)(3) and (21); Collective Bargaining matters as generally described under Section 2(c)(2); Litigation and Risk Management matters as Generally described under Sections 2(c)(11) and (12); Closed Session Minutes matters as generally described under Section 2(c)(21) of the Open Meetings Act. Trustee Boey 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 John Butler: Yes
Trustee Veronica Herrero: Yes	Trustee Giuseppe LaGioia: Yes
Trustee Tim Struthers: Yes	Trustee Eric Wasowicz: Yes
Vice Chair Dennis Barsema: Yes	Board Chair Wheeler Coleman: Yes

The meeting is now closed and will re-open at the conclusion of the closed. The Board adjourned for closed session at 10:34 am.

Reconvene Meeting:

The Board of Trustees of Northern Illinois University reconvened on December 7, 2017, at 12:46 p.m. Chair Coleman announced they were reconvening after the closed session and asked for a roll call.

Present: Trustees John Butler, Veronica Herrero, Giuseppe LaGioia, Tim Struthers, Eric Wasowicz, Board Chair Wheeler Coleman

Members Absent: Trustees Dennis Barsema and Robert Boey

13. ADJOURNMENT

Chair Coleman asked for a motion to adjourn. Trustee LaGioia so moved and Trustee Butler seconded. The motion was approved. Meeting adjourned at 12:47 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.