

Minutes of the
NIU Board of Trustees of Northern Illinois University
Finance, Audit, Compliance, Facilities and Operations Committee
May 13, 2021

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 1:07 p.m. by Committee Chair Montel Gayles. This Finance, Audit, Compliance, Facilities and Operations Committee meeting is being conducted through video conferencing communications and is pursuant to Section 6 of Executive Order 2020-7 (Suspending Open Meetings Act requirements of in person attendance by members of a public body). Recording Secretary Sandy McCartney conducted a roll call of the Trustees. There are some Trustees and Staff in-person for this meeting. Their in-person attendance is voluntary in keeping pursuant with the Executive Order mentioned above.

Trustee Rita Athas: Present	Trustee John Butler: Absent
Committee Chair Montel Gayles: Present	Trustee Veronica Herrero: Present
Trustee Bob Pritchard: Present	Trustee Aidan Shields: Present
Committee Vice Chair Eric Wasowicz: Present	Board Chair Dennis Barsema: Present

Also, present were President Lisa Freeman, Committee Liaison and Vice President for Administration and Finance and Chief Financial Officer Sarah Chinniah, Vice President and General Counsel and Board Parliamentarian Bryan Perry, Executive Vice President and Provost Beth Ingram, Board Liaison and Chief of Staff Matt Streb and President of Longhouse Capital Michael Boisvert.

VERIFICATION OF QUORUM AND APPROPRIATE NOTICE OF PUBLIC MEETING

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

MEETING AGENDA APPROVAL

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

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes	Trustee John Butler: Absent
Committee Chair Montel Gayles: Yes	Trustee Veronica Herrero: Yes
Trustee Bob Pritchard: Yes	Trustee Aidan Shields: Yes
Committee Vice Chair Eric Wasowicz: Yes	Board Chair Dennis Barsema: Yes

The motion was approved.

REVIEW AND APPROVAL OF MINUTES

Committee Chair Gayles asked for a motion to approve the minutes of February 18, 2021. Trustee Pritchard so moved, and Trustee Herrero seconded.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Yes

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Yes

Board Chair Dennis Barsema: Yes

The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Committee Chair Gayles began with an overall review of the agenda and highlighted the successful Collegiate Housing Foundation (CHF) Bond refinance, resulting in an approximate savings of \$77M for the university. He recognized VPCFO Chinniah and her team for the bond refinancing and for the FY21 budget performance. Committee Chair Gayles recognized President Freeman and the entire NIU community for financial management and perseverance through a challenging year.

Committee Chair Gayles welcomed the University Advisory Committee members that were present and asked if anyone had any comments for the board.

There were no comments.

PUBLIC COMMENT

Committee Chair Gayles introduced the public comment portion of the meeting. General Counsel Perry indicated that there were no registered public comments.

FINANCIAL UPDATE

Committee Chair Gayles asked VPCFO Chinniah to present the Financial Update.

Agenda Item 7.a. Quarterly Financial Summary Fiscal Year 2021 – Third Quarter as of March 31, 2021

VPCFO Chinniah presented Agenda Item 7.a. and asked the trustees to go to the table on page 13.

During her presentation, VPCFO Chinniah expressed appreciation to staff and faculty across the university for moving forward only mission critical purchases. She also thanked the Board of Trustees for their confidence when approving the FY21 budget and allowing the university the ability to work to address the expected gap between revenues and expenses.

Board Chair Barsema asked how much federal relief funding would carry over to the FY22 budget. VPCFO Chinniah said the estimate would be around \$20M. No further discussion followed.

Agenda Item 7.b. Periodic Report on Investments for Period Ending March 31, 2021

VPCFO Chinniah presented Agenda Item 7.b.

Board Chair Barsema asked if NIU has a written Cash Management Policy. Associate Vice President of Finance & Treasury Shyree Sanan, confirmed NIU does and provided its location on the NIU Website. It was also asked and answered that yes, money received from federal relief funds would help replenish cash.

Agenda Item 7.c. Series 2011 CHF Bond Refinancing with Series 2021 AFS Bond Update

VPCFO Chinniah presented Agenda Item 7.c.

VPCFO Chinniah introduced Michael Boisvert, President of Longhouse Capital, to summarize the refinancing of the Series 2011 CHF Bonds. VPCFO Chinniah recognized the University team including Vice President and General Counsel Bryan Perry, Associate Vice President for Finance and Treasury, Shyree Sanan, Controller, Jason Askin, and Director of Budget and Financial Planning, Andrew Rogers, as well as acknowledged the effort of Longhouse Capital, who provided critical knowledge, advice, and advocacy throughout the entire process. Mr. Boisvert highlighted several positives with the marketing effort to establish the refinancing rates and secure the transaction, as well as confirmed that NIU exceeded the 20% Business Enterprise Program (BEP) goal. VPCFO Chinniah confirmed that the last two refinancing efforts will save the university \$129M over the life of the issues without extending the final maturities of the debt. This level of savings allows NIU to think differently about its debt servicing strategy. Committee Chair Gayles and all the Trustees expressed their great pleasure in this refinancing transaction.

Agenda Item 7.d. Fiscal Year 2022 University Budget – Preliminary Summary

VPCFO Chinniah presented Agenda Item 7.d.

Committee Chair Gayles thanked President Freeman for a great job, when talking about only a \$10M loss following a very challenging year. President Freeman thanked the board for their trust and support as the university positions itself to pivot towards multi-year planning.

UNIVERSITY RECOMMENDATIONS

Committee Chair Gayles stated the university is putting forward a full set of recommendations in anticipation of resuming on campus activity. He also reminded the committee members that many of the recommendations will reference discussions from earlier in the day.

Agenda Item 8.a. Classroom Technology Upgrades

VPCFO Chinniah presented Agenda Item 8.a.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.a. Board Chair Barsema so moved, and Trustee Athas seconded.

VPCFO Chinniah affirmed the upgrades will meet existing and future needs. The Provost's Office has led a series of discussions with various campus partners to identify those most frequently used classrooms. Further discussion surrounded which classrooms were to be upgraded and methods for prioritization.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Yes

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Yes

Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.b. Renewal of Blackboard Learn Software License

VPCFO Chinniah presented Agenda Item 8.b.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.b. Trustee Pritchard so moved, and Committee Vice Chair Wasowicz seconded.

Board Chair Barsema asked about timing, and VPCFO Chinniah confirmed the identified time frame would allow for a transition period should a different vendor be selected going forward.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Yes

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Yes

Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.c. Smart Guidance

VPCFO Chinniah presented Agenda Item 8.c.

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

There was no discussion on this item.

Committee Chair Gayles asked Sandy McCartney to take a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Yes

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Yes

Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.d. Beverage Program (Fiscal Year 2022-Fiscal Year 2027 with Options)

VPCFO Chinniah presented Agenda Item 8.d.

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

Conversation ensued regarding increasing BEP participation going forward and beverage provisions and accessibility for campus. Committee Chair Gayles gave VPCFO Chinniah and her team credit, as this had been a difficult RFP that extended beyond the original timeline.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Yes

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Yes

Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.e. Music Building – Partial Roof Replacement Capital Project Approval

VPCFO Chinniah presented Agenda Item 8.e.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.e. Trustee Pritchard so moved, and Trustee Shields seconded.

Conversation followed regarding BEP participation, and VPCFO Chinniah affirmed the minimum 20% goal is included in the RFP, which can be met by the vendor itself or through its second and third tier subcontractors.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Yes

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Yes

Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.f. Convocation Center – Arena and Auxiliary Gym Lighting Upgrade Capital Project Approval

VPCFO Chinniah presented Agenda Item 8.f.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.f. Trustee Athas so moved, and Trustee Pritchard seconded.

Trustee Pritchard opened discussion around the estimated six-year cost recouping from energy savings, and VPCFO Chinniah indicated it may be possible to earn back the costs sooner. Additionally, conversation continued regarding BEP participation, and VPCFO Chinniah affirmed the minimum 20% goal was included in the RFP.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Yes

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Yes Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.g. Outbound Ticket Sales Vendor Agreement

VPCFO Chinniah presented Agenda Item 8.g.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.g. Trustee Athas so moved, and Committee Vice Chair Wasowicz seconded.

Trustee Athas opened conversation around how ticket sales with this vendor works. Executive Associate Athletic Director, John Cheney, provided a thorough explanation as to how this vendor partners with NIU, including revenue generation accounting for the cost of vendor services.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Yes

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Yes

Board Chair Dennis Barsema: Yes

The motion was approved.

Trustee Herrero left the meeting at 2:01 p.m.

Agenda Item 8.h. Air Charter Services for NIU Football Team

VPCFO Chinniah presented Agenda Item 8.h.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.h. Committee Vice Chair Wasowicz so moved, and Trustee Athas seconded.

Trustee Athas opened discussion around which teams use this agreement, and Senior Associate Athletics Director, John Cheney, explained the football team is the only group large enough to warrant this type of agreement. Director Cheney also explained some of the other team's travel arrangements to help illustrate why this only applies to football. Director Cheney fielded conversations around the decision to elect a three-year term and how variable costs are calculated.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Yes

Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.i. Secondary Student Health Insurance Contract Renewal

VPCFO Chinniah presented Agenda Item 8.i.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.i. Trustee Pritchard so moved, and Trustee Shields seconded.

At 2:09 p.m. Committee Vice Chair Wasowicz announced he was stepping out and would rejoin the meeting when possible. Committee Chair Gayles confirmed there was still a quorum.

Board Chair Barsema inquired why the cost of the insurance had risen so much in a year. Director Cheney provided insight as to some possible reasons for the increase. A request was made for additional information as to the cause of the increase. President Freeman offered to take this to the Mid-American Conference (MAC) President's and Illinois Chancellor's table as well since it is National Collegiate Athletic Association (NCAA) secondary insurance.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Absent Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.j. NIU Foundation Professional Services Contract

VPCFO Chinniah presented Agenda Item 8.j.

VPCFO Chinniah expressed, on behalf of the university, appreciation to the Foundation for again holding the rate of the professional services agreement flat.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.j. Trustee Athas so moved, and Board Chair Barsema seconded.

Discussion followed as trustees asked about salary increments and whether the requested amount sufficiently covers the upcoming campaign. VPCFO Chinniah and President Freeman affirmed employees have received increases, and the campaign will be factored into multiyear planning and prioritization.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Absent Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.k. Talent Acquisition/Advertising Consulting Firm Affirmative Action/Equal Opportunity

VPCFO Chinniah presented Agenda Item 8.k.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.k. Board Chair Barsema so moved, and Trustee Pritchard seconded.

There was no discussion on this item.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Absent Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.l. Campus Printer/Copier Program Contract Renewal

VPCFO Chinniah presented Agenda Item 8.l.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.l. Trustee Athas so moved, and Trustee Shields seconded.

Committee Chair Gayles inquired about the level of BEP participation, and VPCFO Chinniah explained a waiver was issued at the start of this contract; however, there will be opportunities to revisit the appropriateness of the waiver. There was discussion about the new copier program change that went into effect three years ago and if it was well received. President Freeman felt it was generally well received and in several ways the campus was appreciative this decision had been made.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Absent Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.m. Cisco Hardware Maintenance Contract

VPCFO Chinniah presented Agenda Item 8.m.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.m. Board Chair Barsema so moved, and Trustee Athas seconded.

Committee Chair Gayles made a request for additional information on BEP waivers granted, with the understanding some are legislative.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Absent Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.n. Renewal of OnBase Software Maintenance

VPCFO Chinniah presented Agenda Item 8.n.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.n. Trustee Shields so moved, and Trustee Pritchard seconded.

Board Chair Barsema asked for specific examples of departments on campus who used OnBase and in what capacity. Chief Information Officer Matt Parks listed several departments currently using OnBase and for which purposes. Discussion continued regarding how NIU is charged for OnBase and that a BEP waiver was applied as OnBase is a sole source procurement.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Absent

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Absent Board Chair Dennis Barsema: Yes

The motion was approved.

Agenda Item 8.o. Adobe Enterprise Term License Agreement (ETLA)

VPCFO Chinniah presented Agenda Item 8.o.

Committee Chair Gayles asked for a motion to approve Agenda Item 8.o. Trustee Athas so moved, and Trustee Pritchard seconded.

There was no item discussion.

Trustee Herrero returned to the virtual meeting at 2:31 p.m.

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Abstained

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Absent Board Chair Dennis Barsema: Yes

The motion was approved.

UNIVERSITY REPORTS

Committee Chair Gayles asked VPCFO Chinniah to present the University Reports.

VPCFO Chinniah stated there were two University Reports. Comprehensive write ups had been provided in the materials so there would be no formal presentation, however she would respond to any questions. There was no discussion.

Information Item 9.a. – Quarterly Summary Report of Transactions in Excess of \$100,000 for the Period January 1, 2021 to March 31, 2021

Information Item 9.b.- – Semi-Annual Progress Report of Active Capital Projects with Budget Over \$100,000

OTHER MATTERS

There were no other matters.

NEXT MEETING DATE

The next meeting of the Finance, Audit, Compliance, Facilities and Operations Committee will be August 26, 2021.

ADJOURNMENT

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

Committee Chair Gayles asked Sandy McCartney to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee John Butler: Absent

Committee Chair Montel Gayles: Yes

Trustee Veronica Herrero: Yes

Trustee Bob Pritchard: Yes

Trustee Aidan Shields: Yes

Committee Vice Chair Eric Wasowicz: Absent Board Chair Dennis Barsema: Yes

The motion was approved.

The meeting adjourned at 2:33p.m.

Respectfully submitted,

Sandy McCartney

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.