

Minutes of the
NIU Board of Trustees
FINANCE, FACILITIES AND OPERATIONS
COMMITTEE MEETING
FEBRUARY 16, 2017

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 12:16 p.m. by Committee Chair Tim Struthers in the Board of Trustees Room, 315 Altgeld Hall. Recording Secretary Vicky Rippberger conducted a roll call of the trustees. Members present were Trustee Dennis Barsema, Trustee Wheeler Coleman, Trustee Matthew Holmes, Board Chair John Butler, and Committee Chair Tim Struthers. Also present were Trustee Greg Wasowicz, Trustee Veronica Herrero, President Douglas Baker, Committee Liaison Alan Phillips, Vice President and Provost Lisa Freeman, Deputy General Counsel Greg Brady, and Board Liaison Mike Mann.

VERIFICATION OF QUORUM AND APPROPRIATE NOTICE OF PUBLIC MEETING

General Counsel Greg 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.

MEETING AGENDA APPROVAL

A motion to approve the agenda was made by Trustee John Butler; seconded by Trustee Wheeler Coleman. All were in favor. The motion passed.

REVIEW AND APPROVAL OF MINUTES

A motion to approve the minutes of the November 17, 2016 meeting was made by Trustee Matthew Holmes; seconded by Trustee John Butler. All were in favor. None were opposed. The motion passed.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Chair Struthers spoke briefly about the detailed financial reporting and University debt.

Holly Nicholson of the University Advisory Council addressed comments to Dr. Phillips in appreciation for all he has done. Rebecca Shortridge echoed her comments. Chair Struthers also commented on how Dr. Phillips will be missed.

PUBLIC COMMENT

General Counsel Greg Brady indicated that there were no requests for public comment.

UNIVERSITY RECOMMENDATIONS/REPORTS

Information Item 7.a. – Quarterly Summary Report for Transactions in Excess of \$100,000

Information Item 7.b. – Periodic Report on Investments

Information Item 7.c. – Quarterly Financial Summary

Information Item 7.d. – Housing Master Planning

Information Item 7.e. – Facilities Update

Action Item 8.a. – FY18 Architectural & Engineering Physical Plant Open Orders Contract Renewals

Dr. Phillips pointed out the amount approved for FY17 looks to be significantly less than being requested in 2018. However, he cited a change in how the information is being presented in 2018. In the past, open orders with these firms below the Board approval limit were not included in the annual approval level. In the spirit of being more transparent, all orders irrespective of the amount have been included. The University requests Board of Trustees approval to renew these agreements with the designated cumulative upper limits in the amount of \$6.6 million.

A motion was made by Trustee Barsema; seconded by Trustee Coleman.

A roll call vote was conducted. Trustees Barsema, Butler, Coleman, and Holmes voted yes; Chair Struthers abstained. The motion carried.

Action Item 8.b. – FY18 DoIT – Integrated Media Technologies Printing Paper Open Order

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$500,000.

A motion was made by Trustee Butler; seconded by Trustee Barsema. All were in favor. None were opposed. The motion carried.

Action Item 8.c. – FY18 DoIT – Integrated Media Technologies Campus Copier Program Contract Renewal

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$975,000.

A motion was made by Trustee Butler; seconded by Trustee Holmes.

A discussion between Dr. Phillips and Trustee Coleman ensued mainly regarding the length of the contract. Specifically, Trustee Coleman encouraged shorter contract terms to increase flexibility.

All were in favor. None were opposed. The motion carried.

Action Item 8.d. – FY18 Physical Plant Elevator Services and Maintenance Open Order Contract Renewal

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$325,000.

A motion was made by Trustee Coleman; seconded by Trustee Holmes. All were in favor. None were opposed. The motion carried.

Action Item 8.e. – FY18 International Programs Division Expenditures

Dr. Phillips explained, our International Programs Division is given an annual authorization for expenditures for foreign study programs. All expenditures are made from payments received from the approximately 600 students expected to enroll in these programs. The student fees cover these costs and is expense neutral to NIU. The University requests Board of Trustees approval of expenditure authority in the amount of \$3,000,000.00.

A motion was made by Trustee Holmes; seconded by Trustee Barsema.

A discussion ensued between Trustee Coleman, Dr. Freeman, and Trustee Barsema to clarify what the funds are used for, how the funds are distributed, and how they're offset by student fee.

All were in favor. None were opposed. The motion carried.

Action Item 8.f. – FY18 Student Mass Transit Board Campus Busing System Contract Renewal

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$4,185,000.

A motion was made by Trustee Holmes; seconded by Trustee Butler. All were in favor. None were opposed. The motion carried.

Action Item 8.g. – FY18 Transportation Services, Physical Plant, Facilities & Operations Motor Fuels

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$500,000.

A motion was made by Trustee Holmes; seconded by Trustee Butler. All were in favor. None were opposed. The motion carried.

Action Item 8.h. – FY18 Multiple Departments – Non-Food, Food Service-Related Commodities Contract Renewals

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$410,000.

A motion was made by Trustee Holmes; seconded by Trustee Barsema. All were in favor. None were opposed. The motion carried.

Action Item 8.i. – FY18 Student Health Insurance

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$12,500,000.

A motion was made by Trustee Butler; seconded by Trustee Holmes.

A discussion ensued regarding negotiations for coverage, what is covered, and deductibles/co-pays.

All were in favor. None were opposed. The motion carried.

Action Item 8.j. – FY18 Materials Management Commodities Open Orders

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$850,000.

A motion was made by Trustee Holmes; seconded by Trustee Butler. All were in favor. None were opposed. The motion carried.

Action Item 8.k. – Division of Enrollment Management, Marketing and Communications Media Buying Services

Dr. Phillips requested approval to establish a master contract with a vendor for media buying services consolidating advertising to a single vendor versus multiple media outlets. The University requests Board of Trustees approval of expenditure authority of \$2.4 million over five years.

A motion was made by Trustee Barsema; seconded by Trustee Butler.

A brief discussion ensued between Dr. Phillips and Chair Struthers regarding the benefit of consolidation and questioning what last years' expenditure was.

All were in favor. None were opposed. The motion carried.

Action Item 8.l. – FY18 Transportation Services – Charter Bus Services

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$500,000.

A motion was made by Trustee Coleman; seconded by Trustee Barsema. All were in favor. None were opposed. The motion carried.

Action Item 8.m. – Division of Information Technology Internet Security Services

Dr. Phillips pointed out, these services will enhance our security posture, reduce risk of a security breach, and help us stay in compliance with various regulatory requirements such as PCI, HIPAA, and CGI. The University requests Board of Trustees approval of expenditure authority of \$546,000.

A motion was made by Trustee Holmes; seconded by Trustee Barsema.

A brief discussion was had for clarification purposes. Specifically, these services are for equipment, software, and service. Chair Struthers asked for the previous contract amount as a follow-up.

All were in favor. None were opposed. The motion carried.

Action Item 8.n. – FY17 Division of Information Technology Microsoft Licenses Amendment

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$350,000.

A motion was made by Trustee Holmes; seconded by Trustee Butler.

Chair Struthers shared information about previous expenditure amounts. He also expressed the desire for a much larger view of the cost of technology and what the plan is going forward, especially relative to technology needs correlating with reduction in enrollment.

All were in favor. None were opposed. The motion carried.

**Action Item 8.o. – FY18 Division of Information Technology Infrastructure Applications
Microsoft Enrollment Contract Renewal**

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$400,000.

A motion was made by Trustee Butler; seconded by Trustee Barsema. All were in favor. None were opposed. The motion carried.

**Action Item 8.p. – FY18 University Outreach Education Centers Catering Services Contract
Renewals**

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$460,000.

A motion was made by Trustee Barsema; seconded by Trustee Butler.

A discussion arose regarding the length of the contract, and other contracts in general as to the ability to amend them. A request was made to look at all the nine-year contracts with a clear position by the Board to minimize contract terms in general.

All were in favor. None were opposed. The motion carried.

Action Item 8.q. – FY18 Campus Mail Services and Integrated Media Technologies-Postage

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$450,000.

A motion was made by Trustee Coleman; seconded by Trustee Butler. All were in favor. None were opposed. The motion carried.

Action Item 8.r. – Treasury Operations – Signatory Authorization

Dr. Phillips, on behalf of the University, requests Board of Trustees approval for the designation of the Treasurer for the Board of Trustees, the Assistant Secretary/Assistant Treasurer for the Board of Trustees and the Director of Treasury Operations to be authorized signatories for all treasury operations.

A motion was made by Trustee Butler; seconded by Trustee Holmes. All were in favor. None were opposed. The motion carried.

Action Item 8.s. – Appointment of an Acting Chief Financial Officer

Dr. Phillips, on behalf of the University, recommends Lawrence Pinkleton, who is the Associate Vice President for Finance and Budget, be appointed as the Acting Chief Financial Officer effective March 1, 2017.

A motion was made by Trustee Butler; seconded by Trustee Barsema.

A conversation arose regarding time limits on acting and interim appointments, and the processes of replacing the CFO position and how administration determined if there was a need to go outside the University.

All were in favor. None were opposed. The motion carried.

Action Item 8.t. – Appointment of an Acting Treasurer

Dr. Phillips, on behalf of the University, requests Board of Trustees approval to designate and appoint Lawrence Pinkleton to serve as Acting Treasurer for the Board of Trustees effective March 1, provided he furnishes a fidelity bond to the Board in the amount of \$500,000 to be secured by the state of Illinois Department of CMS.

A motion was made by Trustee Barsema; seconded by Trustee Coleman. All were in favor. None were opposed. The motion carried.

Action Item 8.u. – Stevens Building Project Authorization

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$500,000.

A motion was made by Trustee Barsema; seconded by Trustee Butler.

A discussion ensued regarding the amount already spent for weatherization issues.

All were in favor. None were opposed. The motion carried.

Action Item 8.v. – Neptune Residential Complex Upgrade (Capital Project Design Approval)

Dr. Phillips, on behalf of the University, requests Board of Trustees approval of expenditure authority in the amount of \$5,400,000.

A motion was made by Trustee Butler; seconded by Trustee Barsema.

There was extensive discussion on the subject including scope, timing, and prioritization. The Trustees asked Dr. Phillips to forward them a copy of the original (full scope) plan following the meeting.

All were in favor. None were opposed. The motion carried.

OTHER MATTERS

Trustee Coleman requested some type of big picture report of the vendors we use, including contract values, type of work, geography, and other demographics.

President Baker spoke about Dr. Phillips retirement.

NEXT MEETING DATE

The next meeting of the Finance, Facilities and Operations Committee will be May 18, 2017.

ADJOURNMENT

A motion was made to adjourn by Trustee Dennis Barsema; seconded by Trustee Wheeler Coleman. The motion passed.

Meeting adjourned at 2:31 p.m.

Respectfully submitted,

Vicky Rippberger
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.